



UBS Farmland Investors, LLC

Hartford, CT

**LEADING HARVEST FARMLAND MANAGEMENT PROGRAM
AUDIT SUMMARY REPORT: 2025 RECERTIFICATION**

November 20, 2025



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UBS FARMLAND INVESTORS, LLC

LH FMS AUDIT SUMMARY REPORT

EXECUTIVE SUMMARY

UBS Farmland Investors, LLC
Daniel Murray
10 State House Square, 12th Fl
Hartford, CT
860.616.9703
Daniel.murray@ubs.com

Certification Date:
November 20, 2025
Recertification Due Date:
November 20, 2028
Certification ID Number:
AVERUM-LHFMS-2025-0040

UBS has performed well in demonstrating its management system's conformance to the Leading Harvest Farmland Management Standard. During their first audit cycle, UBS has made significant investments into property infrastructure to support efficiency on farms and provide updated housing for workers. UBS has established relationships with agricultural foundations to support agricultural research and education. Management has updated policies to remain relevant and support Leading Harvest conformance. UBS properties visited were well-managed by qualified staff.

EXECUTIVE SUMMARY

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

TEAM LEADER RECOMMENDATIONS

Audit Dates: July 15, 2025 – November 20, 2025

Corrective Action Plan(s) Accepted: N/A

Date: November 20, 2025

Follow-Up Visit Needed: No

Date: November 20, 2025

Proceed to/Continue Certification: Yes

Date: November 20, 2025

All NCR Closed: N/A

Date: November 20, 2025

AUDIT STAFF

Lead Auditor:

Linnea Abel

Audit Team Members:

Tammye Schandua, Field Auditor

Holly Salisbury, Independent Reviewer

Matt Armstrong, Audit Team Leader

AUDIT SCOPE

Standard(s) Within Scope:

Leading Harvest Farmland Management Standard 2020

Recertification of UBS Farmland Investors, LLC's management system of production farmland on direct and tenant-operated properties to determine conformance with Leading Harvest Farmland Management Standard Objectives 1–13, and the Performance Measures and Indicators therein.

Accreditations: Approval by Leading Harvest to provide certification audits

Number of Certificates: 1

Proposed Date for Next Audit Event: First surveillance audit should be complete prior to November 2026.

Audit Report Distribution: Daniel.murray@ubs.com

INTRODUCTION

This report summarizes the results of the 2025 recertification audit conducted on UBS Farmland Investors, LLC's managed production agriculture properties. The audit was conducted by Linnea Abel, Lead Auditor for Averum. Linnea Abel has experience with Leading Harvest, 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 Tammye Schandua, 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 2025, Averum was engaged by UBS to perform an audit of sustainability performance on 250,000 – 500,000 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 13 were covered during site visits on properties in the Pacific West, Mountain, and Southeast regions, with representation from two management divisions. There was no substitution or modification of LH FMS performance measures.

Throughout the course of our engagement, it was determined that gathering additional information via meetings or correspondence with government agencies, community groups, affected Indigenous Peoples, and conservation organizations was not required. Information provided during our audit was determined to be sufficient to address relevant indicators of the LH FMS.

COMPANY INFORMATION

UBS Farmland Investors, LLC (UBS) is an asset management firm specializing in agriculture. Farm operating tenants and management contractors are responsible for the day-to-day farmland management services for UBS's properties. UBS initially achieved certification for 100 percent of its agricultural properties in 2023.

During the recertification audit, twelve (12) sites in the Pacific West, Mountain, and Southeast regions were selected, with representation from two of UBS's management divisions. UBS's Head of Farmland and Director of Asset Management supported evidence requests and interviews throughout the audit. Regional Managers overseeing sample regions supported site visits, were included in management interviews, and provided additional evidence for auditor review. The properties in these regions are a representative sample of current practices in place and management decision-making. The primary agricultural production on the sites is peanuts, cotton, corn, lettuce, melons, cauliflower, sugar beets, broccoli, and wheat.

AUDIT PLAN

Averum developed an Audit Plan which is maintained and on file. An online portal was established for UBS coordinators to upload evidence and documentation securely for auditor review. An Opening Meeting was held July 15, 2025, preceding site visits. Following the meeting, a document review of the provided evidence was conducted by Averum. Field sites in the Pacific West, Mountain, and Southeast were examined on July 15 and August 5, 2025. A Closing Meeting was held November 20, 2025.

Opening Meeting: Conference Call**July 15, 2025****Attendees**

UBS:

Daniel Murray, Alex Tapia

Audit Team:

Matt Armstrong, Linnea Abel, Tammye Schandua

Topics

The following topics were discussed and presented by Lead Auditor Linnea Abel during the Opening Meeting:

- Introductions of participants and their roles
- Introduction of audit team
- Status of the previous audits
- Audit plan
- Expectations of program user staff
- Method of reporting

INTRODUCTION

(Continued)

UBS Farmland Investors, LLC

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Closing Meeting: Conference Call

November 20, 2025

Attendees

UBS:

 Daniel Murray

Audit Team:

 Tammye Schandua, Linnea Abel

Topics

The following topics were discussed and presented by Lead Auditor Linnea Abel during the Closing Meeting:

- Opening remarks
- Statement of confidentiality
- Closing summary
- Presentation of the audit conclusion
- Major Nonconformances
- Minor Nonconformances
- Opportunities for Improvement (OFIs)
- Notable Practices
- Report timing and expectations

Audit Time

(Days)	Activity	Responsible
.5	Opening and Closing Meetings	Auditor, Lead Auditor, Team Leader
2	Management interview	Auditor
2	Site visits	Auditor
2	Engagement workpapers	Auditor
2.5	Evidence (document) review	Auditor
1.5	Audit Summary Report development, review. and certification decision	Auditor, Lead Auditor

MULTI-SITE REQUIREMENTS

UBS maintains operations on multiple properties across multiple regions in the United States. Regions are overseen by four management divisions. UBS qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional management, with regular monitoring activities. UBS's Head of Farmland is responsible for developing corrective action plans regarding LH FMS conformance and reporting them to UBS management. UBS'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.

