MANULIFE INVESTMENT MANAGEMENT AGRICULTURE SERVICES (AUSTRALIA)

Brisbane, Queensland

LH AUS FMS AUDIT SUMMARY REPORT: INITIAL CERTIFICATION

November 29, 2023

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

INTRODUCTION

This report summarises the results of the First Certification audit conducted on Manulife Investment Management Agriculture Services (Australia) managed production agriculture properties. The audit was conducted by Matt Armstrong, Lead Auditor for Averum. Matt Armstrong has had experience with Leading Harvest throughout its development, and is an assurance provider for multiple sustainability programs. Site visits were performed by Jemma Lawrence, Field Auditor. Jemma has had experience with Leading Harvest throughout its pilot program in Australia, and has expertise in sustainable production, various agricultural production systems, and many Australian crop types. 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 Sarah Barrett, who has expertise with the Leading Harvest standard, varied agricultural production systems and environmental management.

SCOPE AND OBJECTIVE

In 2023, Averum was engaged by Manulife to perform an audit of sustainability performance on 12 of their managed and lessee-operated agricultural operations across approximately 20,000 – 40,000ha and determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Australia Farmland Management Standard 2022 (LH AUS FMS). Objectives one through 13 of the LH AUS FMS were covered during site visits on properties in Queensland, New South Wales, and South Australia. There was no substitution or modification of LH AUS FMS performance measures.

COMPANY INFORMATION

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

On the certification audits, four (4) sites representing 76% of Manulife's total portfolio in Queensland, New South Wales, and South Australia were selected, with regional managers, farm and crop managers involved in the process. Managers overseeing decision making and standard compliance for sample regions were contacted for evidence requests and interviews. The properties in these regions are a representative sample of current practices in place and management decision making. The primary agricultural production on sites is almonds, cottons, cereals, chickpeas, and canola.

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 19 October 2023, preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. Field sites in Queensland, New South Wales, and South Australia were examined on October 28, 2023. A closing meeting was held on 29 November 2023.

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 observation and notes, and for multiple levels of audit team reviews and signoffs. Throughout the audit engagement, conference calling technology (including Zoom, Teams, etc.) was leveraged for meeting with clients, conducting management interviews, follow-up interviews, and opening and closing meetings. As Leading Harvest engagements are geographically decentralised, the use of ICT was deemed not only appropriate, but necessary.

Opening Meeting: Conference Call

October 19, 2023

Attendees:

(Manulife) Kristy Hart, Shane Bodiam, Darcy Moar, Lisa Mott, Robert Lowe, Timothy Ash, William Back

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

Topics:

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

Closing Meeting: Conference Call

November 29, 2023

Attendees:
(Manulife) Kristy Hart, Shane Bodiam

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

Topics:
- Opening remarks: Matt Armstrong
- Statement of confidentiality: Matt Armstrong
- Closing summary: Matt Armstrong
- Presentation of the audit conclusion: Matt Armstrong
    - Major Non-Conformances: 0
    - Minor Non-Conformances: 0
    - Opportunities for Improvement (OFI): 3
    - Notable Practices: 7
- Report timing and expectations: Matt Armstrong

MULTI-SITE REQUIREMENTS

Manulife maintains operations on multiple properties in Queensland, New South Wales, and South Australia. Manulife qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. The Health Safety Environment (HSE) Risk Manager is responsible for developing corrective action plans regarding LH AUS FMS conformance and report them to Manulife management. Manulife'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 AUS 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
Queensland	Cotton, winter cereals, chickpeas	One (1) site visited during audit - Queensland represents 16% of all acreage - Management population: Number (1) regional manager, one (1) farm manager - Sites visited: Brooklyn
New South Wales	Almonds, canola, cotton, cereals	Two (2) sites visited during audit - The properties reviewed in New South Wales represents 53% of all acreage - Management population: One (1) regional manager, one (1) farm manger, one (1) orchard manager, one (1) row crop manager, one (1) lessee operators - Sites visited: Cowl Cowl & Wyadra and Lachlan Valley Farms
South Australia	Almonds	One (1) sites visited during audit - The property visited in South Australia represents 7% of all acreage - Management population: One (1) regional manager, one (1) farm manager - Sites visited: Pomona

AUDIT RESULTS

Overall, Manulife's agricultural operations conform to 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 when requested. Documentation from multiple sites was provided to auditors. Field visits were performed on four operating sites, with one in Queensland, two in New South Wales and one in South Australia. Visits were during or close to harvest and during orchard production seasons, so harvesting efficiencies, soil and nutrient management were highlighted. Central and regional management representatives, as well as operating tenants, were present and interviewed to illustrate Manulife's conformance and policy implementation. Central office staff with roles that impact LH AUS FMS conformance were interviewed to determine awareness of and support for LH AUS FMS conformance, and to illustrate company practices and procedures not performed by farm managers. Manulife's regional managers served as guides and were available throughout the entire engagement, providing logistic support and honoring evidence requests wherever needed.

The following are 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

- myBMP Certificates
- Manulife Sustainable Investing report
- MIMTA Stewardship Principles
- Environmental and Sustainability Policy

Auditor Notes

- Manulife maintains publicly available policies on their website.
- Manulife's Environmental Sustainability Policy is local to Australian operations. Manulife's ag-level policies, procedures, Statements, and Sustainable Investing Reports are regularly updated to enhance operations and consistent with US practices.
- Manulife works with farmland that has been used for crop production long-term.
- Manulife may convert dryland or lower value assets into higher value crops. Conversion decisions are informed by farm assessments and Manulife's due diligence process. Conversion may also take place if land would provide greater benefit as biodiversity or supporting area or would cause degradation.

Result: In Conformance

1.2 Critical External Factors

Conformance Evidence

- Manulife Sustainable Investing report

Auditor Notes

- Manulife creates Risk registers and reviews them annually.
- The health, safety, and environment (HSE) strategy is reviewed annually to identify new needs, training schedules for the next year, and assess training budgets.
- 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 hygiene such as implementing seed treatment instead of spray.
- Seasonal outlooks, incident programs, emergency management plans, and safety alerts are utilised.
- Manulife sites conduct early inspections and increased safety alerts related to heat stress and bushfires in response to forecasted dry and hot conditions.

