



# **MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)**

**Milton, Queensland**

**LH AUS FMS AUDIT SUMMARY REPORT**

**Surveillance Audit**

**21 November 2024**





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Certification Audit     Re-Certification Audit     Surveillance Audit     Scope Extension

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

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## INTRODUCTION

This report summarises the results of the 21 November 2024 audit conducted on Manulife Investment Management Agriculture Services (Australia) managed production agriculture properties. The audit was conducted by Matt Armstrong, Averum Lead Auditor. Matt Armstrong has experience with Leading Harvest throughout its development and is an assurance provider for multiple sustainability programs. Site visits were conducted by Field Auditor Jemma Lawrence. Jemma Lawrence has experience with the Leading Harvest Australian pilot program and has expertise in various sustainable agricultural production systems and Australian crop types. The audit process and reports were independently reviewed by Wade Bone, who is familiar with the Leading Harvest standard and varied agricultural production systems. 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 2024, Averum was engaged by Manulife to perform an audit of sustainability performance on 20,000-40,000 hectares of managed agricultural operations to determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Australia Farmland Management Standard 2023 (LH AUS FMS). LH AUS FMS objectives 1-13 were assessed during site visits on properties in Queensland, New South Wales, and Victoria. There was no substitution or modification of LH AUS FMS performance measures.

## COMPANY INFORMATION

Manulife is an independent agricultural investment firm. Manulife's farm management staff and third-party tenant operators are responsible for the day-to-day farmland management services for Manulife's properties. Manulife 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.

Manulife engaged Averum to provide surveillance audit services on their properties in 2024. For the 2024 surveillance audits three (3) sites in Queensland, New South Wales and Victoria were selected, with two (2) farm managers and two (2) regional managers included. Managers overseeing decision making and standard compliance for sample regions were contacted for evidence requests and interviews. The properties in these regions provide a representative sample of current practices and management decision making. The main crops produced on the sites are almonds and macadamias.

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## AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for Manulife coordinators to upload evidence and documentation securely for auditor review, and evidence was continuously uploaded throughout the audit. An opening meeting was held on 16 October 2024, preceding site visits. Field sites in Queensland, New South Wales and Victoria were examined on 22-24 October 2024. Following site visits, a document review of the provided evidence was conducted by Averum. A closing meeting was held on 21 November 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 clients to supply documentation for review, provide feedback on observations and notes, and for multiple levels of audit team review and signoff. Throughout the audit engagement, conference calling technology (Microsoft Teams) was utilised for client correspondence, conducting management interviews, follow-up interviews, and Opening and Closing meetings. As Leading Harvest engagements are geographically decentralised, the use of ICT communications was essential.

### Opening Meeting: Conference Call

16 October 2024

#### Attendees:

(Manulife) Kristy Hart, Darcy Moar, Jennifer Alvarado, Jessica Lott, Kylie Hauff, Nicole Steer, Phillip Scott, Robert Lowe, Shane Bodiam, Steve Scott

(Audit Team) Matt Armstrong, Jemma Lawrence

#### 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

21 November 2024

**Attendees:**

(Manulife) Kristy Hart, Shane Bodiam

(Audit Team) Matt Armstrong, Jemma Lawrence

**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): 1
  - Notable Practices: 5
- Report timing and expectations: Matt Armstrong

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## MULTI-SITE REQUIREMENTS

Manulife maintains operations at multiple properties in Queensland, South Australia, Tasmania, New South Wales, and Victoria. Manulife qualifies for multi-site sampling as properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. The Health, Safety, and Environment (HSE) manager is responsible for developing corrective action plans regarding LH AUS FMS conformance and reporting to Manulife management. The current Manulife review and monitoring process is effective and ongoing.

Field visits and observations are conducted on a sample of regions each year. Sampling methodology is provided in the LH AUS FMS. In accordance with International Accreditation Forum Mandatory Documents (IAF-MD) methodology, all sites were initially selected at random, with consideration given to any preliminary examinations, 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
New South Wales, Victoria	Almonds	Two (2) sites visited during audit <ul style="list-style-type: none"><li>- The properties visited in this region represents 10% of total acreage</li><li>- Management population: One (1) regional manager, one (1) farm manager</li><li>- Sites visited: Tooleybuc Farms, Old Goodnight</li></ul>
Queensland	Macadamias	One (1) site visited during audit <ul style="list-style-type: none"><li>- The property visited in this region represents 2% of total acreage</li><li>- Management population: One (1) regional manager, One (1) farm manager</li><li>- Sites visited: Emerald</li></ul>

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## AUDIT RESULTS

Overall, Manulife's agricultural operations continue to meet the objectives of LH AUS FMS. Interviews and document reviews were performed to determine procedural and documentation conformance to the LH AUS FMS. Documentation of practices was continuously supplied throughout the audit as requested. Documentation from multiple sites was provided to auditors. Field visits were conducted at three operating sites located in New South Wales and Victoria (two sites) and Queensland (one site). Visits were undertaken during the growing season for the permanent horticulture sites, allowing for the assessment of ongoing maintenance and management. Central and regional management representatives, in addition to farm managers, were interviewed in-person or virtually via Microsoft Teams to illustrate Manulife's conformance against the LH Aus FMS and policy implementation. Central office staff with roles relevant to LH AUS FMS conformance were interviewed to determine awareness and support for LH AUS FMS conformance, and to identify company practices and procedures not performed by farm managers. The Manulife HSE Risk Manager served as a guide and was available throughout the entire engagement, providing logistical support and fulfilling evidence requests as needed.

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

### Objective 1: Sustainable Agriculture Management

#### 1.1 Sustainable Agriculture Stewardship

##### **Conformance Evidence**

Sustainable Ag Stewardship\_Summary.docx  
MIM Ag Stewardship Principles.pdf  
MIM Ag Stewardship Policies.pdf  
2024 VIP Scorecard.docx  
All Employee Training.docx  
Freshcare Certificates - 2024  
MIM Ag Sustainable investing report 2022.pdf  
Property Visit Record Rev2.pdf  
Pages from Corporate HSEQ induction.pdf  
TrainingRecordSummary LH training managers & Supervisors.xlsx  
AuditFindingSummary LH 2023.pdf

##### **Auditor Notes**

- Manulife maintains publicly available policies on their website.
- Manulife's Environmental Sustainability Policy is specific to Australian operations. Other statements, policies and sustainable investing reports are developed at a global level to ensure they are consistent with the US business.
- Sustainability initiatives are considered by the board and reviewed during the budget process annually. Initiatives are outlined in Manulife's Sustainable Investment Policy.

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#### Objective 1: Sustainable Agriculture Management

- The Sustainable Investment Policy includes information on Manulife's approach to sustainable agricultural stewardship and its commitment to managing synergies and trade-offs between economic, social, and environmental dimensions of farmland management.
- Small scale projects are driven from a farm or regional level, while land developments are driven by long-term strategic plans.
- The risk register and farm operating plans are informed by the water manager, HSE manager, and coordinator.
- Farm managers are involved in the development of budgets and operating plans.
- Manulife establishes accountability through quarterly and monthly reports.
- The KPI incentive program rewards good performance, high hazard identification, low incidents, water efficiency, and financial performance per plan based on gross margin budgets.
- Have expanded board reports to include more information on climatic aspects, sustainability, social and bushfire risk, etc.
- Due diligence assessments are now recording more technological changes.
- There has been a change to how sustainability responsibilities are spread across business. It is not only the HSE managers role, but rather an integration of people from across the business.
- Working with farming land that has been under production for a significant amount of time.
- Manulife often converts dryland or lower value assets into higher value crops, which is informed by farm assessments.
- Land areas are not converted out of agricultural production unless identified as having lower production benefit through due diligence. For example, land would provide greater benefit for biodiversity or supporting area or there would be degradation under continued production (e.g. sand blow areas).

