



# **COBRAM ESTATE OLIVES**

**Woodland, CA**

**LEADING HARVEST FARMLAND MANAGEMENT PROGRAM 2020  
AUDIT SUMMARY REPORT: 2024 SURVEILLANCE I**

**October 11, 2024**





8801 Renner Blvd, #100  
Lenexa, KS 66219  
Phone: 913.643.5087

<b>Company Name</b>	Cobram Estate Olives
<b>Contact Person</b>	Conor Churchin
<b>Address</b>	455 Harter Avenue Woodland, CA 95776
<b>Phone/Fax</b>	1 (530) 650-6213
<b>Email</b>	c.churchin@cobramestateolives.com
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**Certification Audit**     **Recertification Audit**     **Surveillance Audit**     **Scope Expansion**



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## **LH FMS AUDIT SUMMARY REPORT**

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### **INTRODUCTION**

This report summarizes the results of the September 27, 2023 surveillance audit conducted on Cobram Estate Olives (Cobram) managed production agriculture properties. The audit was conducted by Matt Armstrong, Lead Auditor for Averum. Matt Armstrong has experience with Leading Harvest throughout its development, is an assurance provider for multiple sustainability programs, and has expertise in production agriculture on multiple crop types in the United States. Site visits were conducted by Jill Brodt, Field Auditor. All senior members of the audit team hold training certificates in ISO 17021:2015 (Conformity Assessment), 14001:2015 (Environmental Management Systems), as well as IAF MD-1:2018 (Certification of Multiple Sites). The audit process and reports were independently reviewed by Holly Salisbury, who is a certified public accountant in the state of California and has expertise on multiple crop types in the United States.

### **SCOPE AND OBJECTIVE**

In 2024, Averum was engaged by Cobram to perform an audit of sustainability performance on 0 – 10,000 acres of managed agricultural operations and determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Farmland Management Standard 2020 (LH FMS). LH FMS objectives 1 through 12 were covered during site visits on properties in California. There was no substitution or modification of LH FMS performance measures.

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

### **COMPANY INFORMATION**

Cobram is a vertically integrated producer of olives and olive oils, with local olive production properties closely located near their olive oil production facilities in Woodland, CA. Farm operators and management staff are responsible for the day-to-day farmland management services for Cobram's properties. Cobram initially achieved certification for 100 percent of their enrolled olive production acreage in 2023.

During the certification audits, three (3) sites in California were visited. 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. All agricultural production on the sites is focused on olives.

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### AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for Cobram coordinators to upload evidence and documentation securely for auditor review. An opening meeting was held on July 31, 2024, preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. Field sites in California were examined on August 8, 2024. A closing meeting was held on October 11, 2024.

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

#### Opening Meeting: Conference Call

July 31, 2024

**Attendees:**

(Cobram) Conor Churchin, Cristian Sidasmed

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

**Topics:**

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

#### Closing Meeting: Conference Call

October 11, 2024

**Attendees:**

(Cobram) Conor Churchin, Cristian Sidasmed

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

**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): 9
  - Notable Practices: 3
- Report timing and expectations: Matt Armstrong

**MULTI-SITE REQUIREMENTS**

Cobram maintains operations on multiple properties in California. Cobram qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. Cobram’s management is responsible for developing corrective action plans regarding LH FMS conformance and reporting them to Cobram central management. Cobram’s current review and monitoring process has been deemed 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, two sites within Cobram’s enrolled acreage were required to be visited this year. Due to the proximity and size of Cobram’s enrolled portfolio, auditors agreed to visit an additional site while continuing management interviews.

Region	Crop	Properties Examined During Engagement
California	Olives (Arbequina, Mission, Picudo, Picual, Caratina, Hojiblanca, Manzanillo, Chemlali, Koronieki varieties)	Three (3) sites visited during audit <ul style="list-style-type: none"> <li>- California represents 100% of US enrolled acreage.</li> <li>- Sites visited represent 75% of US enrolled sites.</li> <li>- Management population: Two managers,</li> <li>- Sites visited: DeBo Ranch, Hungry Hollows Ranch, Esparto Ranch</li> </ul>

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### AUDIT RESULTS

Overall, Cobram's agricultural operations conform to the objectives of the Leading Harvest Farmland Management Standard 2020 (LH FMS). Interviews and document reviews were performed to determine procedural and documentation conformance to the LH FMS. Documentation was provided to demonstrate or support conformance with LH FMS requirements.

Field visits were performed on three operating sites in California. Visits took place during the growing season, so ongoing crop management, irrigation efficiencies, potential yield maintenance, and crop protection were highlighted. Central operations management representatives were present and interviewed to demonstrate Cobram's conformance and policy implementation.

Central office staff with roles that impact LH FMS conformance were interviewed to determine awareness of and support for LH FMS conformance, and to illustrate company practices and procedures not performed by farm managers. Cobram's Regional Managers served as guides, were available throughout the engagement, provided logistic support, and provided responses to evidence requests.

### KEY FINDINGS

**Previous Non-Conformances:** No major or minor non-conformances were identified during initial certification.

**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):** Nine (9) opportunities for improvement were identified during the audit.