Result: In Conformance, Notable Practice

Objective 2: Soil Health and Conservation

2.1 Soil Health

Conformance Evidence

- MIM Ag Soil Productivity Policy
- Soil test results
- Soil testing invoices
- Fertiliser records
- Soil moisture probe results
- Soil survey mapping

Auditor Notes

- Manulife's due diligence process includes soil tests and soil pit profiling that informs land use planning.
- Soil management practices and soil test methodologies are dependent on the cropping system. Broadacre systems soil management practices include stubble retention, minimum tillage and gypsum applications where required to combat sodicity.
- Fallow periods are used in the cropping rotation to provide more opportunities for mineralisation where required.
- Manulife almond orchards selected incorporate organic matter into the soil by mulching prunings.
- Sites visited use practices including cover crops, soil amendments including gypsum, compost, and manure to enhance soil fertility and biological characteristics.

Objective 2: Soil Health and Conservation

- Cover crops used on one site usually consists of natural grasses and clovers that regenerate naturally after harvest, are rain-fed, and support bee populations.
- High pH soils are managed with inputs such as calcium nitrate.
- Soil testing is done seasonally or annually depending on crop type.
- Manulife's soil testing program is included in nutrient budgeting for the year with the help of a local agronomist.
- Nutrient budgets are based on results of petiole tests, soil, and tissue sampling, and consider crop types, budget, and yield potential.
- Farm managers collaborate with agronomists on changes to input schedules throughout the season, based on agronomist farm visits.
- The season plan is built into AgWorld and applications are recorded against this in AgWorld.
- Fertiliser pumps are metered to track applications and support record maintenance.
- In the almond orchards, agronomists assesse tree growth in January to determine increasing or reducing fertiliser applications to support tree health.
- Post-harvest applications are crucial as this is when the tree stores nutrients in its bark; this is determined based on the tree's condition.
- Lessee-operated site uses hulls from the processing facility as compost and applies them to mounds.

Result: In Conformance, Notable Practice

2.2 Soil Conservation

Conformance Evidence

- MIM Ag Soil Productivity Policy
- Soil test results
- Soil testing invoices
- Soil moisture probe results
- Soil survey mapping
- MIMTA Stewardship Principles

Auditor Notes

- Site visited uses bankless irrigation, which can cause some erosion. Displaced soil needs to be brought back to the production areas and leads to higher maintenance requirements than other forms of irrigation. Siphon irrigation lowers the risk of soil erosion and is used where possible across the property.
- An alternate bankless irrigation method is being trialed in the region with the intention to reduce erosion. Farm manager is monitoring results to determine if on farm implementation would reduce wash and maintenance.
- Compaction has been an issue in some vehicle tracks on some farms due to the consecutive wet years. Compaction is remediated through discing and isolated deep ripping wheel tracks when necessary.
- Improved traffic and machinery flow, support erosion and compaction mitigation.

- Levees are used to maintain crops during periods of higher rainfall.
- Sites maintain native tree lines around production areas to reduce wind blow. Areas with high blow risk are planted out as soon as possible with cover crops.
- Sites maintain physical farm maps. Farm maps show drainage, topography, and certain identified areas. Paddocks are tagged on AgWorld based on varied management requirements.
- Wind erosion can be a particular issue for young crops, especially cotton. Double cropping, such as cotton into wheat is practiced. A long fallow period is preferred in dry conditions.
- High salt content in irrigation water is managed with freshwater flushes, regular monitoring of irrigation water and soils, and consultation with agronomists.
- Ceres Imaging is used to calculate normalised difference vegetation index (NDVI) imagery are used to identify problem areas, including water stress and chlorophyll issues.
- Due diligence process includes soil and electromagnetic surveys to identify potential issues and areas to avoid during planting.

Result: In Conformance

Objective 3: Water Resource

3.1 Water Use

Conformance Evidence

- Water tests
- Water analysis results
- Fertiliser records
- Water registers
- Water meter inspections
- Irrigation timesheets
- Water use and quality management policy
- Water nutrient reports
- Water Master records

Auditor Notes

- The water manager helps farms manage water from an operational and regulatory perspective, and works with farm and regional managers to manage water resources and plan water usage.
- Manulife provide irrigation water for the lessees and manage all extraction licences. Water licences are stored on Manulife's internal document management system (Velocity), and reporting to the regulator depends on the farm location.
- Farm water licences include flood and overland flows, river takes and groundwater allocations and conditions include maximum daily rates and total allocation limits.
- Most meters on sites selected are telemetered and others are in the process of being upgraded.
- Water meters are read daily or weekly and usage is reported monthly to head office.
- Water orders are required to submitted with the appropriate lead time, depending on the water source.
- Conveyancing losses are accounted for via meter debiting or separate allocations.
- Permanent plantings are underwritten by bore water allocation to keep them alive in drought.

Objective 3: Water Resource

- Reports are sent to the relevant water authority quarterly where required, with final meter reads at the end of each financial year.
- Regional managers work regularly with local and regional water advisory groups, water committees, and Landcare to remain informed and involved on conservation topics.
- Meetings primarily focus on annual extraction limits, adjustments to allocations, changes to catchments, dam works, and the installation of fish screens on water pumps.
- Farms are located within watersheds with determined sustainable water takes.
- The water space is highly regulated, with investments made in areas with existing frameworks to ensure sustainable water management.
- Soil moisture probes measure electrical conductivity (EC), pH levels, moisture, and temperature, and are used along with phytec dendrometers to inform irrigation schedule. Physical soil moisture checks are also completed.
- Soil moisture probes are used in all orchards and in the summer cotton program. They're checked daily and measure EC and temperature.
- Dendrometers are used in the orchards to inform the irrigation schedule, and dripper irrigation is installed to increase water use efficiency.
- Site selected uses flood irrigation for some broadacre cropping.
- Irrigation applications are closely considered and tied with fertiliser to make sure it's not being flushed out of the profile before being used by crops.
- Irrigation budgets are developed for the season by agronomists and managers and varied during the season as required based on weather forecasts and conditions.
- Weather stations are located on farm to inform irrigation applications, and where applicable, multiple are located across the one property to inform differences in application rates between blocks.
- Sites review irrigation budgets, weather forecasts, and estimate evapotranspiration. Irrigation is reviewed daily.
- Site selected in South Australia has a lined dam. Lining is switched from black to white to reduce evaporation.
- Normalised difference vegetation index (NDVI) imagery informs irrigation practices as shows moisture across trees (and tree health).