**Result: In Conformance**

#### 1.2 Critical External Factors

##### **Conformance Evidence**

Critical External Factors\_Summary.docx  
Example safely alert 2024 seasonal fire outlook.pdf  
Completed annual bushfire inspection.pdf  
Org Chart.pdf  
MAS(AU) HSEQ Risk Matrix.pdf  
Corporate Risk Register - 2024 (example categories).xlsx

##### **Auditor Notes**

- Risk registers are created and reviewed annually.
- They have been expanded to include more climate, sustainability, social and QA risks, rather than just health and safety than it used to be.
- This has included updates to the risk matrix to include more information in the consequence descriptions relating to the new factors (climate, sustainability, social and QA).
- Risk registers have been gazetted to be part of the employee incentive program.
- The HSE strategy is reviewed annually, identifying new needs, training schedules for the next year, and assessing whether training budgets need to be increased.



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#### Objective 1: Sustainable Agriculture Management

- The business operates globally and uses global outlooks to inform reports that assist farm managers.
- Farm operating reports, due diligence reports, annual budgets, and risk registers contribute to the efficiency of farming operations.
- Industry affiliations are used to gather information and prepare for potential future challenges.
- Farm managers aim to be proactive rather than reactive in responding to critical external factors.
- Some farming practices have been adapted for safety and cleanliness, such as implementing seed treatment instead of spray.
- Seasonal outlooks, incident programs, emergency management plans, and safety alerts are utilised.
- In response to predicted dry and hot conditions, actions such as early inspections and increased safety alerts on heat stress and bushfires have been taken.

***Result: In Conformance, Notable Practice***

## Objective 2: Soil Health and Conservation

### 2.1 Soil Health

#### **Conformance Evidence**

Soil Health & Conservation\_Summary.docx  
MIM Ag Stewardship\_Soil Productivity Policy.pdf  
Soil analysis reports 2024  
Soil testing invoices  
Soil probe data  
Regen Ag practices definitions for annual reporting (2023).pdf  
Agronomist reports  
Agronomist invoices  
Leaf & Hull Analysis reports  
2023-2024 fertiliser program

#### **Auditor Notes**

- Grid sampling is completed during the diligence process for property acquisitions to determine soil suitability for development.
- On one farm, the surveys determined that one area required separating for specific management due to site constraints.
- On the almond farms the soil profiles are similar, with sand, sandy loam and clay soil types.
- Annual soil testing is completed on the three soil types.
- Soil testing includes full suite of parameters.
- pH and electrical conductivity trends are monitored over time due to the implications on fertiliser uptake and soil and tree health.
- On the macadamia farm, soils present are red loam to clay on one side of the farm and sandier on the other, which adjusts management choices between sides.
- Soil testing is completed on an annual basis and includes the full suite of nutrients, EC, microbes, macros, and pH etc.
- High pH is managed by feeding microbes with foliar sprays.
- Inter-rows are grassed year-round, mounds are kept clear and a strip alongside the mounds is sprayed out prior to harvest.
- Sprinkler irrigation system assists with the growth of grass in inter-rows.
- In the almonds, tissue testing (leaf analysis) is completed annually in January each year, though this will be expanded to include sampling throughout the year to improve efficiency of nutrient management plan.
- Hull testing is completed at harvest.
- For both the almond and macadamia farms, the nutrient management plans (NMP) are developed during the budgetary process based on seasonal forecasts and proposed yields and revised when annual soil test results are received.
- The external agronomist will visit the farms during the season and recommend any adjustments to the plan during the season.
- Agronomists increase the frequency of visits during almond flowering to harvest periods and they are available for additional visits as required based on farm conditions.

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#### Objective 2: Soil Health and Conservation

- The farm manager has now engaged a second agronomist for the almond orchards, to allow for greater coverage of issues due to the size of the properties
- In the macadamias, the agronomist is on farm every 4-6 weeks during flowering and then less frequently during the rest of the year.
- The fertigation program for the almond orchards is tracked through an excel sheet against the budgeted amount, with the fertigation manager logging details and reporting actual vs budgeted monthly and at the end of each season.
- Application details are also recorded in AgWorld.
- Changes to the program during the season are usually due to seasonal conditions leading to earlier flowering or the like, requiring the fertiliser program to be sped up to meet yield stage.
- For the macadamias, the nutrient management program is run directly through AgWorld as most applications are solid or spray applications, with limited fertigation applications.
- In the almond orchards, the prunings are mulched back into inter-rows.
- In the macadamia orchards, the prunings are mulched back into inter-rows. Approximately 80% of the macadamias are de-husked as they are collected from orchard rows and the husks are then spread in inter-rows. The inter-rows are also able to stay grassed year-round in the macadamia orchard.

**Result: In Conformance**

#### 2.2 Soil Conservation

##### Conformance Evidence

Soil Health & Conservation\_Summary.docx  
MIM Ag Stewardship\_Soil Productivity Policy.pdf  
Soil analysis reports 2024  
Soil testing invoices  
Soil probe data  
Regen Ag practices definitions for annual reporting (2023).pdf  
Agronomist reports  
Agronomist invoices  
Leaf & Hull Analysis reports  
2023-2024 fertiliser program

##### Auditor Notes

- In the almond orchards, erosion can occur on headlands during high rainfall events; however it is corrected as it occurs.
- Inter-rows are largely protected by tree cover due to tree maturity.
- A couple of lower points in the production blocks occasionally require water to be pumped to non-productive areas.
- Minimal production area was lost due to flooding and wet conditions in 2022, the pumping of water to non-productive areas prevented excessive waterlogging.
- In the macadamia orchard, no erosion occurs in the orchard blocks due to the grassed inter-rows
- There has been one instance of erosion on a headland which will be fixed and reseeded prior to the high rainfall period which starts in December.
- High pH across the farm is managed with the application of a foliar spray on the macadamia farms.

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#### Objective 2: Soil Health and Conservation

- Liquid gypsum was applied across the farm this year, however it is unlikely to be required again unless management changes.
- In both almonds and macadamias, pH and electrical conductivity is monitored annually.
- Some older orchards in the region where the almond orchards are located have seen pH changes due to long term fertigation. This is closely monitored to ensure there are no trends emerging.
- There is an annual program for some soils on the almond orchards to assist with infiltration on the heavier soils, though gypsum and lime have not yet been required.
- As part of the program, organic matter is applied to some of the heavier soils by injecting it about 1m from the dripline. Will be looking to ameliorate 100-110ha each year.
- A small low-lying area on one farm has been converted out of production due to shallow soils, this will likely be grassed.
- The macadamia orchard has been under production for a significant period, with the trees on one side of the farm up to 20 years old.
- There are no areas on the macadamia farm that have required retiring due to unsuitability for agricultural production.

***Result: In Conformance***

## Objective 3: Water Resources

### 3.1 Water Use

#### **Conformance Evidence**

Water Use\_Summary.docx  
MIM Ag Stewardship\_Water Use & Quality Policy.pdf  
HSEQSTD-016 Water Management.pdf  
Pages from HNRG-SRI-Report 2020.pdf  
Aus Water Month-end October 2024.pdf  
Water Registers

#### **Auditor Notes**

- Both regions where properties are located are governed by allocation limits to manage sustainable extraction.
- The almond properties are located in the Murray Darling Basin which does have historical over extraction issues and has been subject to environmental buy back schemes.
- In the Fitzroy Basin, where the Macadamia farm is located, there are sustainable limits for extraction set and the government completes reviews every five years to ensure over-extraction is not occurring.
- Over the last 12 to 18 months, Manulife have amalgamated the business process for managing water into a central document. Yet to be rolled out throughout the business, it will be used as a communication tool to detail the processes already in place.
- The document will include a register of requirements for all water licences and outline incident response procedures for water related incidents, for example, the failure of a water meter.
- The water manager at Manulife is responsible for planning water supply, forecasting, which is particularly relevant to the almond properties where temporary allocations are purchased each season.
- The water manager's responsibilities include monthly catch ups with farm managers for long term forecasting including changes to temperature during the season, reviews of regulatory changes and reporting water use to the board.
- The business has seen benefits internally from having a central office-based water managers to support the on-farm staff.
- For the almond properties, the local irrigation scheme provides irrigation water via the Murray River.
- Recently installed StarLink provides more consistent telemetry access rather than relying on the local service. This information is directly fed back to the water authority for reporting purposes.
- Farm and irrigation managers meet monthly with Manulife's water manager to review monthly water budgets and forecasts.
- For the almond properties, daily water order requirements are inputted on a fortnightly basis and water use is reviewed monthly to ensure allocations are not exceeded.
- The farm managers and water managers been working to build in efficiencies to reduce water use over time.
- Irrigation water at the macadamia property is sourced from the local irrigation scheme.
- The water order system requires 24 hours lead time on takes.
- Irrigation water is pumped from the irrigation channel to the farm storage dam before irrigation occurs, with the dam filled approximately every two weeks.
- Meter readings are reported back to Manulife's water manager monthly while the start and end of season meter reads are provided to the water authority.