1. 4.1.2 – Crop Protection
  - a. Copper Sulphate is an organic approved product but is extremely toxic to biologicals in the soil. Alternative products, if applicable, could be a benefit to soil microbial health.
2. 4.1.3 – Pest Control Practices
  - a. Crop consultant recommendations and scouting reports were out of date, with some examples approx. three years old. Management attests that processes remain unchanged from previous years. More timely evidence will be required in future surveillance audits.

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3. 5.2.2 – Airborne Dust Control
  - a. Minor dust generation was observed around shops. Management should identify if the dust generated poses a negative impact on nearby homes and operations and implement control if necessary.
4. 6.1.1 – Waste Disposal
  - a. Trash was observed around the area of the shop. Used oil was also observed in open containers. Management should ensure that containers have lids where needed.
5. 6.1.2 – Resource Recovery
  - a. Grow tubes were observed piled on the ground prior to recycling pickup and had the potential to become litter.
6. 6.1.3 – Management of Agricultural Chemicals and Other Materials
  - a. Herbicide, fertilizer shipments should be placed into containers upon receipt and not left outside or unlocked.
  - b. Appropriate Haz Mat stickers are needed on large storage container.
  - c. Gas tanks appeared to not be secured to wall with chains.
7. 10.3.2 – Employee Roles and Responsibilities for Sustainability
  - a. The Management team seemed to lack clarity regarding who would be assigned responsibilities for providing updated copies of evidence to support audit activities. In Cobram’s next surveillance audit, auditors will revisit and confirm assignment of roles and responsibilities for supporting certification efforts.
8. 10.3.3 – Employee Sustainability Training
  - a. There does not appear to be a set schedule for sustainability or conservation trainings. Planned meetings and trainings related to sustainability and Leading Harvest Standard are expected of LH standard users. Staff at Cobram outside of audit hosts did not seem aware of the LH FMS.
9. 12.1.4 – Annual Review and Improvement
  - a. It is unclear how often Cobram is updating reviews of environmental performance, health and safety, and fair working conditions. Materials supplied for review were out of date.

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**Notable Practices:** Three (3) notable practices were identified during the audit.

1. 9.3.1 – Local Community and Indigenous Peoples Policy

- a. The Rights of Local Communities and Indigenous Peoples Policy is not limited to acknowledging and respecting the treaty rights of Indigenous People but goes further to provide best management practices (BMPs) regarding negotiations, communication, and tracking actual or potential adverse impacts on Indigenous Peoples' rights.

2. 12.1.3 – Agricultural Innovation

- a. Cobram's use of the Colossus (a single harvester unit that effectively replaces a fleet of harvesting equipment) leads to a reduction in crew size, equipment inventory, total air emissions and overall equipment hours as opposed to harvests that use a fleet of large-scale machinery or vehicles.

3. 12.2.1 – Support for Agricultural Research

- a. Research and engagements with sustainable agriculture support groups is directly connected to Cobram's production practices and notable in scope. Cobram reported multiple areas where other olive growers receive training or educational either directly or indirectly from Cobram.

**Review of Previous Audit Cycle:** Cobram achieved initial certification for their US enrolled acreage in 2023. No major or minor non-conformances were identified in 2023.



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### FINDINGS BY PERFORMANCE MEASURE

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

#### Objective 1: Sustainable Agriculture Management

##### 1.1 Sustainable Agriculture Stewardship

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

- Sustainability Framework
- Farmland Stewardship Commitment
- United Nations Global Compact Letter of Commitment

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

- Cobram has an internally distributed LH FMS commitment statement.
- Cobram's Sustainability Framework titled "Extending the Olive Branch" identifies key topics and targets organized by People, Planet, and Business.
- Cobram shared their letter of commitment to the United Nations Global Compact which emphasizes environmental sustainability as a guiding principle.
- Water and temperature extremes are the main environmental concerns on their properties. Crop protection against pests and disease and supply chain management are Cobram's key concerns. Efficient management in these areas allows Cobram to minimize risks of not meeting customer demands.
- Oliv.iQ is Cobram's proprietary olive oil production system which prioritizes high productivity and profitability while implementing sustainable practices.
- Cobram sites hand prune branches as opposed to most olive growers' use of hedgers. Pruning by hand supports intentional branch selection.
- Various agricultural management systems are used to optimize agronomic management and leverage data to identify critical external factors.
- No land has been converted out of agricultural production under Cobram's management.
- Sites selected have been production farms for about 8 years. Sites were previously dry land farming and required access to water upgrades. Cobram updates irrigation systems and topography to support productivity and efficiency.

**Result: In Conformance**

**Objective 1: Sustainable Agriculture Management**

**1.2 Critical External Factors**

**Conformance Evidence**

- Marketing Strategy: Promoting Agricultural Sustainability at Cobram Estate Olive Oil
- Evaluation of Canopy Management Strategies
- Olive Water Use narrative

**Auditor Notes**

- Cobram's officer and diligence team identifies critical external factors using climate models and water availability assessments.
- Sites with Mediterranean climates are preferred, with hot dry summers and cold snaps after the season ends.
- Cobram hires external consultants to provide climate and environmental assessments.
- Cobram's Evaluation of Canopy Management Strategies identifies critical factors such as light interception, canopy size, shape, and pruning mechanisms to increase efficiency and is used to support operations.
- Cobram's Marketing Strategy includes partnerships with organizations like the Center for Land-Based Learning and UC Davis, which could provide insights into critical external factors related to olive sustainability.