AUDIT RESULTS

Overall, UBS's agricultural operations conform to the objectives of the 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 12 operating sites; representation is detailed below. Visits took place during the growing season or were dormant after vegetable harvests, so management reviews and continual improvement were highlighted. Central and regional management representatives, tenants, and a contracted management representative were present during site visits and interviewed to demonstrate UBS'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. UBS's Regional Managers hosted site visits, were available throughout the engagement, provided logistic support, and provided responses to evidence requests.

Region

Pacific West represents 4% of all acreage

Crop

Lettuces (Iceberg, Romaine), spinach, melons, cauliflower, sugar beets, broccoli, wheat, cotton

Properties Examined During Engagement

One (1) site visited during audit.

- Imperial Valley Farm

INTRODUCTION

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Region

Southeast represents 6% of all acreage

Crop

Corn, cotton, peanuts

Properties Examined During Engagement

Five (5) sites visited during audit.

- Camilla Farm
- Miller Babcock
- Mitchell 97
- Patmos
- Seminole

Region

Mountain represents 23% of all acreage

Crop

Lettuces (Iceberg, Romaine), spinach, melons, cauliflower, sugar beets, broccoli, wheat, cotton

Properties Examined During Engagement

Six (6) sites visited during audit.

- Gila Monster Farm
- Gila Valley Farm
- Potter Ranch
- Snyder Ranch
- Wellton Farm
- Yuma Valley Farm

KEY FINDINGS

FINDINGS IDENTIFIED DURING THE AUDIT	
PREVIOUS NONCONFORMANCE	N/A
MAJOR NONCONFORMANCE	Zero (0)
MINOR NONCONFORMANCE	Zero (0)
OPPORTUNITIES FOR IMPROVEMENT	Five (5)
NOTABLE PRACTICES	Eight (8)

PREVIOUS NONCONFORMANCE

Not applicable

MAJOR NONCONFORMANCE

Not applicable

MINOR NONCONFORMANCE

Not applicable

OPPORTUNITIES FOR IMPROVEMENT

8.1.1 SPECIAL SITE IDENTIFICATION (REPEAT OFI FROM PRIOR YEAR)

UBS could update due diligence procedures and supporting materials (Acquisition Analysis Standards and Analysis templates) to reflect all steps and resources UBS conducts during the acquisition phase. Updates could include and not be limited to the identification of special sites using available natural heritage data or expert advice. Results from natural heritage database searches or relevant FSA/NRCS forms from program participants may also be used as evidence examples to support due diligence.

9.3.2 LAND TENURE RIGHTS OF LOCAL COMMUNITIES AND INDIGENOUS PEOPLES

UBS could develop a process to document communications with local communities and Indigenous Peoples during due diligence and management as a standard operating procedure to reflect awareness of concerns.

12.1.2 MONITORING PERFORMANCE (REPEAT OFI FROM PRIOR YEAR)

UBS could consider expanding the evidence collected or reviewed by farm management to demonstrate regular monitoring activities. Examples include and are not limited to scouting reports, IPM Plans, water quality tests, and Equal Salary Certification(s).

12.1.4 ANNUAL REVIEW AND IMPROVEMENT

UBS could use their conformance assessment matrix to develop or inform action plans to support continual improvement.

13.2.2 IMPROVEMENT OF THE VERIFIABLE MONITORING SYSTEM

UBS could consider updating Inspection Reports to include assessments of Leading Harvest Objective alignment. Such results could be used to inform UBS's LH conformance assessment matrix and identify potential opportunities.

NOTABLE PRACTICES**7.1.1 THREATENED AND ENDANGERED SPECIES**

UBS has engaged an external consultant to conduct evaluations for Threatened and Endangered and at-risk species for each of their properties.

7.1.2 AT-RISK SPECIES

Results of the Threatened & Endangered Species Evaluation Memos will be compiled and used to inform a regional management strategy. This demonstrates a proactive approach and makes granular or property specific research accessible to farm management.

7.2.2 ECOLOGICALLY IMPORTANT SITES

Property specific evaluations memos regarding at-risk species include identification of critical habitats for relevant species. These evaluations can be used to inform regional approaches or property-specific behaviors and increase awareness of critical habitats that support at-risk species.

9.2.1 COMMUNITY ENGAGEMENT

UBS has established long-term relationships with organizations that support local communities and education. UBS provides repeat contributions to meaningful organizations that increase community awareness of sustainable agriculture and support leadership in the agriculture industry.

10.1.2 RESPECTFUL WORK ENVIRONMENT

UBS has generous parental leave policies that provide the same benefits and coverage for childbearing and non-childbearing parents to support an equitable work environment.

11.1.3 COMPLIANCE COMMITMENT

UBS has made significant investments through the construction and provision of housing for farm labor on sites in the Pacific Northwest. Making housing available significantly increases tenants' ability to comply with H2A program requirements and improves quality of life for farm workers by reducing commutes and mitigating transportation concerns.

11.2.2 CONSISTENCY WITH ILO CONVENTIONS

UBS's Responsible Supply Chain Standard extends requirements to align with ILO Conventions to supply chain partners. The Standard requires suppliers to report any circumstances that would prevent them from meeting the standard requirements.

13.1.1 LEASED-LAND PROGRAM

UBS's practice of reimbursing tenants for unrealized value of significant capital investments at the end of their lease terms supports the adoption of capital expenditures that increase farmland's value.

REVIEW OF PREVIOUS AUDIT CYCLE

UBS achieved initial certification in January 2023. During their initial certification, two minor nonconformities were identified in relation to communicating leased land objectives. Corrective action plans were implemented and verified during subsequent surveillance audits. Roles and responsibilities for Leading Harvest audit activities have continued to be assigned and conducted by qualified personnel through changes in management positions.