### Objective 3: Water Resources

- There is sufficient water allocations owned at the macadamia property to cover all crop water requirements.
- Two bores may be recommissioned in the long term, however they are not required to meet orchard water requirements.
- Local water authorities are the primary water group in the farm regions. If there are any issues on farm or with water allocation access, farm managers coordinate with the local water authorities representatives. The water authorities will also host field days periodically.
- The irrigation system supply companies often come to farm to test pressures and monitor the health of the irrigation system.
- The farm manager of the almond properties has been working with the state government and local fisheries service on the Bingara Creek project to refill the creek after the black water and pest fish incursion during the 2022 floods. Fresh water has been pumped back into the creek, which is isolated from other water systems.
- Employees are rewarded for improved water efficiency through the employee incentive program.
- Irrigation system checks are completed internally. This occurs at the start of the irrigation season (for the almonds) and on an ongoing basis, with pressure checks and filter changes completed as required.
- The water budgets are developed prior to the irrigation season for the almonds and bi-annually for the macadamias, and are tweaked throughout the season based on weather forecasts and conditions.
- Monthly water meter checks are completed and reported back to the water manager.
- Soil moisture probes are located around the farms based on soil types.
- On the almond orchards, managers have seen a decline in water use over the years as more efficacies are built into the system.
- Phytech and dendrometers are also used in the macadamia orchard to inform irrigation practices.

**Result: In Conformance**

### 3.2 Water Quality

#### **Conformance Evidence**

MIM Ag Stewardship\_Riparian Policy.pdf

Water tests

Water usage records

#### **Auditor Notes**

- Water quality testing completed on irrigation and drinking water at the farms for E.coli and pH in particular.
- Groundwater monitoring occurs on one of the almond properties via pesimeters which records groundwater monthly. Records of levels are kept and provided to the department if requested, however that does not generally occur.
- Groundwater levels were higher during the wet year in 2022 but have now returned to normal levels.
- The spray contractor is responsible for all spraying activities on the almond properties. Applications are based on the spray program which has been inputted into AgWorld by the farm supervisors and verified by the contractor prior to spraying.
- Regional and farm managers work with agronomists to develop spray programs.
- Weather stations on the farms are used to inform spraying.

### **Objective 3: Water Resources**

- There is an ephemeral creek running through the macadamia farm which is buffered from the production areas.
- On the macadamia farms, all spraying is completed internally by internally trained or ChemCert accredited employees as applicable.
- The internal competency training that employees must complete allows them to spray but not mix, non-scheduled chemicals when overseen by a ChemCert accredited employee.
- Buffers exist between the production blocks, creek, and vegetation areas on the macadamia farm.
- Casuarinas have been planted on property boundary to minimise drift to neighbours, weather stations on farm inform conditions for spraying and spraying does not occur when drift to riparian zones or neighbours is likely to occur.
- Control weeds in riparian zones (e.g. blackberries, box thorns) via spot spraying or mechanical removal.

***Result: In Conformance***

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#### Objective 4: Crop Protection

##### 4.1 Integrated Pest Management

###### **Conformance Evidence**

Integrated Pest Management \_Summary.docx  
MIM Ag Stewardship\_Agricultural Chemical Use Policy.pdf  
HSEQPOL-005 FQA June2024.pdf  
HSEQSTD-004 Hazardous Substances Ag Chemical use.pdf  
Integrated Pest Management (IPM) Plan - Almonds  
Integrated Pest Management (IPM) Plan - Macadamia  
Pest Scouting  
2024-3 Rodent Bait Station Inspection  
FSB trap locations  
Map of Rodent Bait Stations 2024  
Firearms Permits example.pdf  
2024-01 Product Management QA Procedure.docx

###### **Auditor Notes**

- There is an induction process for all visitors to the farms, which is now linked through QR codes for sign in and sign out.
- Online inductions for contractors and employees are now available.
- Inductions include notification of production areas for contractors and new employees and AgWorld also outlines the production blocks.
- Contractors are expected to come clean, and washdown bays are available on farm.
- Pruning machinery is inspected on arrival to farm for the macadamias.
- Any macadamia nuts remaining on the trees post-harvest drop to the ground over the storm season and are mulched prior to harvest.
- Local agronomists complete scouting in addition to farm staff, and provide traps for monitoring.
- Agronomists provide scouting reports on visits with findings of pest and beneficial levels and recommendations for control or to amend the spray program if required. Pest threshold levels are based on trap findings, pest life cycles and observed insects.
- Normalised Difference Vegetation Index (NDVI) imaging can be used to assist in monitoring for pest and disease impact.
- For the macadamia farm, this footage is out of date but will be looking to get it redone for this coming year to feed into farm management decisions.
- Preventative sprays are used in the macadamia orchards for disease over a four-month period.
- Gas guns and shooters control birds and foxes within production areas as required.
- An exclusion fence is going to be installed on the boundary of the macadamia farm between it and the national park to limit the incursion of pigs in particular.
- Bait stations are located around the bunker and infrastructure areas.
- Headland areas on the farms are slashed.
- Soft chemicals are used where possible to support beneficials and the spray programs are managed to ensure there is no impact on the bee hives while they are on farm.
- Applications are recorded in AgWorld.



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#### Objective 4: Crop Protection

*Result: In Conformance*

#### 4.2 Crop Protectant Management

##### **Conformance Evidence**

Crop Protectant Management \_Summary.docx  
MIM Ag Stewardship\_Agricultural Chemical Use Policy.pdf  
HSEQSTD-004 Hazardous Substances Ag Chemical use.pdf  
TrainingRecordSummary GEM.pdf  
Spray Records  
Acceptable Spray Conditions  
HSEQFOR-008 Haz Subs Risk Assessment Glyphosate 450 Herbicide rev3 (1).pdf  
Chemical Spill Emergency Response Flowchart.pdf  
HSEQFOR-018 Notification of spraying.pdf  
HSREG-002 Manifest.pdf

##### **Auditor Notes**

- Chemical storages have been upgraded on the almond properties, waiting for sign-off from the local council.
- The safety shower has been installed at one storage, the other is on site for installation.
- All employees on the almond properties have ChemCert if they complete spraying internally, or otherwise booked in for renewal.
- The spray contractor on the almond properties has been inducted into the Velocity system to allow them to track their employees more easily and provides notifications when renewals are required.
- The spray contractor requires his employees to complete competency assessments on top of their ChemCert accreditations.
- Safety Data Sheets (SDSs) are stored in AgWorld (linked to spray work orders) and Velocity and hard copies are available.
- On the macadamia farms, all spraying is completed internally by internally trained or ChemCert accredited employees as applicable.
- The internal competency training that employees must complete allows them to spray but not mix, non-scheduled chemicals when overseen by a ChemCert accredited employee.
- Spray logs are maintained in addition to AgWorld records, including records of weather conditions, although this is being transitioned to live recording into AgWorld.
- Buffers exist between the production blocks, creek, and vegetation areas on the macadamia farm.
- Casuarinas have been planted on property boundary to minimise drift to neighbours, weather stations on farm inform conditions for spraying and spraying does not occur when drift to riparian zones or neighbours is likely to occur.
- There are two fitted out containers on farm for the storage of chemicals on the macadamia farm.