**Result: In Conformance**

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### Objective 2: Soil Health and Conservation

#### 2.1 Soil Health

##### **Conformance Evidence**

- Site Photo
- Grove Management Plan
- Gypsum Purchase Order
- Executed Grant Agreement for Hedgerow and Cover Crops
- Soil Maps
- Soil Evaluation
- Soil Probes Comparison
- Balance of Nutrients
- Agricultural Advisors Invoice
- Cover Crop Packing Slip

##### **Auditor Notes**

- Soil is tested at least annually, often two or three times per year, with samples collected by Cobram employees and taken to the lab for evaluation.
- Additional soil testing is conducted to address areas of concern, or to get more specific soil data, such as soil organic matter (SOM).
- Gypsum applications are annually considered based on soil test results.
- Sulfuric acid is applied via irrigation systems to correct water pH and enhance nutrient uptake.
- Cobram used proceeds from a Healthy Soils Grant to fund gypsum applications.
- Cobram works with industry professionals and consultants to address soil health concerns. Access to professional resources is increased due to proximity to UC Davis.
- Plant tissue samples are taken twice per year, and amendment amounts are assessed per ton of produced crop to track nutrient efficiency.
- Annual meetings are held to determine nutrient management strategies and initial plans.
- Fertilizer is applied via fertigation and recorded. Data is compiled to determine nitrogen needs based on desired output and tree nutrients.
- Nutrient Management Plans (NMPs) are created and reviewed regularly. Team uses data from tools at the sites, historical data, and visual assessments to determine needs. Detailed spreadsheets are maintained with data and targeted goals for the sites.
- All trimmings are left in between rows, mulched, and left alone. Selected sites shred or mulch pruned branches and vines, reapplying them as ground cover.
- Sheep are occasionally run through mature trees to assist with pruning and weeding. Sheep are kept away from younger, more tender trees.

##### **Result: In Conformance**

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### Objective 2: Soil Health and Conservation (Continued)

#### 2.2 Soil Conservation

##### **Conformance Evidence**

- Topographic Map
- Sulfuric Acid Receipt

##### **Auditor Notes**

- No major erosion issues were noted on sites. Hedgerows have been planted to mitigate soil erosion. Workers are instructed to stay out of rows after harvest or use a smaller, lighter piece of equipment such as mules to avoid soil compaction.
- Sites selected reduce the number of passes whenever possible as a best management practice to reduce disturbances between rows and maintain soil health using no-till practices.
- Sites selected use cover crops to suppress weeds and reduce weed management.
- Sites use sulfuric acid injections to stabilize soil pH.
- Site has not had to "rest" areas due to depleted soils. Cobram's oldest property enrolled in LH FMS is 9 years old.
- Minimal equipment is kept in grove after harvest.

**Result: In Conformance**

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### Objective 3: Water Resources

#### 3.1 Water Use

##### **Conformance Evidence**

- Weekly Irrigation Meeting Minutes
- Irrigation Calculation Table
- Water Allocation
- Well Permit
- Email correspondence
- Site photos
- Olive Water Use: California
- 2022 Water for a Sustainable California Conference Registration
- Hungry Hollow Groundwater Committee Meeting Minutes
- Evapotranspiration Rates
- Normalized Difference Water Index Map
- Phyttech Slides and Proposal
- Solution Probes Comparison
- Water Management Plan

##### **Auditor Notes**

- Sites have established annual water budgets and discuss irrigation needs regularly.
- Flow meters are placed on wells to log and monitor water usage.
- Junior Agronomists assist with checking for leaks in irrigation systems.
- Irrigation is done via drip systems and micro jets targeted towards individual trees.
- The team looks for opportunities to reduce water usage while maintaining tree health using soil moisture monitoring and tensiometers.
- Cobram managers shared photos of piping that was installed to return water from fields to surface water within the irrigation management district.
- Irrigation schedules are adjusted based on sensor and probe readings and weekly evapotranspiration (ET) checks.
- Water orders are made with the county two days prior to irrigation activities.
- Irrigation lines are flushed on schedule and emitters are checked regularly.
- Cobram has access to surface water to irrigate sites.
- Selected sites have weather stations within groves and use Siemens water data to adjust irrigation.
- Water conservation efforts include visual assessments and data from field tools to make irrigation decisions.
- Sulfuric acid is used to balance pH, and calcium is added due to high sodium levels.
- Growers participate in water conservation meetings and the Farm Bureau's Young Farmers and Ranchers (YF&R) program.
- Water is tested annually and sourced from surface water whenever feasible.
- Water usage is reported to the County and Irrigation Land Program and has remained consistent year over year.
- Sites use variable amounts of groundwater depending on surface water allocation and crop health needs.