Result: In Conformance, Opportunity for Improvement (OFI)

3.2 Water Quality

Conformance Evidence

- Riparian Site Management Policy
- Water master records
- Riparian Site Management Policy
- Fertiliser records
- Almond fertigation plan
- Spray recommendations
- Water usage records

Objective 3: Water Resource

Auditor Notes

- Water testing is conducted periodically for Freshcare, bore water doesn't change and river water is high quality. Drinking water testing also occurs. Water quality testing of irrigation water is completed twice a year.
- Sites selected use accredited spray contractors who are inducted to on-site requirements. Staff who conduct sprays maintain ChemCert accreditation.
- Farm contractors are given recommendations from third-party agronomists on production areas and no-go zones.
- Spray logs are maintained with weather and inversion conditions recorded based on local or on farm weather station results.
- Safety data sheets (SDS) and training records are stored in Velocity. Sheds have SDSs and QR codes for easy access.
- Planned and actual crop applications are recorded in farm management software called AgWorld and internal Excel sheets.
- Production areas are set back from waterways and spray drift is considered when planning spraying activities.
- Regular soil testing ensures nutrient flushing does not occur down the soil profile. If signs of nutrient flushing are identified, corrective measures are taken.
- Site visited worked with the environment department to complete electrofishing in an on farm lagoon to monitor fish numbers.
- Sites selected set back production areas from riparian zones. Site selected is expanding a riparian zone to regenerate and support future plantings. Levees are used to direct water and manage runoff.
- There is a gazetted floodway located on a farm that flooded in 2022. The floodway mitigated damage to other areas of the farm.
- A salt interception scheme runs through one farm diverting saline groundwater from water sources.

Result: In Conformance

Objective 4: Crop Protection

4.1 Integrated Pest Management

Conformance Evidence

- Scouting reports
- Agronomist reports
- Fertiliser records
- Trap reports
- Trap placement map
- Almond fertigation plan
- Chemical training records
- Inspection reports
- Leaf and tissue sample results
- Good Neighbour Standard

Objective 4: Crop Protection
- Firearm permit
Auditor Notes
- The schedule of sprays is generic and based on expected issues. Agronomists recommend changes to this schedule as required. - Weather conditions are taken into consideration before sprays are performed. - Applications and fungicide and herbicide programs are based on recommendations from agronomists. - Almond applications are slow moving, use smaller machines, less water, have a narrower boom range and are under direct supervision. - Contract spraying is performed by ChemCert accredited employees. Spot spraying is completed internally by trained staff. - During dry periods, efforts are made to extend periods between sprays to reduce the overall number of sprays. Adjustments are made to nutrient applications throughout the year based on tree health. - Come clean, leave clean to myBMP standard. - Signage with biosecurity information is displayed at property entries. - Corporate procedure for biosecurity requires visitors to sign in/sign out and contact the office upon arrival. - Internal procedures are in place to manage risk, inductions, compliance, and washdowns. - Washdown bays are located on each farm and washdown requirements are included in induction/ toolboxes. - Orchard hygiene is prioritised to prevent disease build-up in old nuts and similar items. - Permits were required to bring bees on farm last year, however procedures have changed this year due to updated risk profiling. - Crops are checked once ortwice a week for pest and disease during the season. As well as continuously being checked by on farm staff. Additional bug checkers are used during peak periods. - Records and thresholds are set for scouting operations, with thresholds being more defined in cotton than in winter crops. - Pest control is based on need rather than a set schedule, with crop checks occurring every 10-14 days for broadacre. - Cotton uses selective chemicals specific to the pest being controlled, promoting less pesticide use. - The integrated pest management (IPM) program tolerates a certain amount of damage before intervention. - Reports are provided by the agronomists on numbers, beneficials and recommendations for control. - NDVI imagery is used to help monitor tree health. - Have created an action internally to assess how beneficials could be further utilised. - IPM is implemented with a consulting agronomist for each crop type. - Pest control is recorded for Freshcare/Hazard Analysis Critical Control Points (HACCP) requirements. - Selective sprays are used where possible. Natural sprays to treat aphids have been trialed to protect bee populations on farm. - Selective sprays are used based on end use or processing dates and processor requirements. - Some sprays are completely banned, while others can only be used early in the season to meet QA requirements. - Camera sprayers are used by some contractors when using targeted sprays, otherwise standard spray rigs are used for broad scale spraying.

Objective 4: Crop Protection

- Targeted preventative sprays are applied for disease control.
- Sites use multiple crop protection strategies, including the use of canopy oil in cotton to reduce pest insects feeding and the growing of a refuge crop for cotton.
- Kangaroos and pigs are controlled at some farms by licenced shooters under permits.
- Efforts are being made to feed and water birds outside of the orchard to deter them from the area. Birds were previously scared off with shot guns and scare guns.
- Foxes are managed on some farms through baiting, which requires signage installation, neighbour notification, and timely removal.
- Manulife's Good Neighbour Standard provides guidance on positive relationship maintenance between Manulife, neighbours, Indigenous peoples, and broader local communities.