*Result: In Conformance*

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

##### 5.1 Agricultural Energy Use and Conservation

###### **Conformance Evidence**

Energy Use, Air Quality\_Summary.docx  
MIM Ag Stewardship\_Energy Efficiency, Air Quality and Climate Change Policy.pdf  
2023 Agriculture Operations Data.xlsx  
MFS(AU) Safety Alert -8\_Emergency Warning System (floods).pdf  
MFS(AU) Safety Alert -19\_Bushfire preparation.pdf  
AUS Input Table & Results 2023 Carbon Calculator.xlsx

###### **Auditor Notes**

- Energy and diesel bills are tracked at the head office level.
- The managing director is responsible for providing data to global reports.
- Manulife have started a global environment group to coordinate how data is recorded and reported.
- Track fuel usage on SmartFill and Everlink, which tracks usage against each person and job codes so that there can be specific job codes for fungicides or harvest etc.
- The information is used for budgetary purposes and reporting and determines the fuel efficiency of tractors, generators. Generator fuel usage is tracked via dip stick inspections.
- The farm managers also monitor the diesel and oil use for changes as an indicator to determine if machinery is due for a service or replacement.
- Pumps have a soft start.
- Maintenance on machinery is generally based on hours and they are serviced by mobile mechanics.
- Mechanics have SOPs and work instructions for most jobs and new employees have to be signed off as competent on machinery before they can operate them independently.
- Minimum standards required are set by farm managers.
- With new machinery purchases, the availability, efficiency, and reliability of machinery are the top parameters and must be checked by multiple people through the CAPEX project.
- The training or other safety requirements are part of the assessments for new machinery.
- Farm energy usage on farm is assessed during due diligence.
- Energy efficiency measures are being built into the fit out of the macadamia dehusking and sorting factory on farm, including the installation of VSD drives to optimise power requirements, 3 phase mains power & hydraulic power packs. The upgraded facility also reduces employee requirements from 4 to 1
- A SwarmBOT has been commissioned to replace a tractor on the macadamia farm. It will be able to slash and spray in one pass, reducing passes and increasing efficiency due to the smaller engine.
- The SwarmBOT will be able to pull information from the weather station so that it will shut off conditions are inappropriate for spraying.
- A renewables register is under development to list all current resources and potential installations across the farms. Solar is limited on farms, solar on pumps is usually the first investment.
- A new role in head office will support one-off projects and contractors and will assist farm staff with identifying opportunities for efficiencies.

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

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### 5.2 Air Quality

##### **Conformance Evidence**

Energy Use, Air Quality\_Summary.docx  
MIM Ag Stewardship\_Energy Efficiency, Air Quality and Climate Change Policy.pdf  
2023 Agriculture Operations Data.xlsx  
MFS(AU) Safety Alert -8\_Emergency Warning System (floods).pdf  
MFS(AU) Safety Alert -19\_Bushfire preparation.pdf

##### **Auditor Notes**

- Farms try to maintain consistency of staff between harvest periods to assist with efficiencies.
- All farm lighting has been upgraded to LED lighting.
- StarLink has been installed to improve communication.
- Farm manager monitors diesel and oil use for changes to determine if machinery is due for service or replacement.
- Variable speed drives are installed on pumps.
- Emissions are considered when purchasing new machines, in particular with the purchase of the SwarmBOT for the macadamia farm.
- Traffic management plans in place for the farm at all times, all have to be signed off by harvest casuals, have speed limits, posts to indicate intersections, have red and green signage for right of way
- Water trucks are used during harvest for the headlands and pads areas that are highly trafficked on the almond properties.
- Dust during harvest is not as significant an issue on the macadamia farm, as the inter-rows are grassed.

**Result: In Conformance**

#### 5.3 Climate-Smart Agriculture

##### **Conformance Evidence**

Energy Use, Air Quality\_Summary.docx  
MIM Ag Stewardship\_Energy Efficiency, Air Quality and Climate Change Policy.pdf  
2023 Agriculture Operations Data.xlsx  
MFS(AU) Safety Alert -8\_Emergency Warning System (floods).pdf  
MFS(AU) Safety Alert -19\_Bushfire preparation.pdf

##### **Auditor Notes**

- Manulife have developed SOPs and work instructions for most jobs and new employees have to be signed off as competent on machinery before they can operate them independently.
- Farms generally irrigate at night to reduce evaporation and utilise off peak hours for electricity.
- Traffic management plans in place, particularly over harvest period.
- Harvest machines are owned internally and are serviced prior to the harvest period.
- Prunings are mulched back into the inter-rows for the almond and macadamia orchards.

## MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

### LH AUS FMS AUDIT SUMMARY REPORT

#### SURVEILLANCE AUDIT

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- Seasonal conditions have been variable over the last few years.
- Monthly reports include a section on the long-term climatic impacts.
- Cold winters are occurring more frequently in the almond properties' region, which may require future installation of frost fans on some areas of the property.
- Forecasting for water purchases is done well in advance, due to dependence on market and seasonal conditions.
- The water department of Manulife will seek to increase permanent water allocations to 50% of the total required in the long term for the almond properties.
- Surface drainage has been upgraded on parts of the farm where flooding was an issue in 2022, a couple of small areas were converted out of production as sub-surface drainage was determined to be unfeasible.
- Inter-rows are grassed on the macadamia farm.
- Monitoring technology is used to inform irrigation practices on the almond and macadamia farms.
- Bee-Hero is being trialed on the macadamia farm to monitor some of the bee boxes on farm. It provides data on hive activity to inform pollination rates and assists the industry with tracking the spread of varroa mite.
- Crop insurance is cost prohibitive for both commodities.
- During due diligence, climate modelling and forecasting was completed and included in the long-term strategic plan and farm operating plan.
- The farm operating plans outline future planning, risks, and budgets for identified issues annually. Updates on activities relating to these plans are included in the monthly reports.
- Manulife have emergency action plans for bushfires for all properties, and several employees are part of the local fire services.
- Emergency management is included in induction processes and refreshed in toolboxes (e.g. bushfire, bee sting).
- Flash flooding is a risk on the macadamia farm, but it does not reach dangerous levels, only requiring detours around waters.
- Flood markers are planned to be installed to monitor water levels.

***Result: In Conformance***

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 6: Waste and Material Management

##### 6.1 Management of Waste and Other Materials

###### **Conformance Evidence**

Management of waste\_Summary.docx  
MIM Ag Stewardship\_Hazardous Materials and Waste Management Policy.pdf  
HSEQSTD-015 Waste Management.pdf  
Drum muster receipts  
JJ-s Used oil docketts  
Recycling receipt.pdf  
Septic receipt.pdf  
Tyre disposal fee.pdf  
Empty Fertiliser Bags.jpg  
Drum Muster.JPG

###### **Auditor Notes**

- A waste management policy and standard are in place. The policy outlines the business policy for disposal of historical waste prior to property acquisition, while the standard covers how waste should be disposed of on existing farms, following hierarchical principles and the roles and responsibilities of Manulife employees.
- General waste skips are collected weekly.
- Domestic waste is the largest contributor to general waste skips
- Unable to separate recyclables on two properties, instead this is added to the general waste skip
- As irrigation infrastructure is upgraded from dripline to sprinklers, the dripline is able to be returned to the supplier of the sprinklers.
- Steel is recycled.
- Tyres are retained to use as weights on tarps.
- Recycling of cans and bottles for the 10c scheme is separated.
- Oils are stored in waste oil shuttle until it is ready to be pumped out and removed by licenced waste transporter.
- Batteries and filters are recycled.
- If a spill were to occur, CleanAway will come and take away the contaminated material.
- Septic tanks are pumped out periodically by local contractor.
- Suppliers accept returns of chemical IBCs and enviros, if small 20L drums are used they are triple rinsed and stored prior to delivery to DrumMuster.
- Fertiliser IBCs are often reused on farm.
- The due diligence process identified that the fuel storages required upgrades on the macadamia farm.
- Diesel is now stored in self-bunded tanks.
- Petrol is currently still stored in existing tanks and will be stored in these until tanks are emptied, at which point the tanks will be removed from farm and petrol only brought on farm in jerry cans.