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### Objective 3: Water Resources (Continued)

#### 3.1 Water Use (Continued)

##### **Auditor Notes (Continued)**

- Requests must be made to Yolo County Water Resource Control to pump from the canal before the season.
- Sites use satellite imagery in addition to soil moisture probes to identify specific groves' water needs.
- Selected sites have reservoirs onsite, and Cobram plans to add dams to capture more water for reuse.
- Phytech systems are used to monitor and control irrigation systems. Weather and moisture sensors are also employed and are remotely accessible for ongoing monitoring.

**Result: In Conformance**

#### 3.2 Water Quality

##### **Conformance Evidence**

- Irrigation and Nitrogen Management Plan
- Evaluation of Herbicide Reduction Trial
- Email correspondence
- Site photos
- Map of Conservation Area

##### **Auditor Notes**

- The manager scouts sites, taking notes or pictures for documentation. An outside professional also scouts the sites, visiting once a week during the growing season and providing a report. The third-party service provider tracks any follow-up applications.
- Amendments (acid injections) are made to the irrigation water to balance the pH and improve tree health. The manager would like to explore using liquid amendments instead of gypsum due to the difficulty of incorporating gypsum into the soil.
- No-tillage practices are in place to reduce soil disturbance. Sand filters are used to remove sediment.
- No spray activities are conducted on sites; all materials are applied via fertigation and chemigation.
- Cobram has researched effective application methods to reduce overall herbicide use.
- The Phytech system assists with planning irrigation needs, tracking tree stress and status, and reporting on anticipated rainfall and potential evapotranspiration rates. This allows management to remotely plan and control irrigation as needed.
- Water pulled from canals in the area contains excessive amounts of sediment and algae, requiring heavy filtration.
- Filters are checked and cleaned multiple times per day during irrigation events.
- Cobram provided a map of a shaded creek that is left undisturbed.

**Result: In Conformance**

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### Objective 4: Crop Protection

#### 4.1 Integrated Pest Management

##### **Conformance Evidence**

- Trap Counts
- Ag Advisors Pest Monitoring
- Ag Advisors Invoice
- Ag Advisors Fruit Fly Monitoring
- Chemical Applicator License
- Copper Inquiry
- Herbicide Trial

##### **Auditor Notes**

- Scouting is performed by the site manager and a third-party professional.
- Staff are trained to identify the most common pests. Traps are set for black flies.
- The third-party service provider visits weekly during the growing season, providing reports and recommendations.
- The same advisor has been used for years and are familiar with the sites.
- Pest control advisors (PCAs) look for pest and disease pressures, weed pressures, and provide application recommendations.
- Cobram management examines the sites daily, starting at 5 am.
- Chemical applications are made based on recommendations and site goals, conducted by licensed applicators.
- Copper sulfate is applied for disease prevention.
- Applications are made if pest populations exceed acceptable thresholds.
- Cobram employees conduct the applications, and records are maintained to monitor efforts.
- Sheep are used to graze and control weeds on the perimeter of the grove.
- Pre-emergent applications are made during the wet season to prevent grasses and weeds in the rows.
- Cobram provides recommendations from crop consultants that include selective and low-risk crop protection methods, such as physical weed control, targeted applications, and frequent monitoring.

**Result:** *In Conformance, Opportunities for Improvement (4.1.2 and 4.1.3, See Key Findings)*

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### Objective 4: Crop Protection (Continued)

#### 4.2 Crop Protectant Management

##### **Conformance Evidence**

- Empty Pesticide Container Declaration and Inspection Documents
- Training Program

##### **Auditor Notes**

- All applications are made by Cobram employees. Cobram Manager encouraged crew members to obtain Pesticide Applicator Licenses at Cobram's expense.
- Cobram has an internal training program that is conducted every year.
- Safety trainings are conducted in-house. Third parties are used for pesticide handler training. Safety trainings are conducted in English and Spanish, and documentation is available in both English and Spanish.
- Site Managers determine when applications are made based on weather conditions.
- Training program provided includes pesticide safety training.
- Empty containers are triple-rinsed, punctured, and sent to recycling.

**Result: In Conformance**

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

#### 5.1 Agricultural Energy Use and Conservation

##### **Conformance Evidence**

- Debo Automation Cost Estimate
- Drip Irrigation Purchase Contract
- Motorola Solar Panel Letter of Intent
- Atlas Energy Discussion

##### **Auditor Notes**

- Operators use small equipment such as mules and 4x4s whenever possible to reduce the number of passes required.
- GPS monitoring of equipment is in place. The manager can view passes and review inefficiencies. Data may also be discussed at employee performance reviews.
- Diesel exhaust fluid (DEF) is used to improve efficiency. Tractors are equipped with more efficient Tier 4 engines.
- An in-house Maintenance Manager oversees equipment management. Maintenance schedules, equipment inventories, and service records are maintained.
- Variable frequency drive (VFD) “soft starts” are equipped on well pumps.
- Operating hours for equipment are limited to only necessary tasks.
- Cobram is committed to upgrading and automating irrigation systems to remote controlled drip lines and provided a cost estimate for review.
- Solar panels are installed at the equipment shed and yard at select sites but are not yet connected. Plans are to use them to power the equipment shop.
- Cobram provided a letter of intent to lease solar panels on select sites and an email exchange that shows they have sought grant funds to make site improvements, including solar.