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

The following are summarized findings organized by Leading Harvest Farmland Management Standard (LH FMS) performance measure. Specific nonconformances, 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

UBS Farmland Stewardship Commitment
 Sustainability and Climate Risk Policy framework
 Slide deck
 Property Acquisition Standards

Auditor Notes

- UBS has a Farmland Stewardship Commitment that aligns with LH FMS Objectives. Sustainable agriculture goals are supported by UBS's commitment to apply and improve regional best management practices (BMPs).
- UBS makes farmland acquisitions with productivity and profitability in mind. Site visited was purchased in Arizona and was purchased in 2010 to produce vegetables. UBS provided a slide deck with market trendlines used to support acquisition due diligence.
- UBS mitigates management challenges and risks prior to acquisition during due diligence. Site suitability is considered during acquisition. UBS's Property Acquisition Standards contain several requirements established by UBS to support due diligence and acquisitions.
- Water efficiency is a top priority for UBS, and they seek opportunities to increase water efficiency when making capital improvements. UBS does not have farms that are wholly reliant on groundwater for irrigation.
- UBS maintains a Sustainability and Climate Risk (SCR) Policy framework and is a signatory to the United Nations Principles for Responsible Investing (UN PRI).
- UBS invests in sites with logistic advantages such as proximity to cooling facilities to support crop quality and marketability. Western sites visited primarily produce vegetables and are located within an hour of cooling facilities.
- UBS clients are long-term holders of farmland. UBS seeks opportunities to acquire farms they can perpetually retain.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						1.1.1 1.1.2 1.1.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 1: Sustainable Agriculture Management

1.2 CRITICAL EXTERNAL FACTORS

Conformance Evidence

Capital expenditure reports
Invoices
Sustainability and Climate Risks

Auditor Notes

- UBS reviews capital budgets and the budgeting process annually. Regional Managers work with their Property Managers and tenants to review budgets during lease negotiations. Prior year actuals are reviewed along with repair and maintenance.
- Managers collect tenant input during the capital budget process to increase operational efficiency and ensure capital improvements are feasible and appropriate.
- UBS provided records including invoices for two significant and recent capital expenditure requests. The projects were related to irrigation system upgrades on farms in the Southeast.
- UBS provided a document titled "Sustainability and Climate Risks", which integrates practices that support long term consideration.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						1.2.1

Objective 2: Soil Health and Conservation

2.1 SOIL HEALTH

Conformance Evidence

2025 soil test results

Soil maps

Lease agreement

NMPs

Auditor Notes

- Tenants interviewed maintain consistent soil prescriptions unless unusual conditions arise. All soil testing is conducted by third-party vendors. Pest Control Advisors (PCAs) collaborate with the soil labs to develop appropriate prescriptions.
- Soil testing practices vary depending on the crop type, timing, and tenant preferences. Vegetable crops typically undergo more frequent testing, while commodity crops are tested annually.
- UBS lease agreements include clauses that require the use of and improvement of BMPs. Cropping Plans are reviewed by Regional Managers prior to approval for row and permanent crops. Lease agreements provided require annual soil testing.
- Tenants interviewed use applicable BMPs on operations. Tenants plant wheat and rye cover crops, use chicken litter as fertilizer, maintain Nutrient Management Programs (NMPs) informed by regular soil tests, and apply fertilizers using variable rate technology. Sites visited till crop residues back into the soil after harvest to enhance nutrient levels.
- Tenants collaborate with crop consultants to develop NMPs.
- Mountain and Pacific Western sites visited have fields that are laser-leveled, which enables soil tests to be conducted on larger grids. Tenants conduct annual soil tests on 5–10-acre grids, analyzing pH and key nutrients like phosphate, calcium, and potassium.
- Tenants maintain records of input applications using various tools, including farm management software platforms. Data management systems are tailored to meet the specific record keeping needs of each grower.
- Mountain and Pacific West sites visited plant commodity or cover crops during the summer—such as cotton, wheat, or Sudan grass to maintain soil health. Winter vegetable crops are typically more profitable in this region.
- Southeast sites visited integrate grazing livestock (cattle) to recycle nutrients, increase soil organic matter, and enhance long-term soil productivity.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						2.1.1 2.1.2 2.1.3 2.1.4

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 2: Soil Health and Conservation

2.2 SOIL CONSERVATION

Conformance Evidence

Lease agreements

2025 soil test results

Soil maps

NMPs

Auditor Notes

- Pacific West and Mountain sites visited are laser-leveled and have minimal potential for erosion due to the flat terrain. Fields are maintained after harvest to maintain a consistent and even surface.
- Southeast tenants interviewed use strip tillage on corn and cotton and use burn-down practices between crops to manage residue and improve soil structure. Cover crops like wheat and rye grass are incorporated into rotations.
- Southeast sites visited maintain ditches and clean up washes annually to mitigate erosion and maintain field integrity.
- Leases provided require tenants to replace soil nutrients, maintain soil pH, make best efforts to maintain crop residues on fields, maintain agricultural lands such as terraces and waterways, and limit erosion as much as possible.
- Sites visited use aerial applications when the land is too wet, avoiding soil compaction.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						2.2.1 2.2.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 3: Water Resources

3.1 WATER USE

Conformance Evidence

Acquisition Analysis template

Invoices

GSA Rebate Program documentation

Lease agreements

Site visit photos

Property Acquisition Standards

Auditor Notes

- Sites visited adhere to water allocations established by local water districts. Soil moisture is monitored with visual and manual assessments or with soil moisture probes.
- Southeast tenants interviewed apply for Water Use Permits based on allocations tied to the Apalachicola–Chattahoochee–Flint River Basin regulations, ensuring withdrawals stay within legal limits. Irrigation systems are connected to AgSense 365, which supports efficient water use and helps prevent over-irrigation, which can lead to salinization and pest issues.
- Mountain and Pacific West sites visited use flood irrigation and drip irrigation that uses surface water from canals and the Colorado River.
- Tenants interviewed have served on water district boards, ranging from local to federal levels to advocate for sustainable water resource management. Tenants regularly participate in monthly and quarterly meetings focused on water accessibility with representatives from other counties, states, and water districts.
- Sites visited in Colorado River irrigation districts have metered wells.
- Farm Managers interviewed monitors for irrigation repair requirements, such as cracks in irrigation canals and ditches.
- UBS participates in Groundwater Sustainability Agency programs to make improvements to irrigation delivery systems. UBS provided invoices related to significant infrastructure improvements to the irrigation delivery system reliant on surface water.
- Mountain site visited had drainage irrigation ditches in disrepair and irrigation water was being lost. UBS made significant investments in repairs to the ditches and improvements to the irrigation system to increase efficiency. Canals were improved to prevent seepage and increase water use efficiency. UBS provided copies of invoices related to site improvements.
- UBS reviews water availability during acquisition, including water volume life expectancy, expectancy of irrigation equipment, and water rights during property acquisitions. Water analysis is reflected in Property Acquisition Standards.