**Result: In Conformance**

## 6.2 Food and Agricultural Waste Resource Recovery

### **Conformance Evidence**

Food & Ag waste\_Summary.docx  
Freshcare Certificates 2024  
HSEQPOL-005 FQA June2024.pdf  
Freshcare training report.pdf

### **Auditor Notes**

- The farm manager has been working over the last twelve months on the almond properties to install several stable storage areas across the farm, to assist with moisture management and disease prevention.
- Drainage has been upgraded around the storage areas.
- Monitor stored almonds for pests and disease to manage risk of waste product.
- The improvements with tarps, pads and the drying facility have assisted in maintaining the quality of the almonds as much as possible.
- A sweeper follows the harvester during the sweep to monitor waste and can tweak machinery settings if there is too much left behind.
- Any waste almonds at the end of storage (though minimal), are burned to mitigate disease risk.
- The macadamia harvester is maintained, particularly the finger wheel to ensure macadamias are picked up efficiently.
- As the macadamias are primarily dehusked in the production blocks, the dehusker is checked throughout the day.
- A colour sorter is operational on the macadamia farm, this will sort the waste out, then this will be resorted to ensure that any good kernels have not been missed.
- Waste from after this point will be crushed and spread under the trees.
- In the almond orchards, the prunings are mulched by the new e-limb-inator, to ensure that it breaks down before harvest and the inter-rows explained prior to harvest.
- Hulls are reused by the almond processor.
- For the macadamias, husks are spread back under the trees due to the fact that most are dehusked in the orchard, as are any waste hulls from the sorting facility.
- Prunings are mulched back into the inter-rows in the macadamia orchard.

**Result: In Conformance**

## **Objective 7: Conservation of Biodiversity**

### **7.1 Species Protection**

#### ***Conformance Evidence***

Cons of Biodiversity\_Summary.docx  
MIM Ag Stewardship\_Biodiversity Policy.pdf  
MIM Ag Stewardship\_At-Risk Species Management Policy.pdf  
MIM Ag Stewardship\_Riparian Site Management Policy.pdf  
HSEQMANGEM Biodiversity.pdf  
HSEQMANOBN Biodiversity.pdf  
Endangered Species  
HSEQTBS - CH & Biodiversity Training pack  
TrainingSessionSummary.pdf

#### ***Auditor Notes***

- Due diligence identifies species and incorporates them into the property biodiversity plan.
- These reports highlight past observations and potential species, along with the necessary actions for on-farm management, if applicable.
- Biodiversity management plans are implemented for Manulife sites and require site managers to operate with consideration of threatened species in local catchments and landscapes of operation.
- Information about potential species is displayed on farm posters and communicated to farm staff through toolboxes and induction processes. Toolboxes on the topic are run annually.
- The almond farms are in a Regent parrot zone which is listed in the farm's biodiversity management plan and farm staff are encouraged to report sightings.
- Species sightings are generally reported to the farm manager who may elevate it to the HSE manager if deemed noteworthy.
- Feral species and control measures are outlined in the biodiversity management plans.
- The due diligence assessment at the macadamia farm identified two trees which are a listed threatened species. The orchard was designed to go around these trees.
- The short beaked echidna has been observed across the road from the farm.
- Information regarding threatened and endangered species on farm and management actions relating to them is communicated to staff through inductions, toolboxes, and signage.

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

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### 7.2 Wildlife Habitat Conservation

##### **Conformance Evidence**

Cons of Biodiversity\_Summary.docx  
MIM Ag Stewardship\_Biodiversity Policy.pdf  
MIM Ag Stewardship\_At-Risk Species Management Policy.pdf  
MIM Ag Stewardship\_Riparian Site Management Policy.pdf  
HSEQMANGEM Biodiversity.pdf  
HSEQMANOGN Biodiversity.pdf  
Endangered Species  
HSEQTBS - CH & Biodiversity Training pack  
TrainingSessionSummary.pdf

##### **Auditor Notes**

- There are remnant, offset and revegetation areas on farms.
- Biodiversity offset plans outline the management for the offset areas including plant stand or inspection requirements.
- The business has now developed google earth links for inclusion in the property specific biodiversity management plans or for providing to farm staff.
- Will be rolling this out across all farms over the next couple of years.
- The dams and non-productive areas on the farms provide areas for biodiversity, bird life, bees etc.
- There is a small vegetation area that has been found to be habitat for a threatened snake on the almond properties, however it has not been observed on farm.
- The farm manager on the almond properties has been working with local land care groups and NSW Water to rehabilitate a creek bed since 2016. Further work was required to improve the degraded creek bed due to black water incursion after the 2022 floods. The creek has been emptied of pest fish species and restocked with native fish species and the area also provides habitat for birds and other wildlife.
- Kangaroos and emus utilise the macadamia orchard sprinklers for water and cooling.
- The inter-rows are grassed in the production blocks and let weeds and wildflowers grow while bees are on farm to support them during pollination.

**Result: In Conformance**

#### 7.3 Avoided Conversion

##### **Conformance Evidence**

Cons of Biodiversity\_Summary.docx  
MIM Ag Stewardship\_Biodiversity Policy.pdf  
MIM Ag Stewardship\_At-Risk Species Management Policy.pdf  
MIM Ag Stewardship\_Riparian Site Management Policy.pdf  
MIMTA Deforestation Policy.pdf  
HSEQMANGEM Biodiversity.pdf  
HSEQMANOGN Biodiversity.pdf  
Endangered Species  
HSEQTBS - CH & Biodiversity Training pack  
TrainingSessionSummary.pdf



# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

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#### **Auditor Notes**

- No vegetation has been cleared since the developments concluded in 2018 on the almond properties.
- There are offset areas on farm linked to small scale clearing that was completed prior this time.
- Management actions undertaken in the offset areas must be recorded and can be requested by the regulator at any point.

**Result: In Conformance**

#### **7.4 Crop Diversity**

#### **Conformance Evidence**

Cons of Biodiversity\_Summary.docx  
MIM Ag Stewardship\_Biodiversity Policy.pdf  
MIM Ag Stewardship\_At-Risk Species Management Policy.pdf  
MIM Ag Stewardship\_Riparian Site Management Policy.pdf

#### **Auditor Notes**

- Multiple varieties of almond and macadamias are grown on the properties, chosen for yield or product as well as soil types and phenological cycles.
- In the macadamia orchard, one block will be replaced with a variety better suited to the soil type.
- Wattles, eucalypts, and wildflowers are usually out at the same time as bees are on farm.
- Have planted canola the last couple of years in non-productive areas or headlands at the almond properties to support the bees, however it can be challenging to get the canola to maturity and flowering at the same time as bees are on farm.

**Result: In Conformance**

## **Objective 8: Protection of Special Sites**

### **8.1 Site Protection**

#### ***Conformance Evidence***

Special site management\_Summary.docx  
MIM Ag Stewardship\_Social Responsibility Policy.pdf  
Cultural Heritage plans  
TrainingSessionSummary Cultural Heritage.pdf  
Recognising Heritage Items or sites.pdf

#### ***Auditor Notes***

- The due diligence process identifies cultural heritage sites through on ground surveys and register searches; any sites located are detailed in cultural heritage plans for each property.
- The information regarding any sites of significance is communicated through toolboxes on farm, if no sites are found, training includes what to do if a suspected site or artefact is found.
- Separate assessments and dial before you dig reports are completed if any new developments are to occur on farm which identifies any listed sites on registers.
- Some sites were identified on the NSW/Victorian farms during the due diligence process.
- Cultural heritage plans collated for each farm outline locations, significance, and management actions.
- Management usually involves not disturbing sites, although weed control or maintenance may be done to protect sites. For example, clearing a fallen tree, or removing a weed growing within the site.
- The cultural heritage management plans now include a photo on the google earth link that is provided in the cultural heritage management plans to assist employees with identification at sites.

