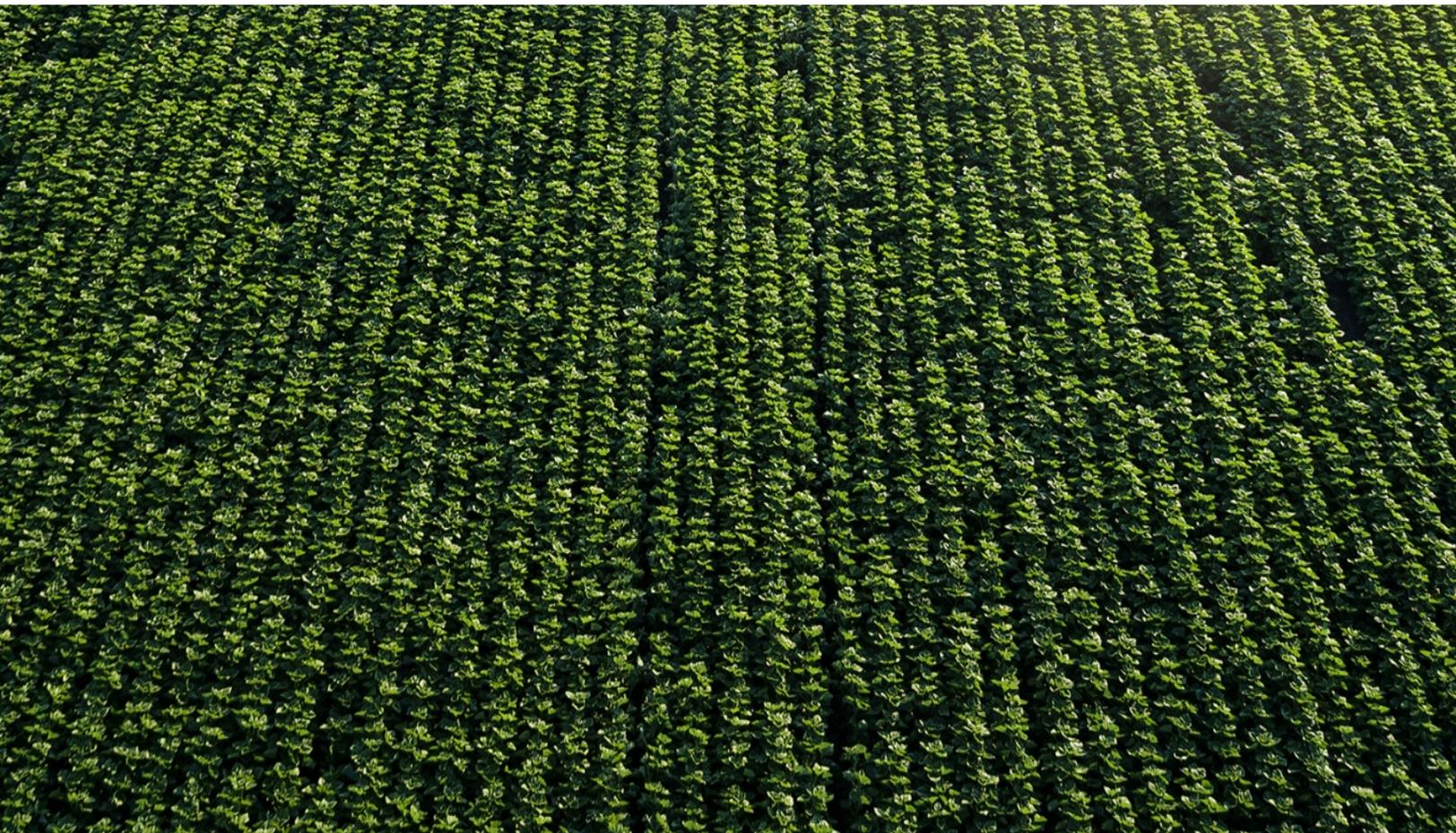




FarmTogether, LLC
Lewes, Delaware

LH FMS CERTIFICATION AUDIT - SUMMARY REPORT

December 9, 2021





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| | |
|---------------------------------|---|
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| Certification Date | December 9, 2021 |
| Recertification Due Date | December 9, 2024 |
| Certification ID# | 2021-0014 |