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

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Objective 3: Water Resources (Continued)

3.1 WATER USE

Auditor Notes

- Lease agreements require tenants to maintain irrigation equipment appropriately to support efficiency. UBS works with tenants on a regular basis to replace sprinkler packages as preventative maintenance to ensure irrigation efficiency.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						3.1.1 3.1.2 3.1.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 3: Water Resources

3.2 WATER QUALITY

Conformance Evidence

Lease agreement

Auditor Notes

- Tenants interviewed in Mountain region must obtain permits to use drainage ditches for tailwater recovery.
- Mountain and Pacific West sites conduct regular water quality testing as required by Food and Drug Administration (FDA) regulations for vegetable crops intended for human consumption. To prevent cross-contamination, farms must be located at least two miles away from any livestock facilities.
- Tenants inspect crops weekly at a minimum. Specialty crops are inspected as often as daily.
- Tenants interviewed collaborate with a third-party Pest Control Advisor (PCA) or PCAs on staff. Licensed applicators or appropriately trained and certified staff conduct applications to avoid mishandling of crop input materials.
- Sites visited triple-rinse chemical containers and have secure vault storage. Chemicals are stored appropriately to avoid groundwater contamination.
- Leases forbid the disposal of hazardous materials on site. Any hazardous materials must be disposed of in compliance with applicable local and state regulations.
- Tenants interviewed have transitioned from using crop dusters to drone applications due to the increased precision and reduced drift, which can protect water quality.
- Tenants interviewed use soil management practices that reduce soil disturbances and reduce potential for sediment runoff.
- Southeast site visited recently had an irrigation system upgrade that incorporates telemetry. Similar improvements have been made by UBS in other regions. Efficient irrigation prevents the potential for nutrient leaching.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					3.2.1 3.2.2	

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

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Objective 4: Crop Protection

4.1 INTEGRATED PEST MANAGEMENT

Conformance Evidence

Scouting reports

Lease agreement

Form 1080

Auditor Notes

- Mountain and Pacific West sites visited are scouted at least weekly. Specialty crops may be scouted as often as daily during the growing season. Scouting is conducted by tenants or third-party service providers.
- Auditor reviewed scouting reports during site visits. Reports showed insect, weed, and pest populations.
- Tenants coordinate with PCAs to ensure inputs are applied accurately and at appropriate times.
- Sites visited follow university-recommended thresholds to guide timely and effective pest control decisions. Weekly crop scouting throughout the season helps guide input decisions.
- Tenants use integrated pest management approaches. Treatments include beneficial insects such as ladybugs, who predate upon pest organisms, crop rotations, additional tillage, and selective chemical treatments.
- Leases require lessees to strictly follow label instructions for crop applications and handle and dispose of materials appropriately.
- Tenants interviewed in the Mountain region complete Arizona Form 1080s. Forms are posted in an accessible area and were observed by Averum's auditor during site visits.
- Form 1080s include detailed pest control information and a written recommendation that must be completed by a pest control advisor (PCA) or a regulated grower. Pesticide, application method, site location, and pest conditions are included.
- Tenants interviewed maintain detailed records of all chemical applications using their own recordkeeping systems. These systems have significantly improved reporting efficiency, reducing the time required for food safety audits or produce recalls from two days to less than four hours.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						4.1.1 4.1.2 4.1.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

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Objective 4: Crop Protection

4.2 CROP PROTECTANT MANAGEMENT

Conformance Evidence

Visual observation

Auditor Notes

- Sites visited use licensed staff and third-party providers to conduct applications. Licensure requires annual continuing education.
- Most chemicals are purchased as needed to reduce onsite storage. Bulk chemicals, including totes and jugs, are stored in secure, clearly marked areas near the farm shop. Limited small purchases are also stored in these designated areas to maintain safety and compliance.
- Empty containers are triple-rinsed and collected in a trailer until they are picked up for recycling by input vendors or recyclers.
- Tenants store crop protectants in a secure vault room with restricted access and warning signage, and only trained employees are allowed entry.
- Aerial spraying is minimized and communicated to neighbors to prevent offsite drift. Sites visited triple rinse containers, and spray rigs are equipped with rinse systems in the event of a spill.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						4.2.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

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

5.1 AGRICULTURAL ENERGY USE AND CONSERVATION

Conformance Evidence

JD Ops onsite review

Auditor Notes

- Tenants maintain records of fuel usage, equipment location, and maintenance schedules. These records are stored in systems such as JD Ops, spreadsheets, or managed by equipment dealerships.
- Tenants interviewed perform their own maintenance or work with dealerships to provide service. Leased equipment is usually serviced by dealerships.
- Tenants interviewed use GPS, autopilot, and variable rate technology on equipment to optimize field operations and reduce fuel miles.
- Site visited has recently completed electrical upgrades, and irrigation pivots are connected to AgSense 365, which has helped lower energy and water consumption.
- Tenants interviewed expressed concerns about the high cost of solar energy, the slow return on investment, and the necessity of subsidies to justify installation of solar panels. Feasible renewable energy options are considered.
- UBS takes a conservative approach to pursuing renewable energy partnerships and projects due to the lack of long-term renewable energy policies in the United States. UBS has executed wind energy leases on farms in Texas.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						5.1.1 5.1.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

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UBS Farmland Investors, LLC

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

5.2 AIR QUALITY

Conformance Evidence

JD Ops onsite review

Visual observation

Auditor Notes

- Tenants track equipment inventory using spreadsheets or JD Ops. Tenants interviewed maintain detailed equipment inventories and follow regular maintenance schedules. Equipment receives oil changes every 250 hours to ensure efficient performance and minimize environmental impacts.
- Staff receive training to operate machinery efficiently.
- Sites visited use mostly modern equipment that adheres to improved emissions standards.
- Tenants use GPS, autopilot, and variable rate technology to reduce fuel consumption and emissions during field operations.
- Tenants use water trucks to dampen side roads during the crop season, helping to reduce dust. Auditor observed water trucks during site visit.
- Tenants interviewed follow irrigation schedules to maintain appropriate soil moisture on fields, which further supports dust control efforts.
- Tenants use conservation tillage and cover crops, such as wheat and rye grass, to reduce soil disturbance and suppress dust.
- Southeastern sites visited use burn-down methods before planting and limit conventional tillage to peanuts, helping minimize airborne dust and its potential impact on air quality.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						5.2.1 5.2.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