**Result: In Conformance**

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

#### 5.2 Air Quality

##### **Conformance Evidence**

- Tractor Specifications Table and Invoices
- Irrigation Upgrade Invoice
- Generator Rental Invoices
- Cover Crop Packing Slip
- Executed Grant Agreement for Hedgerow and Cover Crops
- Grove Management Plan

##### **Auditor Notes**

- Sites use newer tractors that use diesel exhaust fluid (DEF) and appropriately sized vehicles such as quads to navigate inside the grove and reduce emissions.
- All harvesting is performed by a single piece of machinery. Harvest schedules are tightly controlled, and the machine runs at all hours until the sites are complete, as opposed to multiple large machines running simultaneously. Fleets are tracked and monitored using FieldIn tech.
- VFDs on electric pumps and other conversions conserve energy.
- Burn permits are acquired when needed. Burn site observed was appropriately separated and isolated from other areas.
- Maintenance manager keeps a log of equipment and oversees scheduled maintenance to ensure equipment is working efficiently. Log includes the Air Quality Management District's Agency ID.
- Dust is not an issue on properties, which mostly have heavy clay soils, so there is no need to water roads. Mulch and wild grasses in rows provide additional dust controls.

**Result: In Conformance, Opportunity for Improvement (5.2.2, See Key Findings)**



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

##### 5.3 Climate-Smart Agriculture

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

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

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

- GPS is used on all equipment to plan more efficient routes. Passes are monitored remotely, and data is shared with crew to support efficient equipment handling.
- Cobram uses FieldIn technology to manage equipment automation and track operational data.
- No-till practices are on all orchards, with no soil disruption after trees are established.
- Regional climate impacts include extreme heat, cold snaps, and unpredictable rain falls. Sites are sloped to mitigate frost damage.
- Sites use copper sulfate as a fungicide after frosts damage is detected to prevent bacterial olive knot formations.
- Sites selected use multiple means of improving and maintaining soil health. Cover, hedgerows, and livestock integration improve soil moisture retention and soil organic matter.

**Result: In Conformance**

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### Objective 6: Waste and Material Management

#### 6.1 Management of Waste and Other Materials

##### **Conformance Evidence**

- Empty Pesticide Container Declaration and Inspection Documents
- Employee Handbook
- Labor Law Posters
- Training Records
- Site photos of reclaimed materials
- Waste and Material Management - Resource Recovery description

##### **Auditor Notes**

- A dumpster is located at the shop for trash disposal. The shop serves as the central storage location for equipment and spray supplies for all sites. Litter was observed around shop area.
- Recycling is taken in for proper disposal.
- Cobram sites selected do not produce bulk waste. Scrap metal is sold.
- Prunings are reincorporated into soil.
- Jugs are disposed of properly (triple rinsed and slashed) then secured. Used oil was observed uncovered. Auditors observed recent chemical shipments and gas tanks unsecured.
- Novavine picks up the tree grow tubes and reuses at the nursery. There is no designated staging area or collection container for nursery grow tubes waiting to be picked up.
- Maintenance manager recycles used oil.
- Burn permits are obtained for burn piles and regulations are followed.
- Inventory is taken so that excess materials are not ordered.
- Trainings on safe handling and usage are provided regularly for all staff in both Spanish and English.

**Result: In Conformance, Opportunities for Improvement  
(6.1.1, 6.1.2, and 6.1.3 – See Key Findings)**

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#### Objective 6: Waste and Material Management (Continued)

##### 6.2 Food and Agricultural Waste Resource Recovery

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

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

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

- Long term harvest storage is not a major concern since trucks bring the shipments for processing shortly after harvest. Production sites are in close proximity to processing facilities.
- Sites consider frost damage to be a primary concern and the greatest threat to crop health. Excessive heat may hinder pollination.
- Careful selection of grove sites and selection of frost-tolerant varieties bolster olive trees' resilience.
- Treatments for Olive Knot are applied after harvest when wounds are open and rain fall is happening, or other times that are a threat for infection. Applications are done twice a year to reduce crop loss.
- 2024 harvest residues will go to cattle feed as in years before
- Cobram is exploring options for resource recovery and secondary markets for surplus materials. One of their goals is to obtain a drier to create barbecue pellets and support residue reuse.

**Result: In Conformance**

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### Objective 7: Conservation of Biodiversity

#### 7.1 Species Protection

##### **Conformance Evidence**

- Biological Assessments

##### **Auditor Notes**

- Cobram engages a third-party consultant to conduct biological assessments prior to planting.
- No threatened or endangered species have been discovered on production properties.
- Special status (non-endangered or threatened) species have been identified within two miles of the sites. Teams on sites are aware of protections in place.
- Third party reviewer provides recommendations and controls to protect listed species in case of incursions.
- Cobram makes efforts to purchase land in areas where the team is already familiar with the local biodiversity.
- Vernal pools are left in place, unbothered.
- Fields were in production agriculture prior to redevelopment into olive groves with existing biological assessments.
- Assessments are conducted prior to the initial purchase of lands. New groves are planted in existing farmland areas.