Certification Audit Re-Certification Audit Surveillance Audit Scope Extension

FarmTogether, LLC

LH FMS CERTIFICATION AUDIT – SUMMARY REPORT

December 9, 2021

INTRODUCTION

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

SCOPE AND OBJECTIVE

In 2021, Averum was engaged by FarmTogether to perform an audit of sustainability performance on 3,736 acres of managed agricultural operations and determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Farmland Management Standard 2020 (LH FMS). LH FMS objectives 1 through 13 were covered during site visits on properties in Oregon. There was no substitution or modification of LH FMS performance measures.

COMPANY INFORMATION

FarmTogether is an independent agricultural investment firm. Management company tenants and contractors are responsible for the day-to-day farmland management services for FarmTogether's properties. FarmTogether opted to certify 100 percent of their agricultural properties in 2021, allowing them to engage in broader sampling and simplifying the process of maintaining their certification in the future.

FarmTogether engaged in a preliminary readiness (or Stage 1) review of documentation and decision making. The review was conducted virtually and did not include preliminary site visits. The audit was conducted on FarmTogether's properties in Oregon. Personnel overseeing standard compliance for all regions were contacted for evidence requests and interviews. The properties in this region are a representative sample of current practices in place and management decision making. The primary agricultural production on sites is hazelnuts.

FarmTogether, LLC

LH FMS AUDIT SUMMARY REPORT

December 9, 2021

AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for FarmTogether coordinators to upload evidence and documentation securely for auditor review, and evidence was continuously uploaded throughout the audit. An opening meeting was held at 11:00am on November 5, 2021, immediately preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. The field site in Oregon was examined on November 10, 2021. A closing meeting was held at 12:00pm on December 9, 2021.

Opening Meeting: Conference Call

November 5, 2021; 11:00 am

Attendees:

(FarmTogether) Henry Wells, David Chan, Jason Kosareff, Boyd Corkins

(Audit Team) Matt Armstrong, Jenna Nichol

Topics:

- Introductions of participants and their roles: Henry Wells
- Introduce audit team: Matt Armstrong, Jenna Nichol
- Status of findings of the previous audits: N/A
- Audit plan: Matt Armstrong
- Work safety and emergency procedures: Henry Wells
- Expectations of program user staff: Matt Armstrong
- Method of reporting: Matt Armstrong

Closing Meeting: Teleconference

December 9, 2021; 12:00 pm

Attendees:

(FarmTogether) Henry Wells, David Chan, Jason Kosareff, Dale Arthur, Boyd Corkins

(Audit Team) Matt Armstrong, Jenna Nichol, Kyle Rusten

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): 7
 - Exemplary Practices: 1
- Report timing and expectations: Matt Armstrong

MULTI-SITE REQUIREMENTS

FarmTogether maintains operations on multiple properties in California, Oregon and Illinois. FarmTogether qualifies for multi-site sampling since the volume of sites within the management system is centrally controlled and directed by regional management, with regular monitoring activities. Additionally, FarmTogether has dedicated resources overseeing risk and compliance across the organization that monitors operations on an ongoing basis. Regional managers are responsible for developing corrective action plans regarding LH FMS conformance and report them to the Director of Sustainability and central office. FarmTogether’s current review and monitoring process is effective and ongoing.