Result: In Conformance

4.2 Crop Protectant Management

Conformance Evidence

- Chemical training records
- Hazardous substances standard
- Agricultural Chemical Use Policy

Auditor Notes

- Farm managers approve spraying activities. Spraying is completed by accredited contractors or ChemCert accredited employees.
- Contractors are given recommendations from agronomists on via AgWorld on production areas and no-go zones.
- Sites selected maintain spray logs with weather and inversion conditions from local or on farm weather stations are recorded.
- SDS and training records are stored in Velocity. Velocity alerts when SDSs are due for renewal and hard copies are verified during annual safety audits.
- Chemical storage sheds have Material Safety Data Sheets (MSDS) and QR codes for easy access.
- Training records are stored on Velocity. Planned and actual applications are recorded in AgWorld and internal Excel sheets.
- Production areas are set back from waterways and spray drift is considered when planning spraying activities.
- Chemicals are signed in and out on sites through stochastic human exposure and dose simulation (SHEDS) systems to ensure oldest chemicals are used first. SHEDS models are used to estimate potential chemical exposure people face over time to inform risk assessments and protect human health.
- Sites conduct physical checks at the end of each month against the SHED system to confirm inventory.
- Chemical storages are concrete bounded sheds, bunded and labelled with emergency showers and spill kits present.
- Sites source chemicals in Intermediate Bulk Containers (IBCs) which are returned to suppliers after use when possible. Chemical drums are triple-rinsed and taken to the local DrumMuster collection point.

Result: In Conformance

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

5.1 Agricultural Energy Use and Conservation

Conformance Evidence

- 2020 Climate Report
- Ag sustainable data template
- Bushfire season pre-inspection template
- Bushfire Preparedness training slides
- Climate Change Statement
- Sustainable Investing report
- Safety Alert planning
- Energy Efficiency and Air Quality Policy

Auditor Notes

- Manulife tracks energy usage on an accounts-level and includes energy usage, emissions, and emissions reduction in global reporting or annual reports.
- Sites have implemented upgrades including air-conditioning system efficiency improvements, prioritisation of tier four engines, and installation of more energy efficient lighting on properties.
- Sites selected use machinery and vehicles equipped with GPS, autosteer, and real time kinematic (RTK) technology to support more efficient routes.
- Laterals use Trimble equipment, row crop uses efficient tractor equipment.
- Irrigation energy use is tracked and efficiency improvements are being installed over time.
- Soft starter upgrades to water pumps are underway to improve efficiency.
- Pump repairs and maintenance includes inspecting turbines, repairs to impellor and efficiency rings and ensuring best efficiency.
- Bores are scheduled for budgeted maintenance every three years.
- Regular maintenance of all machinery is a priority.
- Machinery maintenance is based on hours and fuel usage, with mobile mechanics performing services.
- Staff are trained on machinery operation to reduce excess passes.
- A new mulcher with a sweeper on the back has been introduced to reduce passes.
- Tractors are contract serviced, with servicing based on manufacturing specs.
- Filtration system has been upgraded throughout the farm for easier water distribution with less pump effort.
- Radios for pump communication are being installed throughout the farm.
- Fertigation system is being upgraded for greater control and efficiency.
- Peroxide injection is used to keep the filters clean, minimising pollutants in the drip tape.
- Pump stations are equipped with harmonic filters.
- Frost fan efficiency is taken into account during installation.
- Some farms have solar installations that were in place before acquisitions.
- New renewable projects are looked at on a case-by-case basis rather than an uniform approach from the business level.
- Difficulty in acquiring enough solar panels and batteries to operate 24/7.
- Another site uses solar power near an electric bore, offsetting use during daylight hours.
- Due to high energy usage across the farm, there is a better return on investment outside of solar.

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

Result: In Conformance, Opportunity for Improvement (OFI)

5.2 Air Quality

Conformance Evidence

- Energy Efficiency and Air Quality Policy
- Climate Change Statement
- Sustainable Investing Report
- Ag sustainable data template

Auditor Notes

- Diesel usage is tracked, log sheets, tracked to litre of usage. Review usage to see where can include efficiencies.
- Invest in more efficient machinery, CAD man engines.
- Irrigation efficiency is maximised through staff training on efficient machinery use and reducing passes.
- On some farms there are onsite mechanics and fabricators to manage bearings and general maintenance in the workshop.
- Others utilise service agreement mechanics.
- The program Trello is used to record serial numbers, specifications, and servicing workflows, as well as to prioritise the machinery schedule and location of the mechanic.
- Lateral movement irrigators have logbooks, and there is consideration of a move to Bolt, which interfaces with Agworld and tracks assets over time.
- All staff are trained on appropriate machinery use and how to operate efficiently, for example reducing passes where possible.
- Vehicle maintenance records are maintained.
- VFD and VSD drives are put into most pumps and a lot of the rest are soft start based on set pressures.
- Fuel efficiency for bore pumps is a large factor in purchasing decisions.
- The CER process assesses machinery efficiency.
- Focus is on buying simple, efficient tractors, without unnecessary fancy aspects.
- Schedule of standard operating procedures (SOPs) for efficient machinery use.
- Contractors are trained for efficiency in machinery operations.
- Implementation of a 'buddying up' program for new employees to understand changes.
- Allocation of specific blocks to individuals to prevent duplication and promote ownership.
- Close collaboration to ensure understanding of computer systems.
- Use of Ceres Imaging (NDVI) drone imagery to identify potential irrigation leaks, proven to be accurate.

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

- Harvest activities are rotated around paddocks, to avoid dust creating safety issues for staff.
- Dust on some farms can be challenging to manage due to its exceptional flatness and wind-formed soil type.
- Management strategies include monitoring weather and wind, not using water trucks except during the harvest period, and implementing a gravel program for roads to reduce dust.
- Other strategies include minimum till and the use of cover crops.
- Operations are staggered to prevent employees from working in the dust of other machines.
- The use of closed cabs and air conditioners is common.
- Ground preparation involves grading, rolling, and the occasional use of a water truck to reduce dust.
- Water trucks are used on some farms during harvest.
- The roads are maintained to minimise dust.
- Limestone roads have been installed on main roads to suppress dust.
- Polymers have been considered as an option to tackle dust issues.
- During harvest, flashing lights and headlights must be on.
- Cover cropping and wind breaks have been implemented and are proving helpful.
- Harvest bed construction is also assisting in dust suppression.
- Water trucks have been considered for some other farms, but due to the soil type, the water wouldn't be retained, thus providing limited benefit to the operation.
- Contractors do most of the harvesting, with air filters blown out every day as needed, which is done away from infrastructure and personnel.