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

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 9: Local Communities

##### 9.1 Economic Wellbeing

###### **Conformance Evidence**

Economic Well-being\_Summary.docx  
Approved local vendor listings  
Extract from Vendor Induction Pack - Code of conduct.pdf

###### **Auditor Notes**

- Support roles such as HR, HSE, water and legal teams play a significant role in meeting business requirements.
- Business policies and procedures are in place to ensure all payments are made as required.
- The responsibility of making all payments lies with the finance/admin teams.
- Due to the nature of the business, there are numerous policies around money laundering, fraud, and related topics that all employees must read and understand.
- Approved vendor lists for the farms are maintained to ensure contractors have all the appropriate insurances.
- Contractors that are used on an ongoing basis are now integrated into Velocity to enable training requirements and insurances to be tracked more closely. It is still the responsibility of the contractor to ensure that all staff have the required training.

**Result: In Conformance**

##### 9.2 Community Relations

###### **Conformance Evidence**

Community Relations\_Summary.docx  
MIM Ag Stewardship\_Social Responsibility Policy Last Revised 02.13.2024  
HSEQSTD-009 Good Neighbour.pdf  
Phone list - neighbour contacts.pdf  
HSEQSTD-013 Stewardship Contributions.pdf

###### **Auditor Notes**

- At a global level Manulife have partnerships and organisations that they contribute to.
- The Australian-specific community contribution strategy that was identified for development during Manulife's 2023 certification audit has been completed and includes a structured process for assessing community contributions, in line with the business standards and priorities.
- Initiatives that are identified on a farm level are now assessed by a committee annually for their alignment to these goals.
- Projects taken to the committee are listed on the Stewardship Management Register which outlines status of contributions.
- Projects identified for support this year include the Murray Cray rehabilitation project to replace the freshwater in Bingara Creek, supporting the local schools and AgTech for their agricultural programs, supporting local wildlife organisations etc.
- Manulife are looking to set up some bursaries to support the stewardship program goals in education.

### Objective 9: Local Communities

- Other initiatives with the local community include attendance at and participation in industry groups such as, the Macadamia industry events, Almond board and GRDC
- Staff from the farms are also often volunteers with the local fire services, this is particularly prevalent around the macadamia farm due to the prevalence of bushfires in the area.
- The business has a good neighbour policy with letter templates notification procedures.
- Manulife has developed a 'pay it forward' scheme where employees are provided with an additional day of volunteer leave to volunteer with an organisation of their choice. Vouchers are also distributed to all employees once a year to pass on to someone or something that would benefit from it.
- Goods and services are all sourced locally where possible.
- An impact hub has been developed to outline business contributions that includes volunteering time as well as other contributions that are then feed into the global reporting.

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

### 9.3 Local Communities and Indigenous Peoples

#### ***Conformance Evidence***

Local Communities & Indigenous\_Summary.docx  
Social Responsibility Policy

#### ***Auditor Notes***

- Social responsibility policy in place at a global level.
- Stewardship contributions policy has now been accepted and approved by the board.
- Good neighbour policy in place which outlines the farm managers decision making tree.
- The good neighbour procedure is recorded in the document management system (velocity).
- Complaints are logged through Velocity; the complaint response procedure requires a response to be made in writing.
- Any land rights are identified in the due diligence process.
- Site signage is present on entrance gates on all farms.
- On one farm there is a path to provide access to a viewing platform for an island with cultural significance.
- Indigenous lease is in place on non-developed areas for grazing of sheep.
- Information sheets regarding cultural significance of properties are provided to employees and used during training.
- Site signage on farm now references the central office number, passed on to farm manager as required.

***Result: In Conformance***

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

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#### 9.4 Public Health

##### **Conformance Evidence**

Public Health\_Summary.docx

MIM Ag Stewardship\_Social Responsibility Policy Last Revised 02.13.2024

HSEQFOR-015 Notification of poison baiting.docx

HSEQFOR-016 Notification of controlled burn.docx

HSEQFOR-017 Notification of firearm scare gun use.docx

HSEQFOR-018 Notification of spraying.docx

##### **Auditor Notes**

- Farm signage has been upgraded to have a central office number so there can be a central department for contacts.
- Biosecurity signage is posted on farms.
- Good neighbour policy outlines minimum communications and notification procedures with neighbours.
- All site personnel must complete an induction. An online induction is available which outlines site-specific information such as farm entry points and office locations.
- On farm information board and prestart cover what is happening on farm that day.
- A library of online modules for toolboxes have been put together to provide content for the farm managers to deliver.
- Farm managers are now able to choose from the library of topics to deliver based on what is relevant for farm activities or seasonality. For example, snake bite season or WHS updates. This has been developed over the last twelve months.
- Toolboxes occur monthly on the almond properties, and fortnightly at the macadamia farm due to having newer staff and contractors.
- Farms are incentivised to hold toolboxes at least monthly through the employee incentive program.
- Reviews are being completed on the document management system now that medical records are kept on file, as NSW legislation now requires hearing tests for all farm employees.
- A safety alert was sent out to farm staff to advise them of the change in legislation.
- Hearing tests are required within three months of commencing work in a noisy environment and every two years thereafter.
- Noise monitoring was completed on farm which was additional to legislative requirements and has led to changes on farm including tractor door seals being updated.
- One of Manulife's cardinal rules are hazard and incident reporting. Hazards, incidents or near misses are reported to Manulife's managing director, HSE manager, farm managers and/or HSEQ Advisor. depending on severity. Reporting now includes the notification of Manulife global for incidents past a certain level.
- The employee incentive program is tied to hazard ID, amongst other things, and rewards having more hazard identifications rather than an incident.
- Hazard notification informs HSE strategy. For example, high kangaroo numbers on roads can be mitigated through culling on property.
- There have been changes to required timeframes and the responsibilities matrix. This includes new notification frameworks and client notification procedures.
- Notifications for incident reporting are now automatic, with the option for escalation manually.

## MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

### LH AUS FMS AUDIT SUMMARY REPORT

#### SURVEILLANCE AUDIT

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- AgWorld has the recommendations, label and SDS for all spraying activities. From there SDS's are printed out and given to sprayers (if contractors), spray contractors will also do a toolbox training at kick off and do an additional training every morning before starting, this covers where they can and cannot go amongst other things. Weather stations are located on farm to inform spraying.

***Result: In Conformance***

**Objective 10: Employees and Farm Labor**

**10.1 Safe and Respectful Working Environment**

***Conformance Evidence***

Safe and Respectful\_Summary.docx  
HRPOL-001 HR June2024.pdf  
HSEQPOL-001 SAFE June2024.pdf  
MIM Ag Stewardship\_Safe Work Environment Policy.pdf  
HSEQPOL-002 HW June2024.pdf  
HSEQPOL-003 FFW June2024.pdf  
HSEQPOL-004 SH June2024.pdf  
HSEQPOL-005 FQA June2024.pdf  
Mandatory D&WPV training sessions.xlsx  
Psychosocial hazard management.docx  
MAS(AU) HSEQ Incident levels and notifications.pdf  
HSEQSTD-002 Incident management.pdf  
HSEQSTD-006 Health & FFW.pdf  
HSEQMANGEM Emergency & Fire.pdf  
HSEQMANTBF&OGN Emergency & Fire.pdf  
Value of the Quarter 2024 & Podium.docx

***Auditor Notes***

- Finding employees can pose a significant challenge due to labour shortages affecting all farms.
- The company is willing to give anyone a chance if they show interest and enthusiasm.
- Equal opportunity policies are in place.
- At a global level, there is a DEI (Diversity, Equity, and Inclusion) plan that aligns with the business strategy to attract trained and experienced employees.
- Discrimination and inclusion training is now required for all employees.
- A Sustainable Investment Policy is in place with a goal to achieve 40% female executives.
- A cross section of people across the business are involved in the interview and hiring process.
- Farm managers and regional managers handle hiring for casual roles.
- For permanent roles, hiring involves farm managers, regional managers, and someone from head office (often the Managing Director).
- The HSE manager and coordinator ensure training/HR aspects are completed.
- Farm managers inform training requirements depending on the role. This may evolve depending on practical skills.
- Farm administrators assist with updating personnel records.
- An induction checklist is used to cover necessary topics.
- Code of Conduct must be read and understood by all employees.
- All employees must comply with discrimination and harassment policies.
- The safety system is a crucial part of building a respectful and safe working environment.
- Have added incentives to progress incident reporting progress to the review stage to ensure incidents are dealt with in a timely manner.
- Higher level employees have undertaken psycho-social personability testing to improve teamwork and leadership skills.