Field visits and observations are conducted based on a sample of regions each year. Sampling methodology is provided in the LH FMS. In accordance with International Accreditation Forum Mandatory Documents (IAF-MD) methodology, all sites were initially selected at random with consideration of any preliminary examinations and then coordinated to ensure representative coverage of the complexity of the portfolio, variance in sizes of properties, environmental issues, geographical dispersion, and logistical feasibility.

| Region | Crop | Properties Examined During Engagement |
|--------|-----------|--|
| Oregon | Hazelnuts | Five (5) sites visited during audit <ul style="list-style-type: none">- 573 gross acres in production- Sample sites represents 26.5% of all perm crop acreage- Management population: 1 contract manager |

AUDIT RESULTS

Overall, FarmTogether’s agricultural operations conform to the objectives of the Leading Harvest Farmland Management Standard 2020 (LH FMS). Interviews and document reviews were performed to determine procedural and documentation conformance to the LH FMS. Documentation of practices was continuously supplied throughout the audit when requested. Documentation from multiple sites was provided, as well as more detailed sets of data from single sites. Field visits were performed on four operating sites, with one tenant site and three contract management sites in Oregon. Visits were post-harvest season, so pre-growing season practices and processes were observable. Central and regional management representatives, as well as contracted managers and tenants, were present and interviewed to illustrate FarmTogether policy creation and implementation. Central office staff with roles that impact LH FMS conformance were interviewed to determine awareness of and support for LH FMS conformance, and to illustrate company practices and procedures not performed by farm managers. FarmTogether’s Sustainability Coordinator and Regional Management served as guides and were available throughout the entire engagement, providing logistic support and honoring evidence requests wherever needed.

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

OBJECTIVE 1: SUSTAINABLE AGRICULTURE

Performance Measure (PM) 1.1 Sustainable Agricultural Stewardship

Conformance Evidence:

- ESG media kit
- Investor deck
- Water deliveries and improvement records
- Due diligence summaries
- Management interviews

Auditor Notes: FarmTogether has a written sustainability commitment that is directly aligned with Leading Harvest indicators. FarmTogether demonstrated their practices of farmland stewardship both through their operations and their knowledge of the hazelnut market. FarmTogether is working with processors and marketers to best serve their market and investors. FarmTogether's operators make key production decisions, such as varietal selections, based on all information available to benefit their investors and the environment in which they operate. Currently, FarmTogether is only acquiring established farmland. FarmTogether relies on both on- and off-market sources to acquire farmland. FarmTogether has set strict land use and development roles. FarmTogether relies on their farm managers for informed recommendations and demonstrates trust in their managers.

Result: In Conformance

Performance Measure (PM) 1.2 Critical External Factors

Conformance Evidence:

- Water deliveries and improvement records
- Management interviews
- Auditor observations

Auditor Notes: Site managers are on site frequently during the growing and harvest season. The critical factors identified by FarmTogether are crop diversification, having a diverse network of operators, water availability, access to input suppliers, and demand for specific varieties. Farm managers have a high awareness of market factors and work to diversify their crops based on these factors.

Result: In Conformance

OBJECTIVE 2: Soil Health and Conservation

Performance Measure (PM) 2.1 Soil Health

Conformance Evidence:

- California Almond Sustainability Program (CASP) survey responses – nutrient and soil management module
- Farm Sustainability Assessment (FSA) results
- Soil test results
- Oregon Hazelnut Sustainability Program participation
- Due diligence processes

Auditor Notes: Farm manager (Raptor) focuses on inputs based on the following factors: soil samples, tissue samples, age of trees, production volume and quality, and the overall health of the orchards. Cover crops are not used since they interfere with sweeping during harvest, yet they do allow for native growth between rows during the off-season. Soil samples are taken based on a grid to inform variable rate of nutrient applications and the foliar program. The most pressing issue for Raptor is managing soil pH. All nutrient management plans are written in-house. Crop residues management is balanced throughout the life of the orchard. Crop residues from pruning in early development are shredded and incorporated into the soil. Once in production, leaf drop is swept to prevent worm castings, which pose a food safety threat.

Result: In Conformance

Performance Measure (PM) 2.2 Soil Conservation

Conformance Evidence:

- CASP survey responses – nutrient and soil management module
- FSA results
- Oregon Hazelnut Sustainability Program participation

Auditor Notes: Tiling is added during re-development to improve soil drainage and reduce risk of soil loss due to water run-off. Raptor is managing elevation changes of agricultural lands through surface contouring. There is no deep ripping during the planting of the trees. Soil is left to sit after preparation in order to increase microbial action. There are tillage passes to incorporate lime and other soil amendments. Raptor makes an active effort to be subtle in nitrogen management; they are reducing dry nitrogen applications in the Spring and using drip in the Summer with low salts. Potash is added in the Fall.