**Result: In Conformance**

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#### Objective 7: Conservation of Biodiversity (Continued)

##### 7.2 Wildlife Habitat Conservation

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

- Healthy Soils Program Grant Agreement
- Hedgerow Plant List and Packing Slip
- Farm Maps
- Biological Assessments

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

- Operators are not aware of native habitats on production sites. Assessments would identify their presence.
- Areas near reservoirs are left to grow naturally. Native plants are planned for the areas around reservoirs.
- Cobram received a grant for hedgerows in the past. The practice has not been continued due to fire risks from added biomass.
- Areas of a select site are set aside to provide habitat for pollinators and bee hives. Cobram allows beekeepers to store hives on sites while the colonies are between assignments.
- Cobram uses cover crops on sites which may provide temporary habitat for beneficial species.
- Selected site has a beautiful, wooded creek area with wide buffers. Roadways have wide buffers on both sides.
- Active wildlife observed by auditors on site in the wooded areas.
- Biological Assessments are used to determine habitat suitability.

**Result: In Conformance**

##### 7.3 Avoided Conversion

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

- Policy: No Deforestation or Conversion of Natural Forests
- Farm Maps
- Planting Layout Maps

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

- No production land within Cobram's portfolio has been converted from agriculture. Sites selected are located on former grazing land and redeveloped into olive groves.
- Cobram's No Deforestation Policy states their commitment to prevent deforestation and conversion of native forests and other natural ecosystems, including peatlands of any depth.
- Due diligence processes include assessments for forest and wooded areas prior to acquisition.

**Result: In Conformance**



## COBRAM ESTATE OLIVES

### LH FMS AUDIT SUMMARY REPORT

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#### Objective 7: Conservation of Biodiversity (Continued)

##### 7.4 Crop Diversity

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

- Planting Layout Maps

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

- New plantings are cloned. Cobram provides all genetic materials, and the team selects varieties based on production, geography, and flavor goals for olive oil production.
- Each grove has pollinator rows.
- 8 types of olives grown on sites: Arbequina, Mission, Picudo, Piqual, Caratina, Hojiblanca, Manzanillo, Chemlalli, Koroniki.

**Result: In Conformance**

#### Objective 8: Protection of Special Sites

##### 8.1 Site Protection

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

- Site maps
- Biological Assessments

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

- No special sites are located on or near sites selected.
- Biological Resource Assessments use information from reputable sources and may be used to determine the presence or proximity of production acreage to special sites.
- Cobram maintains site maps for sites selected. No natural heritage or special sites are listed on maps.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

## LH FMS AUDIT SUMMARY REPORT

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### Objective 9: Local Communities

#### 9.1 Economic Wellbeing

##### **Conformance Evidence**

- Management interview

##### **Auditor Notes**

- Cobram has an in-house legal team to provide legal consultation.
- Cobram's Chief Financial Officer (CFO) reviews contracts, staffing issues, and compliance.
- Human Resources department works with an employment consultant to manage payroll. HR department manages employee payment inquiries and concerns.

**Result: In Conformance**

#### 9.2 Community Relations

##### **Conformance Evidence**

- Community Tour Group Photos
- Yolo County Youth appreciation poster

##### **Auditor Notes**

- Involvement and sponsorships with community organization and events, including the Yolo Land Trust, Dinner on Main, Farm to Fork Festival, Hoes Down, Wine Festival, Honey Festival.
- In 2023, the Hoes Down Festival contributed \$140,000 to benefit California organizations to benefit sustainable agriculture and rural communities.
- Cobram hosts community tours to share agriculture education.
- Cobram's Chief Operating Officer (COO) is involved with the Farm Bureau, Water Conservation Districts, and the Olive Oil Commission.
- Cobram maintains a booth at annual Colusa farm show.
- Cobram makes donations to local schools and organizations, and donated olive trees for an educational acreage project in collaboration with the Center for Land Based Learning.

**Result: In Conformance**

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#### Objective 9: Local Communities (Continued)

##### 9.3 Local Communities and Indigenous Peoples

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

- Policy - The Rights of Local Communities and Indigenous Peoples

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

- Cobram is a member of the United Nations (UN) Global Compact and supports and recognizes the UN Declaration on the Rights of Indigenous Peoples.
- Cobram's Policy "The Rights of Local Communities and Indigenous Peoples" outlines multiple commitments that clearly support actions to protect and respect the rights of Indigenous People and communicate and negotiate in good faith.
- Cobram maintains a positive relationship with the Wintun Nation, which also grows olives. Growers have helped one another with repairs or maintenance needed for equipment.
- Science services are provided to a grower from the Wintun Nation.
- Cobram's neighbors have contact information for Cobram's front office. Cobram is a known part of the community and publicly available information on their headquarters is easy to find.
- Headquarters are open to visitors and the public. Concerns have been filed regarding grove development. Cobram responded and engaged with the community, provided information, hosted facility tours, and answered questions regarding operations and plans.