Result: In Conformance

5.3 Climate-Smart Agriculture

Conformance Evidence

- Energy Efficiency and Air Quality Policy
- Climate Change Statement
- Sustainable Investing Report
- Ag sustainable data template

Auditor Notes

- For new machinery internal capital investment proposals are used to assess efficiency of machinery and safety.
- Manulife's ESG report includes energy usage and reductions.
- Soil tests conducted include soil carbon measurements to support increased soil organic carbon through the use of minimum-tillage, crop residue retention, and the use of crop species with higher yields.
- Solar energy is in place on some farms.
- Process control monitoring(on cost of fuel, time/labour etc.) audit is currently being completed.
- Lessee sustainability report is aligned with the UN Sustainable development goals, aiming to meet the Brundtland Commission definition of sustainable development and sustainability.
- Incorporating carbon into soil through cover crops and prunings.
- Sites use maintenance schedules to ensure farm equipment is operating efficiently.

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

- Retained stubble and no till practices are in place on site. Cotton varieties may have changed, with increased water efficiency.
- Significant floods occurred in 2022, prompting adaptive response based on severity. Sites used made infrastructure improvements and have additional plans to stabilize existing infrastructure to provide proactive flood management.
- Sites employed methodical, targeted housing with levees to mitigate flood damage.
- Site selected is upgrading pump to soft starters to start big electric pumps more efficiently.
- Levees are used on sites to protect against floods. Past floods provided insight on where to place them for future floods.
- Extreme heat management plans include avoiding siphon irrigation, programming manual labor outside of peak heat times, and implementing a stop work mandate at 38 degrees in direct sun. The extension of the fire season drives the need to source more water during the dry season.
- Sites selected have water trucks on farms in case of harvest fires. Emergency management plans are in place, and sites use long-range forecasting to increase fire awareness.
- Water usage changes were implemented, including pumping off water during flooding and reducing water application in certain areas.
- If trees are lost, a solid line is put in place to prevent irrigation in that section.
- Practices feed into responses, including sandbagging locally and renovating flood damage.
- Industry affiliations and analysts in head office consider potential changes and long-term forecasting when purchasing further properties.
- Additional support has been provided to Farm Managers, including split shifts to manage irrigation personnel. Sites use frost fans to protect crops during frost events.
- Sites selected apply fertilisers during cooler periods to increase efficiency and prevent salinisation.
- Development of pad storage for almonds is in progress on the farm to minimise waste. This includes the implementation of drainage systems for the pads.
- Farms have crop insurance, particularly from a bushfire perspective.

Result: In Conformance

Objective 6: Waste and Material Management

6.1 Management of Waste and Other Materials

Conformance Evidence

- Waste management invoices
- Waste Management Service Agreement
- Waste Management Standard
- Hazardous Materials and Waste Management Policy
- Container Cleanliness Declaration forms
- Waste oil collection confirmation email

Auditor Notes

- Manulife maintains a Waste Management Standard.

Objective 6: Waste and Material Management

- Manulife sites in a visited region have been advocating for waste services for over two years, and recently succeeded in securing waste pickup on farms.
- Batteries are donated to the Make-A-Wish Foundation or local schools to support fundraising efforts.
- Contractors take oil waste when servicing machinery.
- Sites recycle scrap metal, dripline, cardboard, siphon pipes and posts, and waste oil with appropriate vendors. IBCs are returned when undamaged.
- Contractors are required to take all waste off site with them.
- Cotton planting machine upgrades use 1t bags for recycling. These bags replaced the previous 20kg bags to prevent injuries and reduce waste.
- Landfill use on-site has been reduced now waste servicing is available on farm.
- Sites mulch and reapply tree prunings. Some sites drag out debris and burn branch or tree removal takes place during the year.
- Wooden bins used for cardboard storage on some farms, others it is burned.
- Site selected is exploring options for broader dripline disposal, possibly through chipping and turning into new plastic.
- Sheds are used for storing chemicals, which are applied per label instructions. Spill kits are available at chemical storage sheds. Sand can be used in case of spills.
- Chemical recommendations are followed, and Material Safety Data Sheets (MSDS) are available onsite.

Result: In Conformance

6.2 Food and Agricultural Waste Resource Recovery

Conformance Evidence

- Crop loss monitoring

Auditor Notes

- Manulife sites routinely perform calibration of harvest equipment to minimise crop loss.
- Crop residue is mulched back into the ground and spread residues to 12m on headers for nutrient and moisture retention.
- Harvested grains and cotton are stored in modules, with most going straight to the processor. Silos and storage are available onsite.
- Waste management is reviewed under the QA process for almonds.
- Prunings are mulched back on if doing a full prune. If doing a light trim due to damage or tree falls, these are burned along with pallets in cold weather.
- Hulls are composted at the processing facility and then brought back and spread on mounds at the lessee farm.
- Manulife's processor takes waste from harvesting to compost and resell.
- Pad storage is being installed at one farm.
- Crop stubble is retained and stalks are mulched back onto paddocks.

Result: In Conformance

Objective 7: Conservation of Biodiversity

7.1 Species Protection

Conformance Evidence

- Species identification charts
- Biodiversity management plans
- At-Risk Species Management Policy
- Biodiversity Policy
- Riparian Site Management Policy
- Deforestation Policy
- Annual off-set monitoring reports

Auditor Notes

- Due diligence identifies species and incorporates them into the biodiversity plan.
- These reports highlight past observations and potential species, along with the necessary actions for on-farm management, if applicable.
- Biodiveristy 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.
- Annual off-set monitoring reports are reviewed and updated to provide guidance on management actions and decision-making regarding regional wildlife.
- Information about potential species is displayed on farm posters and communicated to farm staff through toolboxes and induction processes.
- Site selected has been visited by the environment department and advised to avoid areas based on bird habitats.
- Site selected is researching Bee Friendly accreditation from the business level. Bee populations are scattered in native vegetation areas.