Result: In Conformance

OBJECTIVE 3: Protection of Water Resources

Performance Measure (PM) 3.1 Water use

Conformance Evidence:

- CASP survey responses – irrigation management module
- FSA results
- Oregon Hazelnut Sustainability Program participation
- Soil moisture readings
- Water deliveries and improvements
- Regional water due diligence reports

Auditor Notes: The main priorities on properties is managing water retention; tiling is used to increase soil drainage. Raptor implements the following irrigation practices: soil moisture probes, ET reports, and weather stations. FarmTogether is utilizing existing infrastructure for water use. Sub-drip irrigation is prioritized to manage intrusive root issues. Standard irrigation amount is 2.5 acre-feet. FarmTogether is actively mitigating regional water conservation concerns and managing water supply and allocation.

Result: In Conformance

Performance Measure (PM) 3.2 Water Quality

Conformance Evidence:

- CASP Survey responses – Irrigation Management Modules
- FSA results
- Oregon Hazelnut Sustainability Program participation
- Soil moisture readings
- Due diligence processes

Auditor Notes: Existing practice in this region is dry ground farming; Raptor is just beginning to transition over to sub-drip irrigation to combat lower soil quality. Since tiling is adding during orchard development there are minimal concerns with water run-off and water quality. FarmTogether performs water quality testing during the due diligence process.

Result: In Conformance

OBJECTIVE 4: Protection of Crops

Performance Measure (PM) 4.1 Integrated Pest Management

Conformance Evidence:

- CASP survey responses – Pest Management Module
- Oregon Hazelnut Sustainability Program participation
- Tissue test results
- Due diligence processes

Auditor Notes: In-house scouts and pest control advisors (PCAs) are on site monthly to scout or as needed. Trapping and monitoring is used to manage pests and determine when action is required. The highest priority pest in the region is beavers; currently, they are trapping for beavers. Pheromone traps are used to reduce spraying. Thresholds are in place for acceptable pest levels. Raptor takes a dynamic approach to pest management, for example they have found bait to be ineffective on voles and are now switching to predatory pests. Additional crop protection practices include painting trunks with sunscreen, pulling trunk tubes early to reduce rodent problems, and decreasing spraying on young trees.

Result: In Conformance

Performance Measure (PM) 4.2 Crop Protection Management

Conformance Evidence:

- CASP survey responses – Pest Management Module
- Management agreement language

Auditor Notes: There is no chemical storage on site, with the exception of Shoemaker. All chemicals are pre-mixed and brought to the site. Pesticides are stored in line with regulations at Shoemaker, with locked containers and concrete bases. Spray application is typically herbicides to reduce suckers, rarely spraying for pests.

Result: In Conformance

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

Performance Measure (PM) 5.1 Agricultural Energy Use and Conservation

Conformance Evidence:

- CASP survey responses – Energy Efficiency Module

Auditor Notes: While there is no renewable energy on site, all equipment is Tier 4 engines and up. The primary pump on site is electric. The remaining three pumps on site are comprised of two diesel and one gasoline pump with a variable frequency drive (VFD). Raptor is actively adopting practices to reduce passes, such as reducing tillage and only strip spraying young trees.

Result: In Conformance, Exemplary Practices (See Key Findings)

Performance Measure (PM) 5.2 Air Quality

Conformance Evidence:

- CASP survey responses – Air Quality Module
- Oregon Hazelnut Sustainability Program participation
- FSA participation results

Auditor Notes: FarmTogether demonstrated an understanding of air quality regulations and recognizes that there are less regulations in Oregon than in California. Raptor is aware of changing air quality regulation as they get closer to the city of Corvallis and adjusts practices as needed. With current practices, there is minimal concern regarding dust pollution. Energy conservation is practiced to reduce air emissions. These practices include tier 4 engines, electric pumps, VFD's and reducing passes.