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

5.3 CLIMATE-SMART AGRICULTURE

Conformance Evidence

Management interview

Auditor Notes

- Tenant interviewed utilizes a laser weeder powered by an electric generator to control weeds without chemicals. Carbon footprints of laser weeders vary depending on energy source, but may offer a lower carbon footprint through the elimination of chemical procurement and volatilization.
- Additionally, local community leadership is working to bring fiber internet to the area, which will enable tenants to input data and monitor equipment usage and performance more efficiently.
- Tenants use GPS, autopilot, and variable rate technology to reduce fuel use and optimize input application, helping lower greenhouse gas emissions.
- Cover cropping with wheat and rye grass supports carbon sequestration, and equipment is maintained regularly with tracked inventories and scheduled oil changes to ensure efficient operation and fuel efficiency.
- Tenants utilize precision agriculture technologies across their farms to enhance efficiency and decision-making.
- Tenants attend an annual technology demonstration and field day hosted by the University of Arizona. The event highlights the latest innovations to growers.
- Southeastern tenants interviewed use cover crops like wheat and rye grass to improve soil moisture retention and structure, and rotate cotton, corn, and peanuts to maintain soil health and productivity.
- Tenants follow university guidance for pest thresholds and attend annual training to stay informed on emerging pest and pathogen management strategies.

RESULT	NONCONFORMANCE				NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR	OFI		
						5.3.1 5.3.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 6: Waste and Material Management

6.1 MANAGEMENT OF WASTE AND OTHER MATERIALS

Conformance Evidence

PrimusGFS Audit Report

Auditor Notes

- UBS's Western Regional Manager provided a copy of Arizona Leafy Green Marketing Agreement (LGMA) Food Safety Guidelines, which includes BMPs such as Spill, Prevention, Control, and Countermeasure (SPCC) guidelines and detailed protocols for managing agricultural water systems to protect water quality.
- Tenants implement best practices for chemical storage and handling and practice proper crop storage procedures to support food safety. Tenant interviewed provided their food safety audit report (PrimusGFS Audit Report) that reflects waste management and chemical handling procedures.
- Used oil is stored at the shop site until it is collected and properly disposed of by recyclers. Plastics such as jugs and drip tape are processed through a recycling program.
- Sites visited return any excess materials to vendors or securely store them in a containment area with appropriate warning labels.
- Select sites visited have chemical storage on site and ensure staff receive training on proper storage and handling procedures to maintain safety and compliance. Chemicals are stored in a secure vault room with restricted access and appropriate signage.
- Sites visited use sprayers that are equipped with rinse systems to support safe chemical handling.
- Used containers are triple-rinsed, and waste materials like oil and totes are responsibly collected by vendors, reflecting a commitment to environmental protection and worker safety.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						6.1.1 6.1.2 6.1.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 6: Waste and Material Management

6.2 FOOD AND AGRICULTURAL WASTE RESOURCE RECOVERY

Conformance Evidence

Management interview

Auditor Notes

- Mountain and Pacific West tenants grow vegetables and work closely with packing houses who manage harvests. The packers coordinate directly with the growers to schedule the harvest.
- Vegetable crops are harvested and packed in the field, then transported immediately to cooling facilities. These facilities are located within an hour radius of the field sites.
- Southeastern tenant interviewed minimizes crop loss by transporting cotton and peanuts directly to co-operatives, ensuring timely post-harvest handling.
- Southeastern sites visited do not have bins on site, which reduces opportunities for spoilage or pest infestation.
- Sites visited till crop residues into the soil.
- Western tenants apply compost to organic fields. Manure is generally avoided across most fields due to the risk of e. coli contamination in vegetable crops.
- Southeastern tenant interviewed uses chicken litter as a fertilizer.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						6.2.1 6.2.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 7: Conservation of Biodiversity

7.1 SPECIES PROTECTION

Conformance Evidence

Services proposal

Threatened & Endangered Species Evaluation Memos

Auditor Notes

- UBS recently engaged with an external consultant to conduct assessments of potential relevant species on each of their farms to support due diligence during acquisition and management. Species analysis will take place on all properties. Biological Resource Assessments (BRAs) will be conducted for all sites within UBS's current portfolio.
- UBS sent information for three of their farms with varying degrees of complexity and geological features as a test case to the external consultants conducting Threatened and Endangered Species evaluations. Memos were provided for auditor review. Evaluation includes recommendations to avoid disturbance of critical habitats.
- Evaluation provided for auditor review includes consideration for species that are federally protected or protected by the Migratory Bird Treaty Act. The services proposal states publicly available research regarding state and federal at-risk and Threatened and Endangered Species resources will be referenced to support evaluations.
- Tenants interviewed demonstrated awareness of the presence of potential Endangered species in the area and have contact information for relevant organizations to consult if any are observed onsite.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					7.1.1 7.1.2	

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 7: Conservation of Biodiversity

7.2 WILDLIFE HABITAT CONSERVATION

Conformance Evidence

Arizona LGMA Metrics

Threatened & Endangered Species Evaluation Memo

Mid-Year Inspection Reports

Auditor Notes

- UBS provided a Threatened and Endangered Species Evaluation Memo prepared by an external consultant that identifies critical habitats within and near property boundaries. The report includes recommendations including berm maintenance to protect relevant species.
- UBS relies on their tenants and Property Managers to enroll in and identify opportunities for grant funding improvement projects in the Southeast.
- Site visited has a fence line and uses boom cannons installed and maintained by local wildlife authorities to prevent wildlife (like deer) from entering farmland.
- Mountain and Pacific West sites visited have no natural wetlands or grasslands. Beyond the farmland, most non-residential and commercial land is federally owned and protected by the federal government.
- UBS provided Mid-Year Inspection Reports for Southeastern sites. Within those reports, auditors noted farm management is making observations and documenting awareness of pollinator habitats.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					7.2.2	7.2.1 7.2.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 7: Conservation of Biodiversity