Result: In Conformance, Notable Practice

7.2 Wildlife Habitat Conservation

Conformance Evidence

- Biodiversity Management Plans
- Annual off-set monitoring reports
- Cultural Heritage Management Plans

Auditor Notes

- Due diligence and biodiversity reports include assessments of native communities.
- Riparian zone management is outlined in biodiversity management plans.
- Sites consider areas of native vegetation no-go zones. All areas are marked on property maps and controlled for pest control and noxious weeds.
- Site selected is required to consider powerlines and provide an annual report for bushfire management.
- Applicable properties maintain off-set and heritage management plans. Off-set plan reporting includes photo monitoring points to monitor weeds, vegetation, rubbish and any other changes.
- Signage is posted to limit site access. Powerline assessments are conducted via fly-overs.

Objective 7: Conservation of Biodiversity

- Sites visited have no reported or observable threatened ecological communities.
- Site selected has a lagoon and woodland areas outside of the production areas. Monitoring is completed in the lagoon area by research group.
- Areas outside production area are left to regenerate with no management completed. These areas are predominantly native grasslands with some remnant vegetation areas.

Result: In Conformance

7.3 Avoided Conversion

Conformance Evidence

- Deforestation Policy
- Biodiversity management plans

Auditor Notes

- Some clearing has occurred on properties by previous owners under approved plans and offset management plans.
- Manulife conducted limited clearing under approval and with registered offsets.
- This is based off the businesses net zero impact commitment.
- Manulife's Deforestation Policy identified the cut-off date of 2012 in alignment with the Global Roundtable for Beef. No clearing outside of approved legal clearing with registered offsets can be completed past this time.

Result: In Conformance

7.4 Crop Diversity

Conformance Evidence

- Management interviews

Auditor Notes

- Sites selected grow multiple varieties of cereals, cotton and canola based on paddock history, pest and disease prevention, and seasonal weather predictions.
- Crop rotations for winter and summer are planned each year to improve soil fertility and allow diversity of management across seasons.
- Multispecies cover crops and companion crops are used.
- Four varieties of almonds are planted as part of the best management practice for almond orchards to support pollination.
- Native grasslands exist outside of the production area.
- Site selected has naturally generating and diversified cover crops.
- Farm visited planted companion trees outside of the production area to draw wildlife outside of almond trees. Acacias, saltbush, red mallee and other native species were selected for their bee and bird friendly ratings. Trial cameras were placed to monitor success.

Result: In Conformance

Objective 8: Protection of Special Sites

8.1 Site Protection

Conformance Evidence

- Cultural heritage management plans
- Cultural heritage and biodiversity training slides

Auditor Notes

- Manulife's due diligence process identifies cultural heritage sites through on ground surveys and register searches and any sites located are detailed in cultural heritage plans for each property.
- "Dial before you dig" is completed if new developments are to occur on farms to identify listed cultural or heritage sites.
- Cultural Heritage plans summarise site information are developed including required management actions when special sites are identified on farms. Sites are usually left undisturbed unless specific management is required. For example, there is currently a tree growing through a grave and clarification is required on how to manage the tree, whether it is removed or trimmed.
- Staff are trained on management of sites through induction and toolboxes

Result: In Conformance, Notable Practice

Objective 9: Local Communities

9.1 Economic Wellbeing

Conformance Evidence

- Local vendors lists
- Good Neighbour Standard

Auditor Notes

- Support roles such as human resources (HR), health, safety, environment and quality (HSEQ) managers and coordinators, 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.

Result: In Conformance

9.2 Community Relations

Conformance Evidence

- Local vendors lists
- Site photos of field days
- Dog fence stakeholder letter
- HSEQ Management Plan
- Good Neighbour Standard
- Sustainable Investing Report
- Social Responsibility Policy
- Manulife Giving Campaign 2023
- Manulife Acts of Kindness

Auditor Notes

- Manulife has partnerships and organisations they contribute to at a global level.
- Manulife will match employee donations made during the month of November dollar for dollar.
- Community engagement is currently determined on a farm by farm basis so local initiatives can be appropriately identified for support.
- Most farms visited were involved in the local community and provided flood responses and recovery in 2022, including providing shearing sheds for neighbours.
- Manulife sites selected make contributions to local schools or host school and university students on farms for field days to support the future of sustainable agriculture.
- Other initiatives with the local community include attendance at and participation in industry groups such as Cotton Australia or local cotton groups, Almond board and GRDC
- Staff from the farms are often volunteers with the local fire services.
- Manulife's Good Neighbour Standard provides letter templates and notification procedures to provide communities and relevant parties transparency regarding operations that may have an impact on the community.
- Manulife developed a 'pay it forward' scheme where employees are provided with an additional day off each year to volunteer at a registered charity or non-profit of their choice. $50 vouchers are distributed to employees annually to distribute to someone in need and promote acts of kindness.
- Goods and services are all sourced locally where possible including agronomists and other consultants

Result: In Conformance, Notable Practice

9.3 Local Communities and Indigenous Peoples

Conformance Evidence

- Social Responsibility Policy
- Cultural heritage management plans
- Good Neighbour Standard

Auditor Notes

- Manulife's Social Responsibility Policy is globally implemented.
- Manulife has a (draft) Stewardship Contributions Policy to support local community engagement.

- The Good Neighbour Standard and procedure details Farm Manager's decision-making tree and is recorded in the document management system.
- Due Diligence Process is designed to identify land rights.
- Site signage on farms references the central office number. Manulife's complaint response procedure requires responses to be provided in writing.