Result: In Conformance

Performance Measure (PM) 5.3 Climate Smart Agriculture

Conformance Evidence:

- CASP survey responses – Air Quality Module
- Oregon Hazelnut Sustainability Program participation

Auditor Notes: FarmTogether identified greenhouse gas emissions and climate change as a critical external factor. Both FarmTogether and Raptor look to universities for innovation and varietal development to address the risks of climate change. Currently, FarmTogether is looking into trees with increased drought resistance. Raptor has identified that current trees have had issues at high temperatures (above 117°F). With the risk of extreme weather increasing due to climate change they are actively looking for a crop selection that can tolerate. FarmTogether is doing their part to reduce the impacts of climate change with practices that include reducing passes, tier 4 engines in equipment, and VFD's.

Result: In Conformance

OBJECTIVE 6: Waste and Material Management

Performance Measure (PM) 6.1 Management of Waste and Other Materials

Conformance Evidence:

- Management agreement language

Auditor Notes: Raptor is actively looking at ways to reduce waste. Infrastructure is evaluated frequently to determine which items have the longest useful life and can be reused. Currently, they are looking at new trunk tubes and other recyclable items. All waste, including agrochemical waste, is transported off-site and properly disposed. The sites visited were clean and organized. Recycled items were stored for reuse.

Result: In Conformance

Performance Measure (PM) 6.2 Food and Agricultural Product Waste Resource Recovery

Conformance Evidence:

- CASP Survey responses – Air Quality Module
- Management agreement language

Auditor Notes: Raptor demonstrated a sound understanding of agriculture waste and its long-term effects on orchard management. In early development, crop residues from pruning are shredded and reincorporated. In productive orchards leaf drop must be well managed to properly balance earthworm activity, which can pose a food safety risk. Resource recovery is a high priority for Raptor, they are actively looking to improve their inputs and increase reuse wherever possible.

Result: In Conformance

OBJECTIVE 7: Conservation of Biodiversity

Performance Measure (PM) 7.1 Species Protection

Conformance Evidence:

- CASP survey responses – Ecosystem Management Module
- Due diligence processes

Auditor Notes: Currently there is minimal research around threatened, endangered and at-risk species. An environmental assessment is included in the due diligence process, and there are no instances on or bordering FarmTogether properties. FarmTogether will begin to access information on endangered and at-risk species on all existing sites and when looking at acquisitions.

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

Performance Measure (PM) 7.2 Wildlife Habitat Conservation

Conformance Evidence:

- CASP survey response – Ecosystem Management Module
- CASP survey response – Bee Health and Pollination Module
- Oregon Hazelnut Sustainability Program participation
- Due diligence processes

Auditor Notes: Native vegetation such as grasses and trees are left on site where they do not impact production. FarmTogether is aware through due diligence that some of their properties are in floodplains. There is significant native wildlife on the properties including deer and coyotes. Bees are kept on sites to increase pollination.

Result: In Conformance

Performance Measure (PM) 7.3 Avoided Conversion

Conformance Evidence:

- Deforestation policy
- CASP survey response – Ecosystem Management Module
- Due diligence processes

Auditor Notes: Native vegetation such as grasses and trees are left on site where they do not impact production. Productive acreage has been long-term farmland and FarmTogether has not converted any forested acres into farmland. An environmental assessment takes place as part of the due diligence process. There are currently no instances of deforestation on or bordering FarmTogether properties. FarmTogether will begin to look at deforestation for existing properties and when looking at acquisitions. Since Oregon is a buyer beware state, FarmTogether will increase research of county and state zoning data.

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

OBJECTIVE 7: Conservation of Biodiversity (Continued)

Performance Measure (PM) 7.4 Crop Diversity

Conformance Evidence:

- CASP survey response – Ecosystem Management Module
- Market outlook documents

Auditor Notes: Crop diversity is largely based on varietal decisions. Some genetic diversity is limited when acquiring developed properties, FarmTogether will not redevelop acquired properties that are in production unless problematic. Raptor uses double density to increase crop development. Pollinator tree counts are based on university standards. The main priority when selected varieties is ensured Eastern Filbert Blight (EFB) resistance.