7.3 AVOIDED CONVERSION

Conformance Evidence

SCR Policy Framework

UBS Statement on Nature

Property Acquisition Standards

Auditor Notes

- Sites visited have been farmed for at least 50 years, with no parcels having been retired from production under UBS's management.
- UBS's Sustainability Climate Risk (SCR) Policy Framework was developed to support UBS's global operations and their ability to identify and mitigate negative impacts from climate change, loss of biodiversity, human rights infringements, and other environmental, social, and governance (ESG) matters.
- UBS updated their Property Acquisition Standards to include an Anti-Deforestation statement. The commitment uses the United States Forest Service Forest Inventory and Analysis definition of natural forests, which is land with at least 10% canopy cover, and is not subject to non-forest uses that prevent normal tree regeneration and succession. Included in the commitment statement are cutoff dates that are appropriate to their respective regions. The most recent cutoff date is 2015.
- UBS's Statement on Nature clarifies its refusal to engage in certain activities including deforestation that endanger animal species or contribute to deforestation and forest degradation.
- UBS considers farmland, groves, orchards, and vineyards eligible property acquisitions. Their Property Acquisition Standards are designed to support UBS's intent to invest solely in prime farmland, where a minimum of 90% of land purchased is tillable and dedicated to production.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						7.3.1 7.3.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 7: Conservation of Biodiversity

7.4 CROP DIVERSITY

Conformance Evidence

Management interview

Planting records

Auditor Notes

- Tenants practice crop rotation, with winter crops typically consisting of vegetables and produce (lettuce, broccoli, cauliflower, melons, spinach), while summer crops include wheat, Sudan grass, and cotton. Rotation decisions are influenced by contract terms, soil nutrient levels, and market conditions.
- Sites visited use broccoli to prepare the soil for following crops. Broccoli absorbs nitrates that lettuce and spinach cannot reach. Nitrogen that remains in biomass after heads are harvested provide nitrogen for the next crop's needs. Broccoli also reduces soil salinity.
- Auditor reviewed planting records during site visits.

RESULT	NONCONFORMANCE				NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR	OFI		
						7.4.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 8: Protection of Special Sites

8.1 SITE PROTECTION

Conformance Evidence

Acquisition Analyses
Acquisition Analysis template
ALTA survey
Acquisition Approval Summary
Title search
Field Maps
Property Acquisition Standards

Auditor Notes

- UBS provided copies of their Acquisition Analysis template and completed forms for the sites visited.
- Completed Acquisition Analyses and templated materials provided do not reflect the intensity of due diligence research that UBS conducts, such as the use of ALTA surveys and Phase I ESAs. UBS could update forms to be reflective of all topics that are researched prior to acquisition to ensure consistency during due diligence.
- UBS farmland acquisitions must be signed off on and approved by their Investment Committee members. Acquisition approvals require acceptable Phase I reviews and reports and the completion of an ALTA survey. Phase I ESA provided for auditor review contained historic land use.
- It is UBS's preferred practice to avoid purchasing acreage with special sites. At least 90% of the acres purchased must be tillable, and was reflected in the Acquisition Analysis forms provided.
- Sites visited do not have cultural or historically significant sites. UBS has provided field maps that display the field borders and aerial view of the land.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
				8.1.1		8.1.2

Objective 9: Local Communities

9.1 ECONOMIC WELL-BEING

Conformance Evidence

Management interview
Invoices

Auditor Notes

- Tenants interviewed hire locally, work with local contractors, and participate in H-2A programs. H-2A and contract workers are seasonal.
- Sites visited typically source inputs locally. Select tenants interviewed operate fully integrated systems, managing everything from transplant production to packing and shipping.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						9.1.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 9: Local Communities

9.2 COMMUNITY RELATIONS

Conformance Evidence

Employee Handbook

Washington Apple Education Foundation Contribution

Leadership Idaho Agriculture Organization

Auditor Notes

- Many tenants actively participate in organizations such as Farm Bureau Boards, FFA, Water Boards, and Vegetable Boards.
- Tenants interviewed are engaged in test studies conducted in collaboration with agricultural extension services or the University of Arizona. Tenants maintain strong relationships with neighbors and the local community.
- Tenants interviewed participate in agricultural and civic organizations such as the Cotton Council, Peanut Board, and serve on local school boards. Tenants interviewed contribute to local education through involvement in school activities. One tenant's spouse is a schoolteacher, further strengthening community ties. These actions reflect a commitment to fostering awareness of sustainable agriculture and supporting the broader community.
- UBS's Employee Handbook details UBS's volunteer policy. Employees are able to take two paid days to volunteer with non-profit, educational, or other charitable organizations.
- UBS Director recently participated in a garden education day for a school in the Hartford area.
- UBS's Hartford area office recently held an event to write cards to provide support to patients in a children's hospital.
- UBS has made repeat contributions to the Leadership Idaho Agriculture Organization (LIA) and Washington Apple Education Foundation. LIA supports young people in the ag industry who are progressive thinkers and supports their development from an executive standpoint. Multiple tenants UBS works with are alumni of that program.
- UBS Farmland Investors uses UBS's charitable giving platform to review and approve charitable giving requests.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					9.2.1	

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 9: Local Communities

9.3 RIGHTS OF LOCAL COMMUNITIES AND INDIGENOUS PEOPLES

Conformance Evidence

UBS Farmland Stewardship Commitment

Email communication

Management interview

Auditor Notes

- UBS updated their Farmland Stewardship Commitment statement to include a commitment to respect the land, resource rights, and treaty rights of Indigenous Peoples and local communities.
- Acquisition Analyses templates do not reflect research or specify requirements to ensure land tenure rights of Indigenous Peoples and local communities are considered. However, UBS provided emails demonstrating communication between regional management and the Yakama Nation. Due to the size and scope of UBS's enrolled acreage, they could develop a process to ensure all relevant communication with local communities and Indigenous Peoples is documented during due diligence and management to reflect awareness of concerns across their portfolios.
- UBS owns orchards within the boundaries of Indigenous lands in Washington. They have been responsive to the Yakama Nation to ensure groundwater well locations are known and permits and records are current with the Yakama Nation Water Code Administration.
- Sites visited display contact information on buildings or fences.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
				9.3.2		9.3.1 9.3.3