Result: In Conformance

9.4 Public Health

Conformance Evidence

- Good Neighbour Standard

Auditor Notes

- Manulife's Good Neighbour Standard outlines communication expectations and notification procedures for neighbours and community response.
- Site visitors must complete an induction. Online inductions are being trialed to determine if inductions may be completed before arrival.
- Sites use on-farm information boards to run through daily site plans and expectations.
- Manulife expects sites to hold toolbox meetings monthly and record toolkits on Velocity performance management software. Sites selected host toolboxes weekly or bi-weekly. Farms are incentivised to hold meetings more frequently than once a month.
- On farm staff are run through different training packages once a month. Additional training materials are distributed as they become available.
- Incident reporting for snakes or other hazards is hosted on Velocity. Hazards, incidents, and near-misses are reviewed by the HSE Risk Manager, Farm Managers and HSE Coordinator. Incidents with greater severity are sent directly to the Managing Director. Administrators are permitted to change level of severity if original level is not appropriate.
- AgWorld maintains spray recommendations, labels and SDS. SDSs are printed from AgWorld and shared with contract sprayers. Contractors will participate in a toolbox meeting at kick-off and complete one each morning before starting to cover where they can and can't go and site expectations.
- KPI program is structured to incentivize greater numbers of hazard identification rather than incidents. Annual reviews of hazards and incidents are completed to inform HSE strategy. For example, high kangaroo numbers on roads may be managed through culling.

Result: In Conformance

Objective 10: Employees and Farm Labor

10.1 Safe and Respectful Working Environment

Conformance Evidence

- Human Resource Policy
- HSEQ Management plan
- Cardinal Safety Rules
- Incident Management Standard
- Safety Policy
- Health and Wellbeing Policy
- Fitness for Work Policy
- Workplace Discrimination and Harassment Policy
- Farm Manager position description
- Code of Business Conduct and Ethics
- Safe Work Environment Policy
- Training records summaries

Auditor Notes

- Manulife will give anyone a chance if they are interested and proactive. Finding staff can be a massive challenge due to labour shortages across the farming industry.
- Equal opportunity policies are in place.
- Manulife maintains a global Diversity, Equality, Inclusion (DEI) plan that includes a business strategy to attract trained and experienced people.
- Manulife's Sustainable Investment Policy aims for 40% of executives to be female by a set date.
- Farm Managers, Regional Managers, and representation from the head office (often the Managing Director) make hiring decisions for permanent roles. Farm managers and regional managers hire for non-executive roles.
- The HSE (Health, Safety, and Environment) manager and coordinator ensure training and HR aspects are appropriately completed.
- Farm managers inform training requirements depending on the role. Training may evolve depending on practical skills. Induction checklists are used to cover necessary topics.
- Employees must comply with discrimination and harassment policies and must read and understand the Code of Conduct.
- The safety system is a crucial part of building a respectful and safe working environment.
- Higher-level employees have undertaken psycho-social personability testing to improve teamwork and leadership skills.
- Employees are expected to comply with cardinal rules that are outlined on signage at farm offices.

Result: In Conformance

10.2 Occupational Training

Conformance Evidence

- Training records summaries

Objective 10: Employees and Farm Labor
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.
Result: In Conformance
10.3 Supporting Capacity for Sustainability
Conformance Evidence
- Farm Manager position description - Training records summaries - Sustainable Investing report
Auditor Notes
- Manulife's Sustainable Investing Report describes how LH FMS is implemented in operations on a global level. - Leaders receive LH FMS training upon when they begin their roles. This training is included in performance development for Farm Managers to support sustainable farm operations. - Induction covers the business expectations for employees' commitment to sustainability, LH FMS training, biodiversity, and sustainability training. Training is conducted through training modules and toolbox meetings.
Result: In Conformance
10.4 Compensation
Conformance Evidence
- Fair Rate Audit template
Auditor Notes
- Manulife bases compensation rates on industry standards and then consider staff's experience and qualifications. - Manulife considers market contractor rates to ensure contractors are paid appropriately.
Result: In Conformance
10.5 Farm Labor
Conformance Evidence
- Fair Rate Audit template

Objective 10: Employees and Farm Labor

Auditor Notes

- Manulife's Contract group reviews employment visas. Internal employees are reviewed every three years.
- Manulife focuses on hiring transparent and trustworthy contractors who conduct their own staffing auditing, are responsive to administrative needs, compensate fair wages, make payments on time, and meet training requirements.
- Manulife's HR is responsible for confirming contractors submit all required documentation to the Australian government.

Result: In Conformance

Objective 11: Legal and Regulatory Compliance

11.1 Legal Compliance

Conformance Evidence

- Human Resource Policy
- Safety Policy
- Health and Wellbeing Policy
- Fitness for Work Policy
- Workplace Discrimination and Harassment Policy
- Food Safety and Quality Policy
- Compliance Management Policy
- Sustainable Investing Report

Auditor Notes

- Manulife's Compliance policy has been developed, signed, approved and references LH AFMS.
- Manulife maintains several policies that support personnel's ability to access information of relevant laws, statues, and regulations and create transparency regarding resources and expectations.
- Induction as well as internal system is included in the policy. Training includes policy requirements. Referenced in HR policy that has been created to streamline policy.
- Permits, approvals, and licenses are stored on farm management software, Velocity.
- Relevant information from these documents is disseminated into posters for display in farm offices.

Result: In Conformance

11.2 Legal Compliance Policies

Conformance Evidence

- Social Responsibility Policy
- Human Resource Policy

Auditor Notes

- Referenced in HR policy that has been created to streamline policy.

Objective 11: Legal and Regulatory Compliance

- All permits, approvals, licenses etc. are stored on Velocity.
- Relevant information from these documents is disseminated into posters for display in farm offices.