**Result: In Conformance, Notable Practice (9.3.1 – See Key Findings)**

##### 9.4 Public Health

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

- Training Records
- ILRP Parcel and Field Inventory
- Irrigated Lands Regulatory Program Excerpt

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

- Annual training addresses farm, equipment, material handling, and general safety concerns for all staff. Trainings are required and provided in both English and Spanish.
- Cobram's Safety Officer works with a safety consulting agency to conduct safety and occupational health training.
- Site management communicates with their teams when sprays will be conducted. Spraying does not happen on days with high winds to avoid drift.
- Cobram maintains standard operating procedures on chemical exposure and maintains training records for safe chemical handling.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

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### Objective 10: Employees and Farm Labor

#### 10.1 Safe and Respectful Working Environment

##### **Conformance Evidence**

- Diversity Policy
- Employee Handbook
- Labor Law Posters
- Training Records

##### **Auditor Notes**

- Cobram's Employee Handbook contains an equal opportunity employer (EOE) statement.
- Cobram contracts third parties to provide discrimination training and sexual harassments.
- Employees are trained to report injuries.
- The working environment at Cobram offices are collaborative and friendly. Shared lunches for multiple teams were being prepared by staff during auditor visits.
- Cobram's Diversity Policy is robust and promotes diversity, equity, and inclusion for all employees and the board. A consideration of this policy is to share respective proportions of men and women in senior executive positions in the Company's annual report.
- Cobram sites hold safety meetings with relevant topics such as pest control and chemical handling.

**Result: In Conformance**

#### 10.2 Occupational Training

##### **Conformance Evidence**

- Training Records

##### **Auditor Notes**

- Cobram employees receive necessary safety training. Additional training is provided on cardiopulmonary resuscitation (CPR), fire extinguisher use, electrical issues, safely working in the heat, and access to step-by-step operations for equipment handling.
- Annual required safety trainings for all staff covering the full spectrum of safety trainings.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

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### Objective 10: Employees and Farm Labor (Continued)

#### 10.3 Supporting Capacity for Sustainability

##### **Conformance Evidence**

- Policy: Leading Harvest Sustainability Commitment
- Resumes
- Academic Transcript
- Leading Harvest Roles
- Training Records

##### **Auditor Notes**

- Cobram maintains a policy stating their commitment to LH FMS and specifies their commitment to supporting and adopting LH FMS Objectives.
- Site management are aware of LH participation and onsite audits.
- Sustainability meetings with staff to discuss goals and opportunities for improvement is not on a scheduled basis. Weekly meetings are held to discuss current tasks and sustainability initiatives, though some employees did not seem to be aware of LH FMS.
- Cobram's goals include sharing best management practices related to sustainability on farms across departments. Training on goals is conducted annually.

**Result: In Conformance, Opportunities for Improvement (10.3.2 and 10.3.3 – See Key Findings)**

#### 10.4 Compensation

##### **Conformance Evidence**

- Payroll Paycheck Signature Sheets
- Payroll Records

##### **Auditor Notes**

- Cobram continues to be challenged by finding quality labor. Wages are intended to be an attractant.
- Annual performance reviews support compensation decisions.
- Human Resources uses industry averages per location to determine base compensation. Annual performance reviews are used to determine final compensation per employee.
- Salary analysis is conducted on each position offered using public resources, and salary ranges are posted with each open position.
- Compensation is set within the 75<sup>th</sup> – 95<sup>th</sup> percentile of acceptable salary ranges for a position.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

## LH FMS AUDIT SUMMARY REPORT

October 11, 2024

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### Objective 10: Employees and Farm Labor (Continued)

#### 10.5 Farm Labor

##### **Conformance Evidence**

- Labor Law Posters
- Modern Slavery Policy
- Whistleblower Policy
- Code of Conduct

##### **Auditor Notes**

- Cobram uses contracted labor each year for pruning and planting.
- HR verifies the license each year and then checks that personal protective equipment (PPE) is in use.
- Cobram provides safety training for the farm labor contractor (FLC) workers.
- Human Resources is responsible for reviewing FLC status and compliance with state regulatory bodies.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

## LH FMS AUDIT SUMMARY REPORT

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### Objective 11: Legal and Regulatory Compliance

#### 11.1 Legal Compliance

##### **Conformance Evidence**

- Employee Handbook
- Site visit
- California Transparency in Supply Chain Act
- U.S. Food & Drug Administration Registration
- Yolo-Solano Air quality Management District Permit
- Yolo County Department of Agriculture Restricted Materials Permit

##### **Auditor Notes**

- HR is available to answer employee questions.
- Cobram's safety officer provides printed training materials and responds to staff safety questions.
- Employee Handbooks contain policies and relevant information for personnel to access.
- Cobram works with local Farm Bureaus, water districts, and participates in County meetings.
- Cobram holds weekly meetings with field teams and shares relevant legislation and regulatory updates.
- Occupational Safety and Health Administration (OSHA) Posters and regulatory compliance information was posted on sites and in offices.
- Personal Protection Equipment (PPE) is on hand and available for staff and field teams in staging areas.
- Bilingual compliance posters and heat stress and safety warnings are posted publicly in common and break areas to keep employees informed and maintain a safe work environment.
- Food safety and regulatory compliance audits are in good standing.