Objective 9: Local Communities

9.4 PUBLIC HEALTH

Conformance Evidence

Management interview

Auditor Notes

- Inputs are securely stored in locked containers to prevent and deter unauthorized access.
- Tenants conduct mandatory safety training sessions covering topics such as general safety, heat exposure, sexual harassment, and workplace harassment.
- Operators interviewed consider wind speed, wind inversions, temperature, and neighboring buildings and farms when planning and conducting crop treatments to mitigate drift and support public health and safety.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						9.4.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 10: Personnel and Farm Labor

10.1 SAFE AND RESPECTFUL WORKING ENVIRONMENT

Conformance Evidence

Employee Handbook

Site observations of posted compliance

Code of Conduct and Ethics

Auditor Notes

- Equal opportunity posters are displayed in farm shops to ensure visibility and compliance with workplace regulations.
- Tenants interviewed are program participants in Ethical Charter Implementation Program (ECIP) certification.
- UBS is an Equal Opportunity Employer, and a commitment statement to equal opportunity employment is contained in their Employee Handbook.
- Tenants conduct mandatory training sessions covering safety protocols, heat exposure awareness, and policies on sexual harassment and workplace harassment.
- UBS's Employee Handbook contains workplace policies that support a safe, gender equitable workplace. UBS has an Anti-Harassment, Anti-Bullying, and Anti-Discrimination Policy. Robust parental leave policies allow all employees twenty weeks of leave to care for a new child. Childbearing and non-childbearing parents are eligible for the full leave allowance. UBS's Policies and Code of Conduct and Ethics support a gender equitable workplace.
- UBS has a Code of Conduct and Ethics which further supports a safe and respectful work environment. The Code of Conduct and Ethics is applicable to clients, counterparties, shareholders, regulators, business partners, colleagues, society, and UBS employees.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					10.1.2	10.1.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 10: Personnel and Farm Labor

10.2 OCCUPATIONAL TRAINING

Conformance Evidence

Health and Safety Statement

Code of Conduct and Ethics

Responsible Supply Chain Standard

Auditor Notes

- Tenants conduct mandatory training sessions that cover safety procedures, heat exposure awareness, and policies addressing sexual harassment and general workplace harassment.
- UBS maintains a Health and Safety Statement and Code of Conduct that establishes UBS's commitment to providing a safe working environment.
- UBS's Responsible Supply Chain Standard clarifies expectations for contract management company requirements to provide safe and healthy work environments and training.

RESULT	NONCONFORMANCE				NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR	OFI		
						10.2.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 10: Personnel and Farm Labor

10.3 SUPPORTING CAPACITY FOR SUSTAINABILITY

Conformance Evidence

Services Proposal

Organizational Chart

ASFMRRA membership verification

Management interview

Auditor Notes

- UBS signed a services proposal with a third-party provider to conduct detailed Biological Resources Assessments on all of their properties individually in response to an OFI from their previous surveillance. This demonstrates their commitment to sustainability and increasing alignment with LH FMS by making a correction that goes above and beyond the standard requirement.
- UBS provided a copy of their Organizational Chart. Individuals with LH conformance responsibilities are outlined, including their Head of Farmland and Research Analyst.
- Tenants participate in monthly training sessions during slow seasons. Trainings shift to weekly tailgate trainings during the crop season.
- UBS provided an African American History on Emancipation course to their entire firm through the UBS University. The University provides additional courses on 17 topics to choose from and supports continuing education.
- Multiple team members are members of the American Society of Farm Managers and Rural Appraisers (ASFMRRA). Averum's Auditor verified accreditations for Regional Managers through the ASFMRRA directory. Farm Managers attend chapter meetings and annual member meetings.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						10.3.1 10.3.2 10.3.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 10: Personnel and Farm Labor

10.4 COMPENSATION

Conformance Evidence

Management Interview

Employee Handbook

Auditor Notes

- Tenants interviewed pay wages that exceed minimum wage requirements in the Mountain region. They pay at least the minimum California wage to their employees.
- UBS maintains block leave policies which require employees to take leave two weeks at a time annually. The block leave policies allow staff time to rest and decompress.
- UBS's Employee Handbook states that base compensation and hourly rate (for non-exempt employees) reviews are conducted annually.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						10.4.1

Objective 10: Personnel and Farm Labor

10.5 FARM LABOR

Conformance Evidence

Responsible Supply Chain Standard

Auditor Notes

- Tenants choose to work with farm labor contractors (FLCs) based on past performance and reputation. Tenants noted these contractors are under continuous monitoring by the Department of Labor to ensure compliance with labor laws.
- Third-party managers who support operations on properties primarily use direct employees.
- UBS's Responsible Supply Chain Standard requires suppliers to operate in compliance with all applicable labor laws and regulations. Forced labor and child labor is forbidden by the standard.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						10.5.1

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 11: Legal and Regulatory Compliance

11.1 LEGAL COMPLIANCE

Conformance Evidence

Employee Handbook
Code of Conduct and Ethics
Responsible Supply Chain Standard
Site visit observations of regulatory posters
Capital expenditure invoices

Auditor Notes

- Tenants with offices and packing houses provide employees with access to handbooks. Tenants interviewed have an on-site HR department responsible for reviewing and maintaining compliance records.
- UBS maintains an Employee Handbook with relevant policies and compliance information. UBS's Code of Conduct and Ethics contains compliance commitments and descriptions of behaviors that are expected behaviors.
- UBS's Responsible Supply Chain Standard addresses legal compliance requirements within their supply chain.
- Tenants display Occupational Safety and Health Administration (OSHA) posters, equal opportunity notices, and licenses at farm shops. Tenants state they replace faded postings to ensure legibility and accessibility.
- UBS constructed housing for farm workers on sites that were not in this year's site visit sample. The housing was dedicated for H2A program participants. UBS has constructed 350-person facilities in 2021, 2022, and 2024 in Washington in an effort to support legal compliance.
- The investment was made to support tenants' ability to comply with H2A program requirements. The housing also could have positive impacts on workers' quality of life by providing quality housing, significantly reducing commutes, and mitigating transportation concerns. Sites had few housing options available nearby prior to construction.
- UBS's Code of Conduct expresses their commitment to obeying the laws, rules, and regulations of areas where they live and do business.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					11.1.3	11.1.1 11.1.2