Result: In Conformance

OBJECTIVE 8: Protection of Special Sites

Performance Measure (PM) 8.1 Site Protection

Conformance Evidence:

- Due diligence processes
- Lease language
- Management agreement language
- Parcel maps

Auditor Notes: Currently, there is minimal research regarding special sites, outside of the environmental assessment included in the due diligence process. There are no instances of special sites on or bordering FarmTogether properties. Going forward, FarmTogether will increase research of special sites on existing sites and during acquisition. Since Oregon is a buyer-beware state, FarmTogether will increase research of county and state zoning, natural hazard reports, title and deed searches.

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

OBJECTIVE 9: Local Communities

Performance Measure (PM) 9.1 Economic Well-Being

Conformance Evidence:

- Management interviews

Auditor Notes: Raptor hires employees from the local communities and tries to do as much work in-house as possible. Additionally, supplies are procured from local dealers.

Result: In Conformance

Performance Measure (PM) 9.2 Community Relations

Conformance Evidence:

- CASP survey response – Workplace and Communities Module
- Oregon Hazelnut Sustainability Program participation

Auditor Notes: FarmTogether recognizes that strong relationships are key to a successful operation. Raptor communicates regularly with the community and allows individuals access to the orchards. FarmTogether is actively looking to establish more ties to their community in Oregon. They have successful community relationships in Central California where they have helped support various individuals throughout COVID-19 and support local ag programs, such as 4-H and FFA.

Result: In Conformance

Performance Measure (PM) 9.3 Local Communities and Indigenous Peoples

Conformance Evidence:

- Local Community and Indigenous Peoples policy
- CASP survey response – Workplace and Communities Module
- Oregon Hazelnut Sustainability Program participation

Auditor Notes: FarmTogether has an Indigenous Peoples Policy reviewed and on file. The policy will be reviewed and updated as properties in other regions are added to the portfolio. Currently, there is minimal research around indigenous peoples and land rights. FarmTogether will begin to access land tenure rights and indigenous peoples for both existing properties and when looking at acquisitions. Properties have appropriate signage at entrances which identify the farm manager and their contact information.

Result: In Conformance, Exemplary Practice (See Key Findings)

OBJECTIVE 9: Local Communities (Continued)

Performance Measure (PM) 9.4 Public Health

Conformance Evidence:

- CASP survey response – Workplace and Communities Module
- Lease language
- Management agreement language

Auditor Notes: On tenant sites, there is minimal communication with neighbors as the land owner manages all communication. FarmTogether recognizes that strong community relationships are key to success. On properties that borders residential buildings, there is open communication around spraying and dust control.

Result: In Conformance

OBJECTIVE 10: Employees and Farm Labor

Performance Measure (PM) 10.1 Safe and Respectful Working Environment

Conformance Evidence:

- CASP survey response – Workplace and Communities Module
- Job postings with EOE statement

Auditor Notes: FarmTogether is an Equal Opportunity Employer. There are no permanent facilities on-site to allow for posting, however when workers were on-site, proper OSHA postings were available on the temporary facilities.

Result: In Conformance

Performance Measure (PM) 10.2 Occupational Training

Conformance Evidence:

- CASP survey response – Workplace and Communities Module

Auditor Notes: Worker protection standard (WPS) training is verified when working with custom hires. Additionally, it is stipulated in contracts that there must be a 1:10 ratio of supervisors to workers. Tailgate trainings and safety meetings are held whenever workers are on-site.