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 10: Employees and Farm Labor

- Additional training will be provided for the mid-leadership tier to drive changes.
- Cardinal rules are outlined on signage at farm offices, and all employees are expected to comply with them.

**Result: In Conformance**

#### 10.2 Occupational Training

##### Conformance Evidence

Occupational training summary.docx  
HSEQSTD-001 HSEQ Management.pdf  
HSEQSTD-001a Cardinal Safety Rules.pdf  
Example training record 2023-2024 Anthony Findlay (GEM).pdf  
Example training record 2023-2024 Ricky Wilkins (TBF).pdf  
QR Codes (TBF & OGN).pdf  
HSEQFOR-003 Velocity User Request (TBF-OGN).pdf  
Mental Health First Aid.pdf  
MOC Noise monitoring & Hearing.pdf  
MFS(AU) Safety Alert -18\_Hearing monitoring protection.pdf

##### Auditor Notes

- Training requirements are available on Velocity and are emailed to employees and managers for trainings that are required within 60 days.
- Notifications for training requirements pop up when logging on to Velocity.
- Sustainability and safety trainings are covered in inductions and toolboxes, as well as in separate training sessions.
- Farm staff are required to read and sign off on SOPs and must be marked as competent by the farm manager before they can operate machinery independently.

**Result: In Conformance**

#### 10.3 Supporting Capacity for Sustainability

##### Conformance Evidence

Supporting capacity\_Summary.docx  
MIM Ag Sustainable investing report 2022.pdf  
MIM Ag Stewardship Principles.pdf  
LH training managers & Supervisors.xlsx  
Pages from Corporate HSEQ induction.pdf  
HRPPR-003 Recruitment and Selection Standard.pdf  
Farm Manager PD.pdf

##### Auditor Notes

- Sustainability policy references LH on global level
- Leaders have LH training required when they start.
- This training is included in position descriptions for farm managers, ensuring they operate in a sustainable way.



# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 10: Employees and Farm Labor

- Manulife have added a requirement for the farm staff to complete monthly to quarterly inspections and submission of evidence quarterly on an ongoing basis to ensure evidence requirements of LH can easily be met during the audit period.
- The induction covers the business's commitment to sustainability and its expectation of employees to meet these standards.
- LH training, biodiversity and sustainability training are covered in training modules and/or toolboxes.

**Result: In Conformance**

#### 10.4 Compensation

##### Conformance Evidence

Compensation\_Summary.docx  
Casual-employment-information-state.pdf  
Eligibility-and-Right-to-Work-in-Australia.pdf  
Fair-Work-Information-Statement - Aug 23 (2).pdf  
payguides\_MA000028 - 1 July 2023.docx  
payguides\_MA000035 - 1 July 2023.docx

##### Auditor Notes

- Employee rates are based off industry awards and consider the experience and qualifications of staff.
- The HR department considers market contractor rates to ensure the business is paying contractors appropriately.
- Have recently transitioned to a new payroll and HR system (Employment Hero), which is a more modern system that includes triggers.
- Direct hires are listed on Employment Hero, who have access to an app to clock hours.
- Farm managers and admins coordinate time sheets for each farm, which are sent through to head office fortnightly for payroll processing.
- The HR department completes three-monthly checks for international employees to ensure visas, passports and work rights are current.
- Pay rates are reviewed on July 1 each year.

**Result: In Conformance**

#### 10.5 Farm Labor

##### Conformance Evidence

Farm Labour\_Summary.docx  
HRFOR-001.1 Fair Rate Audit.docx  
Fair Rate Audit DM 2024  
HSEQFOR-001 Authority to Commence Work Rev2.pdf

##### Auditor Notes

- Audit farm labour hire crews (pay slips and visas) and provide feedback for improvements.
- Internally, Manulife have minimum standards for farm labour crew organisations. They must be transparent and trustworthy contractors that do own auditing, are prompt with admin, pay appropriate rates on time and that training requirements of hires are met.

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

LH AUS FMS AUDIT SUMMARY REPORT

SURVEILLANCE AUDIT

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## Objective 10: Employees and Farm Labor

- Manulife's HR department complete checks to ensure contractors are accredited through the Pacific Australia Labour Mobility scheme (PALM) if applicable.
- Requirements placed on contractors are generally based on the length of contracts. For example, training requirements.

***Result: In Conformance***

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 11: Legal and Regulatory Compliance

##### 11.1 Legal Compliance

###### **Conformance Evidence**

Legal Compliance\_Summary.docx

###### **Auditor Notes**

- Health, safety and environment, government authority, local compliance reports and annual offset reports are mostly stored on document management system (Velocity).
- Some higher-level documentation is 'private' and is only available to management or supervisors.
- Relevant information from these documents is disseminated into posters for display in farm offices.
- Have now implemented the management of change (MoC) module in document management system (Velocity) to track changes to policy.
- For example, now that hearing testing is required in NSW, it has been rolled out across the whole business and included in policies. These policy changes have been documented in MoC.
- The Velocity program is able to remind you of all actions required to meet compliance obligations. For example, the annual compliance report for offset management plan.

**Result: In Conformance**

##### 11.2 Legal Compliance Policies

###### **Conformance Evidence**

HSEQPOL-006 COMP June2024.pdf

HRPOL-001 HR June2024.pdf

MIM Ag Stewardship\_Social Responsibility Policy.pdf

###### **Auditor Notes**

- Compliance policy has been developed, signed, and approved and now references LH and outlines reporting to Manulife Global.
- There is internal legal support who work across the business, including providing input on HSE and risk registers. External lawyers are then used for any additional advice required.
- Compliance requirements are covered in induction and training modules as required.
- Consolidating more of the farm specific information and compliance documents into Velocity rather than having them on a laptop basis.
- ILO requirements for employees are referred in the HR policy that has been created to streamline policies.
- Lease addendums are being added as leases are due for renewal, based off the LH addendum which has been added to leases in the US.