Result: In Conformance

Objective 12: Management Review and Continual Improvement

12.1 Farm Review and Continual Improvement

Conformance Evidence

- Managing under-performance checklist
- Property Management Agreement language
- Corporate Risk Register
- Workday performance ratings reminder (email)

Auditor Notes

- Manulife provides workdays focused on training and development to grow people and manage permanent staff.
- Goals are submitted twice per year. Leadership works closely with teams throughout the year to work consistently toward goals and continue development.
- Manulife has a podium program where points are allotted for positive performance. Points can be cashed in for prizes, and the Employee of the Quarter receives a trophy.
- Monthly board reporting begins with a focus on safety. Leadership completes meeting circuits with teams, including biannual safety meetings with Farm Managers.
- Audit schedules and results are presented to the HSE Committee to guide continued management improvement.
- Corrective actions are allocated to individuals and updated during monthly board reports. Actions need to be closed within defined time periods. Support from the head office is available for training and solutions to resolve issues.
- Manulife recognises the importance of being involved and informed on industry demands and events. They are involved with groups including almond boards, Cotton Research and Development Corporation and local industry groups.
- Sites participate in on-farm trials and research on various production aspects, including protection products, seed varieties, new equipment, tree planting, and riparian zones for pest management.
- Qualified agronomists review farm trials, weigh the benefits, and provide advice whether there is a business case that could work well.
- 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

- Riparian Site Management Policy
- Site photos of field days

Auditor Notes

- Manulife is engaged with local industry groups, hosts educational field days, research organisations, allows periodic monitoring, and provides opportunities to gain insight on farm operation while supporting the agricultural industry.
- Manulife is considering providing insect infestation numbers to inform active industry projects.
- Small sites, some trials in cotton with different rates of growth regulator.
- Manulife participates in trials with crop herbicides and protection, crop disease research projects, seed treatments, seed variants, and the effect of light on almond production through netting certain sections of trees.
- Almond orchard visited had plant pathologists onsite to assess the production system and provide industry feedback. Sites are open to finding a better way doing things, such as using camera sprayers in orchards for ground sprayer herbicide weed control.
- Sites host students and early career agronomists.
- Manulife maintains myBMP and BCI standard, Freshcare and HACM accreditations.

Result: In Conformance

Objective 13: Tenant-Operated Operations

13.1 Leased-Land Management

Conformance Evidence

- Lease Agreement language
- Lease Addendum for Sustainability (draft)
- Lessee Sustainable Shareholder Value Creation framework
- Lessee Sustainability Report 2022
- Lessee Sustainability Policy

Auditor Notes

- Lease for one site was already in place before the property was purchased.
- Updated leases in the US begun to include an addendum to address LH FMS requirements.
- No statement specifically addresses the commitment of lessees to meet sustainable goals.
- The lessees Sustainability Policy outlines their commitment to operate sustainably, in compliance with regulations and safety performance, including a zero-harm environment.

Result: In Conformance

13.2 Leased-Land Monitoring
Conformance Evidence
- Monthly inspections checklist
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. - No formalised process for continual improvement of the monitoring process for leases. Feedback can be provided during monthly meetings with Manulife.
Result: In Conformance, Opportunity for Improvement (OFI)

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-conformances were identified during the audit.

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

1. 3.1.3 Water Conservation

    a. Furrow irrigation is in place on cotton production sites. Furrow method is a commonly accepted irrigation method, but methods with higher water use efficiency (WUE) are available such as subsurface drip. Any consideration of alternative practices could be documented or reported in future surveillance audits.

2. 5.1.2 Renewable Energy

    a. Approaches to renewable energy usage differed across properties. While options for renewables are assessed on an ongoing case-by-case basis, a renewable strategy across the properties in the portfolio or offering a single strategy to implementing renewables from central management would be beneficial.

3. 13.2.2 Improvement of the Verifiable Monitoring System

    a. This is Manulife's initial certification and first year implementing the standard. The opportunity exists to include a system for reviewing the lease review process.

Notable Practices: Seven (7) notable practices were identified during the audit.

1. 1.2.1 Adapting to Critical External Factors

    a. Extensive risk assessment process to monitor potential risk factors for business and properties using global and local affiliations and networks.

2. 2.1.3 Nutrient Management Program

    a. Thorough nutrient budgeting is completed based on seasonal soil testing in collaboration with local agronomists and farm and regional managers.

3. 7.1.1 Threatened Species

    a. Excellent implementation of threatened and endangered species identification and protection practices and policies. Annual reporting and maintenance demonstrate a notable commitment to monitoring for emergent issues.

4. 7.1.2 Endangered Species

    a. Excellent implementation of threatened and endangered Species identification and protection practices and policies. Annual reporting and maintenance demonstrate a notable commitment to monitoring for emergent issues.

5. 8.1.1 Special Site Identification

    a. Inclusive and existing due diligence process was deemed notable by site auditor.

6. 8.1.2 Special Site Management

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

7. 9.2.1 Community Engagement

    a. Extensive engagement with the local communities occurs around the areas within which the properties operate.

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Review of Previous Audit Cycle: N/A

CONCLUSIONS

Results of the audit indicate Manulife has implemented a management system that meets the requirements of and is in conformance with the LH AUS FMS. Manulife's enrolled acreage is recommended for certification to the Leading Harvest Australia Farmland Management Standard 2022.

Summary of Audit Findings			
Program User	Manulife Investment Management Agriculture Services (Australia)		
Audit Dates	October 19, 2023 – November 29, 2023		
Non-Conformances Raised (NCR):	***Major***	***Minor***	
	0	0	
Follow-Up Visit Needed? ***Yes*** ☐ ***No*** ☒ ***Date(s)***			
Follow-Up Visit Remarks			
N/A			

Team Leader Recommendations	
Corrective Action Plan(s) Accepted ***Yes*** ☐ ***No*** ☐ ***N/A*** ☒	29/11/2023
Proceed to/Continue Certification ***Yes*** ☒ ***No*** ☐ ***N/A*** ☐	29/11/2023
All NCR Closed ***Yes*** ☐ ***No*** ☐ ***N/A*** ☒	29/11/2023

Standard(s) Audited Against	
Leading Harvest Australia Farmland Management Standard 2022 (Objectives 1 through 13)	
Audit Team Leader	**Audit Team Members**
Matt Armstrong	Jemma Lawrence, Kate Carmichael, Linnea Rash

Scope of Audit	
Management of production farmland on direct and lessee operated properties.	
Accreditations	Approval by Leading Harvest to provide certification audits
Number of Certificates	1
Certificate Number	AVERUM-LHFMS-2023-0013
Proposed Date for Next Audit Event	TBD
Audit Report Distribution	Kristy Hart: kristy_hart@manulife.com.au