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 11: Legal and Regulatory Compliance

11.2 LEGAL COMPLIANCE POLICIES

Conformance Evidence

Code of Conduct and Ethics

UBS Responsible Supply Chain Standard

Responsible Supply Chain Standard

Lease language

Auditor Notes

- UBS's Code of Conduct and Ethics expresses their commitment to obeying the laws, rules, and regulations of areas where they live and do business.
- UBS's Responsible Supply Chain Standard requires legal compliance from supply chain partners. The standard requires suppliers to report any circumstances that impact suppliers' ability to meet the Supply Chain Standard requirements.
- Tenants with offices and packing houses provide employees with access to Employee Handbooks. Some tenants also have an on-site HR department responsible for reviewing and maintaining compliance records.
- UBS's Responsible Supply Chain Standard directly addresses freedom of association, anti-discrimination, humane treatment, rights to collective bargaining, freedom from forced, imprisoned, bonded, indentured, or involuntary labor, and child labor.
- UBS lease language states that the tenant is allowed to farm in accordance with the best practices for the region in which they are operating.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
					11.2.2	11.2.1 11.2.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 12: Management Review and Continual Improvement

12.1 FARM REVIEW AND CONTINUAL IMPROVEMENT

Conformance Evidence

Mid-Year Inspection Reports

Annual Reports

LH conformance assessment matrix

Capital Expenditure Reports and invoices

Auditor Notes

- UBS core farmland is long-term farmland. UBS Managers are accountable to one another and their operating partners, and they have established open lines of communication at any time of day.
- Evaluations are conducted on each property at least once a year. Certain regions that focus on higher complexity crop types are reviewed more frequently. Irrigation, site conditions, and crop management were highlighted in the reports.
- Annual Reports were provided during previous audits that summarize irrigation and energy usage for properties annually. These Reports have been used to identify capital investment opportunities to increase efficiency. Mid-Year Inspection Reports document site conditions and concerns from operators.
- UBS focuses on site and infrastructure improvements to support operational efficiency. UBS's Head of Farmland approves each invoice and expresses a keen understanding of challenges that arise on farms and how investments are allocated to address them.
- UBS provided a conformance assessment matrix that maps their past conformance with Leading Harvest as identified by previous audits. UBS could use the matrix to inform action plans to support continual improvement.
- UBS records capital projects initiated and implemented by tenants on their properties. At the end of the lease term, if the asset's book value is not zero, UBS reimburses growers to cover the remaining value to encourage tenant adoption of projects that improve long-term farmland value.
- Tenants participate in field trials for peanut and cotton seeds and demonstrates a willingness to adopt and evaluate new technologies. Tenants interviewed review potential trials during annual budgeting and cash flow planning to support resource optimization on the farm.
- Regional Managers provide summaries to UBS's Head of Farmland. Regional Managers and Property Managers have annual meetings with operators to review crop plans. Managers meet regularly with tenants and operators throughout the growing season.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
				12.1.2 12.1.4		12.1.1 12.1.3

FINDINGS ORGANIZED BY PERFORMANCE MEASURE

(Continued)

UBS Farmland Investors, LLC

LH FMS AUDIT SUMMARY REPORT

Objective 12: Management Review and Continual Improvement

12.2 SUPPORT FOR SUSTAINABLE AGRICULTURE

Conformance Evidence

Washington Apple Education Foundation

Auditor Notes

- Tenants participate in various agricultural research programs through agricultural extension services, universities, and other industry boards.
- Tenants interviewed are conducting seed trials for peanut and cotton seeds to identify desirable traits. These trials support the evaluation and adoption of improved crop varieties and practices.
- UBS is a founding member of the Farming Capital Alliance, which seeks to educate policymakers regarding issues that impact large land brokerage or farm management companies.
- UBS has made repeat donations to the Washington Apple Education Foundation and supports agricultural organizations dedicated to research and education.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						12.2.1

Objective 13: Tenant-Operated Operations

13.1 LEASED-LAND MANAGEMENT

Conformance Evidence

Lease language; Section 5

Grower Training Certificates

PrimusGFS Audit Report

Auditor Notes

- Leases provided require tenants to manage the farm in a good and farmerlike manner with the best standards of their respective county and state. Requirements to keep properties free and clear of noxious weeds and maintain roadsides, ditches, and fence rows are included.
- UBS leases require compliance with state workers' compensation requirements and legal compliance with all laws, ordinances, decrees, orders, rules, and regulations that are limited to environmental laws, statutes, and regulations. Tenants maintain detailed records of inputs, equipment maintenance, and crop scouting, reflecting a structured approach to farm management.
- Tenants interviewed participate in other food and agriculture certification programs, including ECIP and PrimusGFS.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
						13.1.1 13.1.2 13.1.3 13.1.4

Objective 13: Tenant-Operated Operations

13.2 LEASED-LAND MONITORING

Conformance Evidence

Mid-Year Inspection Reports

Auditor Notes

- Mid-Year Inspection Reports are submitted to UBS's upper management; Farm Managers regularly check in with growers.
- Reports for tenant-managed properties include details on site, crops, and equipment conditions, plus budget updates. UBS Regional Managers inspect farms every few months and promptly correct issues that may arise.
- Auditor-reviewed reports contain site visit photos, observations, site maps, crop progress notes, capital expenditure requests, and LH conformance observations.
- Mid-Year Inspection Reports prompt farm management to report issues, concerns, and progress for farms. Reports include action lists and examples showing yield and quality improvements.
- UBS could consider updating Inspection Reports to include assessments of Leading Harvest Objective alignment. Such results could be used to inform UBS's LH conformance assessment matrix and identify potential opportunities.

RESULT	NONCONFORMANCE			OFI	NOTABLE PRACTICES	IN CONFORMANCE
	PREVIOUS	MAJOR	MINOR			
				13.2.2		13.2.1

CONCLUSION

Results of the audit show that UBS Farmland Investors, LLC has a management system that continues to conform with the requirements of the LH FMS 2020. UBS's enrolled acreage is recommended for recertification.

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.

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

SPECIFIC FOCUS AREAS FOR NEXT AUDIT

UBS's first surveillance audit of this certification cycle will include annual review and continual improvement and due diligence as key focus areas.