Result: In Conformance

OBJECTIVE 10: Employees and Farm Labor (Continued)

Performance Measure (PM) 10.3 Supporting Capacity for Sustainability

Conformance Evidence:

- ESG Media Kit
- CASP survey response – Workplace and Communities Module
- Management agreement language
- Crop Advisor certifications and training

Auditor Notes: FarmTogether has a written policy reviewed and on file. All individuals communicated with have a thorough understanding of Leading Harvest and their roles regarding conformance are clearly defined. There are currently mixed levels of sustainability training at sites. FarmTogether will develop and inventory a list of trainings that occur and communicate them to managers and share successes.

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

Performance Measure (PM) 10.4 Compensation

Conformance Evidence:

- Management interviews

Auditor Notes: In order to find quality workers, compensation is set to competitive rates. Additionally, being based in a college town the increase in cost of living is monitored and reflected in compensation.

Result: In Conformance, Opportunity for Improvement (see key findings)

Performance Measure (PM) 10.5 Farm Labor

Auditor Notes: N/A - no farm labor contractors are used.

Result: In Conformance

OBJECTIVE 11: Legal and Regulatory Compliance

Performance Measure (PM) 11.1 Legal Compliance

Conformance Evidence:

- OSHA posters
- Due diligence processes
- Lease language
- Management agreement language

Auditor Notes: Due diligence processes and lease agreement language address legal compliance on federal, state, and local levels. OSHA posters were posted on temporary facilities when workers were on-site.

Result: In Conformance

Performance Measure (PM) 11.2 Legal Compliance Policies

Conformance Evidence:

- Lease language
- Management agreement language

Auditor Notes: FarmTogether has a written policy addressing requirements in lease and management agreements. Legal compliance in the US addresses the fundamental rights set by the International Labour Organization (forced labor, child labor). Lease agreement does not address “quiet enjoyment” by name, but language used speaks to “lessor shall not interfere with operations”. Tenant and landowner responsibilities are clearly defined and delineated from one another.

Result: In Conformance, Exemplary Practices (See Key Findings)

OBJECTIVE 12: Management Review and Continual Improvement

Performance Measure (PM) 12.1 Farm Review and Continual Improvement

Conformance Evidence:

- Asset management at FarmTogether Document
- Quarterly farm updates
- Orchard reports
- Mid-year updates
- Prospectus documents
- Lease documents
- Management interviews

Auditor Notes: FarmTogether's asset management team reviews methodologies and meets with the financial performance team once a month. Highly comprehensive reports are released quarterly and include a review of all properties held in their portfolio. FarmTogether is currently working with Weed Science and Pathology group in their development of the "weed zapper". Also, they are working with Wilbur-Ellis' research program on nutrient and water management. Some new technologies implemented include using electric eyes for more accurate variable rate spraying of suckers. Reconciliation of cost budgets occur at the beginning and end of each year. Management practices are planned based on the information gleaned from these reconciliations and current market demands. The FarmTogether team demonstrated a high level of awareness on market pressures including: increased input costs, farm labor shortages, increased market demand, and current global market issues.

Result: In Conformance

Performance Measure (PM) 12.2 Support for Sustainable Agriculture

Conformance Evidence:

- Notes from talks with Cornell on soil science
- Management interviews

Auditor Notes: While FarmTogether does not work directly with any universities, they communicate openly with ag extension programs around new varieties and other developments. They have supported agriculture research by hosting research plots on their lands.

Result: In Conformance

OBJECTIVE 13: Tenant Operated Operations

Performance Measure (PM) 13.1 Leased Land Management

Conformance Evidence:

- Lease agreements
- Management agreements
- Asset management at FarmTogether document
- ESG Media Kit

Auditor Notes: Written statements included in leases and management agreements cover commitment to regional best agriculture practices, communication of goals, and working environment. Tenants communicate with FarmTogether to ensure that they are in-line with regional best management practices.

Result: In Conformance

Performance Measure (PM) 13.2 Leased Land Monitoring

Conformance Evidence:

- Quarterly farm updates
- Management interviews
- Tenant interviews

Auditor Notes: Tenant properties are reviewed at least quarterly; quarterly farm updates are released and provided to FarmTogether for review, as well as communicated with clients. Farm managers go above and beyond to manage properties for tenant and FarmTogether plans review processes for tenant sites that are in-line with review processes on owned properties. There is a not a set review process for tenant properties.