**Result: In Conformance**

## Objective 12: Management Review and Continual Improvement

### 12.1 Farm Review and Continual Improvement

#### **Conformance Evidence**

Farm Review and Continual Improvement\_Summary.DOC  
Workday reminder.docx  
Pages from PMA - Template.pdf

#### **Auditor Notes**

- Use the Workday Platform to manage people now. Goals for the biannual and final year processes are able to be tracked through the platform.
- Feedback for the platform has been positive.
- Work closely with the team throughout the year rather than waiting for specifically these points.
- Rewards are available for those that reach or are close to reaching their goals, and those that do not meet goals are supported through the next period.
- Manulife has a podium program where points can be given by employees to other employees for excellent work. Once enough points have been accumulated, employees can redeem them for prizes.
- The employee of the quarter receives a trophy that is sent out twice a year (for past two quarters).
- Monthly board reports are informed by business metrics and performance.
- There are multiple meetings with distinct business departments that occur monthly to quarterly. For example, HSE meetings are held with farm managers bi-monthly.
- An annual survey is run globally and drills down to regions. It includes employee engagement from a socio-engagement perspective.
- Risk registers, farm operating plans, monthly board reports and budget cycles all use business information and are used to inform business performance. The risk registers are now designed to cover just about all of the LH requirements as well.
- Monthly reports are provided to the board and clients and are accountable to the board every quarter regarding findings and long-term plans (acquisitions teams usually informs this area).
- The audit schedule and results are presented to the HSE committee.
- Corrective actions are allocated to individuals and updated during monthly board reports.
- Actions need to be closed within a certain period.
- Accreditation and audits are relied upon to track business and farm performance.
- Board meetings begin with a focus on safety.
- The business aims to have early, honest, and proactive conversations with personnel if required.
- Support from the head office is available for training and solutions to resolve issues.
- The aim is to minimise tension on the farm at all times.
- The use of Velocity for hazard identification has encouraged proactive reporting.
- Most of the business audits are now linked to accreditations, for example, Leading Harvest; Freshcare; myBMP.
- An internal safety audit is completed on each property each year.
- Fairpay audits are done by HR for contractors
- The HSE committee is responsible for approving the audit schedule each year.
- Identify opportunities for innovation and development through networking and industry experience.
- Connections across industries (i.e. almonds, macadamias etc.) within the business can generate new ideas.

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

#### Objective 12: Management Review and Continual Improvement

- Manulife recognise the importance of being highly involved with industry e.g. almond board.
- The almond orchard has had plant pathologists on farm assessing distinct parts of the production system and providing feedback for the industry.
- Manulife are considering providing insect numbers to be used for wider industry benefit.
- Manulife farm managers are conducting trials and research across all farms e.g. products, machines.
- Manulife are allocating a certain percentage of energy to anticipate future changes, e.g. trial plots.
- Manulife are now investing for supervisors (a level down from farm managers) to go to conferences to expand the knowledge basis in the business.
- The farm manager at the macadamia farm has been trialing BeeHero, a bee activity monitor for hives, which can assist with predicting pollination rates and in particular, monitoring for the potential incursion of varroa mite.
- The macadamia farm is trialing a SwarmBot to increase efficiencies of input and personnel time. The SwarmBot trials show it should be able to tow a slasher at the same time as spraying or doing another activity.
- An E-limb-inator has been purchased by the contractor used at the almond properties, and it is now used for mulching prunings in particular.
- Farm managers and supervisors attend a lot of field days held at local orchards, conferences, bring in experts etc. For example, staff will be attending the macadamia conference next week.
- Audits are the main item used to track compliance on an annual basis.
- Quarterly inspections have been implemented to track performance against parameters related to LH compliance.
- Each farm is required to complete these audits and inspections.

**Result: In Conformance**

#### 12.2 Support for Sustainable Agriculture

##### Conformance Evidence

Support Sust. Ag\_Summary.docx  
Invoice INV-6666 - CHDC

##### Auditor Notes

- Manulife are continually seeking to be engaged with local industry groups in the regions where farms are located.
- Hosting provides an opportunity to get dual benefit for the business while supporting the industry.
- Manulife are considering providing insect numbers to inform industry projects.
- The farm manager is continually running and assessing trials on the almond farms for a range of aspects including fertiliser types and rates, different herbicides, microbe/biological controls for blackspot.
- On the macadamia farms trials include using selective limb removal to try and regenerate growth on the inside of trees and testing sunscreen for trees that can keep them operating during the day rather than shutting down when temperatures are too high (sprayed on and will stay on until washed off with rain). Will be able to track impact of the sunscreen applications through dendrometers.

**Result: In Conformance**

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

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#### Objective 13: Tenant-Operated Operations

##### 13.1 Leased-Land Management

###### **Conformance Evidence**

Leased-Land Management\_Summary.docx  
Lease Addendum (Sustainability).pdf

###### **Auditor Notes**

- Most leases were in place before LH.
- Lease addendums included as they come up for renewal.
- No lease agreements covered in this sample.

**Result: In Conformance**

##### 13.2 Leased-Land Monitoring

###### **Conformance Evidence**

Leased-Land Management\_Summary.docx

###### **Auditor Notes**

- Manulife and lessees hold formalised monthly meetings.
- Sites complete quarterly inspections for environmental and sustainability monitoring purposes.
- Velocity can be used to action items.
- Safety audits focus on infrastructure aspects, not people safety management.
- Leases now included within the velocity system with sustainability addendum finalised and scheduled for inclusion at each review.

**Result: In Conformance**

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

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## KEY FINDINGS

**Previous Non-Conformances:** Zero (0) non-conformances were identified during the previous audit.

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

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

**Opportunities for Improvement (OFI):** One (1) opportunity for improvement was identified during the audit.

1. 5.1.2 Renewable energy

- a. Actions on this indicator are still open. Manulife are in the process of collating information into a renewables register that will list all current projects per farm and potential of future projects based on asset suitability. Averum to continue to monitor in year 3 surveillance audits.

**Notable Practices:** Five (5) notable practices were identified during the audit.

1. 1.2.1 Adapting to critical external factors

- a. Extensive risk assessment processes are in place to monitor potential risk factors for business and properties using global and local affiliations and networks; and have now been expanded to include a greater range of risks including climate, sustainability, social and QA.

2. 7.1.1 Threatened species

- a. Excellent implementation of threatened and endangered species identification and protection practices and policies was noticed by the audit team. Annual reporting and maintenance demonstrates a notable commitment to monitoring for emergent issues.

3. 7.1.2 Endangered species

- a. As per 7.1.1.

4. 8.1.2 Special site management

- a. Excellent implementation of special site management practices by staff was observed on sites.

5. 9.2.1 Community engagement

- a. Extensive engagement occurs within the local community of each property, and a pay it forward scheme has been implemented within the business. A new decision-making process for sponsorships has been implemented to align sponsorship opportunities with business standards.

# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

LH AUS FMS AUDIT SUMMARY REPORT

SURVEILLANCE AUDIT

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## STANDARD USER GUIDANCE

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**Review of Previous Audit Cycle:** N/A

## CONCLUSIONS

Results of the audit indicate that Manulife has implemented a management system that continues to meet the requirements of and is in conformance with the Leading Harvest Australia Farmland Management Standard 2023. Manulife's enrolled acreage is recommended for continued certification to the Leading Harvest Australia Farmland Management Standard 2023.



# MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

## LH AUS FMS AUDIT SUMMARY REPORT

### SURVEILLANCE AUDIT

Summary of Audit Findings			
<b>Program User</b>	Manulife Investment Management Agriculture Services (Australia)		
<b>Audit Dates</b>	October 16, 2024 – November 21, 2024		
<b>Non-Conformances Raised (NCR):</b>	<b>Major</b>	<b>Minor</b>	
	0	0	
<b>Follow-Up Visit Needed?</b>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	<b>Date(s)</b>
<b>Follow-Up Visit Remarks</b>			
N/A			
Team Leader Recommendations			
<b>Corrective Action Plan(s) Accepted</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
	21/11/2024		
<b>Proceed to/Continue Certification</b>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	N/A <input type="checkbox"/>
	21/11/2024		
<b>All NCR Closed</b>	Yes <input type="checkbox"/>	No <input type="checkbox"/>	N/A <input checked="" type="checkbox"/>
	21/11/2024		
Standard(s) Audited Against			
Leading Harvest Australia Farmland Management Standard 2023 (Objectives 1 through 13)			
<b>Audit Team Leader</b>		<b>Audit Team Members</b>	
Matt Armstrong		Matt Armstrong, Linnea Rash, Jemma Lawrence	
Scope of Audit			
Management of production farmland on direct and tenant operated properties.			
<b>Accreditations</b>	Approval by Leading Harvest to provide certification audits		
<b>Number of Certificates</b>	1		
<b>Certificate Number</b>	AVERUM-LHFMS-2023-0013		
<b>Proposed Date for Next Audit Event</b>	October 2025		
<b>Audit Report Distribution</b>	Kristy Hart, +61 429 674 446, kristy_hart@manulife.com		