**Result: In Conformance**

#### 11.2 Legal Compliance Policies

##### **Conformance Evidence**

- Employee Handbook
- Modern Slavery Policy
- Code of Conduct

##### **Auditor Notes**

- Bilingual compliance posters and heat stress and safety warnings are posted to keep employees informed and maintain a safe work environment.
- Employee Handbooks and Cobram's Modern Slavery Policy supports compliance with applicable social laws. Employee Handbooks include policies in alignment with the International Labour Organization's fundamental principles to the extent of US law.

**Result: In Conformance**

# COBRAM ESTATE OLIVES

## LH FMS AUDIT SUMMARY REPORT

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### Objective 12: Management Review and Continual Improvement

#### 12.1 Farm Review and Continual Improvement

##### **Conformance Evidence**

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

##### **Auditor Notes**

- Annual performance reviews are held for all staff. Personnel performance goals are discussed during reviews, and Career Development Plans are in place.
- Cobram management uses the data from equipment GPS to discuss performance with staff.
- Cobram provides annual employee reviews based on 20 standardized performance questions to determine whether expectations are met.
- Cobram is continuing to develop a review process focused on environmental impacts, agricultural production, and resource use efficiency. Weekly farm meetings help identify areas that need improvement.
- Cobram uses an online platform to track and monitor personnel performance reviews.
- Cobram uses the FieldIn platform to track equipment GPS, hours of use, and additional farm data to inform alignment with LH FMS principles.
- Cobram maintains reviews of environmental performance, health and safety, and fair working conditions on properties. The frequency of updates was not clear to auditors.
- Cobram is including their Sustainability team in meetings more frequently to review weekly items with a sustainability perspective and share more information with teams.
- Cobram has the first Colossus unit in California to provide mechanical harvesting; a single piece of equipment manages the entire annual harvest. Cobram is evaluating machines that can clean under trees and inside rows.
- LH FMS Audit summary reports are distributed throughout Cobram's management staff to support continual improvement.

**Result: In Conformance, Notable Practice, Opportunity for Improvement (12.1.3 and 12.1.4 – See Key Findings)**



## COBRAM ESTATE OLIVES

### LH FMS AUDIT SUMMARY REPORT

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#### Objective 12: Management Review and Continual Improvement (Continued)

##### 12.2 Support for Sustainable Agriculture

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

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

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

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

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

## COBRAM ESTATE OLIVES

### LH FMS AUDIT SUMMARY REPORT

October 11, 2024

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## CONCLUSIONS

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

## STANDARD USER GUIDANCE

**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.

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## SPECIFIC FOCUS AREAS FOR NEXT AUDIT

Next year's surveillance audit will revisit waste and material management practices, updated documentation, and employee roles and responsibilities for sustainability and seasonality, based on audit findings. Averum and Cobram Estate Olives will coordinate next year's site visit(s) in early 2025 after a current application is received. Audit activities are estimated to take place in July of 2025, during the growing season.

# COBRAM ESTATE OLIVES

## LH FMS AUDIT SUMMARY REPORT

October 11, 2024

Summary of Audit Findings					
<b>Program User</b>	Cobram Estate Olives				
<b>Audit Dates</b>	July 31, 2024 – October 11, 2024				
<b>Non-Conformances Raised (NCR):</b>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;"><b>Major</b></td> <td style="width: 40%;"><b>Minor</b></td> </tr> <tr> <td style="text-align: center;">0</td> <td style="text-align: center;">0</td> </tr> </table>	<b>Major</b>	<b>Minor</b>	0	0
<b>Major</b>	<b>Minor</b>				
0	0				
<b>Follow-Up Visit Needed? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Date(s)</b>	10/11/2024				
<b>Audit Report Executive Summary</b>					
<p>Cobram was able to successfully demonstrate their continued conformance to the Leading Harvest Farmland Management Standard in 2024. Cobram provided updated site photos of improvements to supplement evidence package after site visits were complete and were gracious hosts to the audit team. The properties visited by Auditors were professionally managed, Managers are qualified for their roles, and they demonstrate conscientious olive management and expertise. Interview subjects were transparent and expansive in their responses. Managers worked to coordinate their schedules with Averum to support audit activities during an extremely busy time of year and are appreciated.</p>					
Team Leader Recommendations					
<b>Corrective Action Plan(s) Accepted</b> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	10/11/2024				
<b>Proceed to/Continue Certification</b> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	10/11/2024				
<b>All NCR Closed</b> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	10/11/2024				
Standard(s) Audited Against					
Leading Harvest Farmland Management Standard 2020 (Objectives 1 through 13)					
<b>Audit Team Leader</b>	<b>Audit Team Members</b>				
Matt Armstrong	Linnea Abel, Jill Brodt, Holly Salisbury				
Scope of Audit					
Management of production farmland on direct and tenant operated properties.					
<b>Accreditations</b>	Approval by Leading Harvest to provide certification audits				
<b>Number of Certificates</b>	1				
<b>Certificate Number</b>	AVERUM-LHFMS-2023-0010				
<b>Proposed Date for Next Audit Event</b>	TBD – July 2025				
<b>Audit Report Distribution</b>	Conor Churchin: c.churchin@cobramestateolives.com				