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

KEY FINDINGS

Previous Non-Conformances: As this is the initial year auditing conformance to the LH FMS, there are no previous non-conformances.

Major Non-Conformances: No major non-conformances were identified during the audit.

Minor Non-Conformances: No minor non-conformances were identified during the audit.

Opportunities for Improvement (OFI): Seven (7) opportunities for improvement were identified during the audit.

1. 7.1.1 Threatened and Endangered Species &
2. 7.1.2 At-Risk Species &
3. 7.3.2b Deforestation &
4. 8.1.1 Special Site Identification
 - a. Environmental assessments are currently included in FarmTogether's due diligence processes. FarmTogether will begin to include more directed assessments of land tenure rights, endangered and at-risk species, deforestation and special site concerns, and the presence of indigenous peoples for both existing properties and when looking at acquisitions. FarmTogether will increase their rigor when researching county and state zoning, natural hazard reports, title and deed searches.
 - b. Provide records of improved risk identification processes on surveillance years to improve conformance demonstrations.
5. 10.3.3 Employee Sustainability Training
 - a. There is currently mixed levels of training conducted at sites. Conformance to the indicator could be improved by developing an inventory or list of trainings that do occur, and communicating them to managers for support and information.
6. 10.4.1 Wages and Pay
 - a. Management was interviewed regarding compensation. Wage levels were found to be within living wage standards, but responses could be improved by supplying documentation on surveillance audits that reflect the compensation structure within FarmTogether, such as a salary survey or compensation matrix.

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7. 13.2.2 Improvement of the Verifiable Monitoring System

- a. While reviews on tenant managed properties are occurring regularly, there is not a set timing or methodology for auditors to review. Select tenants have shown initiative in providing current information to FarmTogether. FarmTogether can improve demonstrating conformance to this performance measure by developing a predetermined review schedule for sites, with the content for farm managers to measure documented. Reviews should have some regularity and collected information should be comparable between visits.

Exemplary Practices: One (1) Exemplary practices was identified during the examination.

1. 9.3.3 Local Communities and Indigenous Peoples' Inquiries

- a. Auditors were impressed by the extent and quality of signage on sites. Clearly identifiable areas and contact information provides direct access to site managers for the public.

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

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

Review of Previous Audit Cycle: N/A

CONCLUSIONS

Results of the audit indicate that FarmTogether has implemented a management system that meets the requirements of and is in conformance with the Leading Harvest Farmland Management Standard 2020.

FarmTogether's enrolled acreage is recommended for certification to the Leading Harvest Farmland Management Standard 2020.

| Summary of Audit Findings | | | |
|---|---|--|---|
| Program User | FarmTogether, LLC | | |
| Audit Dates | July 15, 2021 – December 9, 2021 | | |
| Non-Conformances Raised (NCR): | <i>Major</i> | <i>Minor</i> | |
| | 0 | 0 | |
| Follow-Up Visit Needed? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | <i>Date(s)</i> |
| Follow-Up Visit Remarks | | | |
| N/A | | | |
| Team Leader Recommendations | | | |
| Corrective Action Plan(s) Accepted | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> <i>Date</i> |
| Proceed to/Continue Certification | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> <i>Date</i> |
| All NCR Closed | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> <i>Date</i> |
| 12.09.2024 | | | |
| Standard(s) Audited Against | | | |
| Leading Harvest Farmland Management Standard 2020 (Objectives 1 through 13) | | | |
| Audit Team Leader | | Audit Team Members | |
| Matt Armstrong | | Jenna Nichol Kyle Rusten | |
| Scope of Audit | | | |
| Management of production farmland on direct and tenant operated properties. | | | |
| Accreditations | Approval by Leading Harvest to provide certification audits | | |
| Number of Certificates | 1 | | |
| Certificate Number | 2021-0014 | | |
| Proposed Date for Next Audit Event | TBD | | |
| Audit Report Distribution | Henry Wells (henry@farmtogether.com) | | |