

2026

Leading Harvest Farmland Management Standard

**CERES FARMS, LLC
2026 SURVEILLANCE I
AUDIT SUMMARY REPORT**

August 13, 2026

Ceres Farms, LLC
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Certification Date:

June 2, 2025

Recertification Due Date:

June 2, 2028

Certification ID Number:

AVERUM-LHFMS-2026-0049

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INTRODUCTION

This Audit Summary Report was developed by Averum, an accredited third-party certification body. Averum audited Ceres Farms, LLC's (Ceres) managed production agriculture properties. Averum was contracted by Ceres in 2026 to conduct a surveillance audit on 100,000 to 250,000 of managed properties to determine the effectiveness of Ceres' management system. Objectives 1–13 of the Leading Harvest Farmland Management Standard (LH FMS) were included in the scope of this audit.

Executive Summary

Ceres has performed well in demonstrating its management system's conformance to the Leading Harvest Farmland Management Standard. Ceres has implemented effective corrective actions regarding species at risk identification, awareness, and protection on enrolled sites. Ceres continues to manage farmland with maximum efficiency, prioritization of practical solutions to emerging challenges and issues, and positive relationships with tenants underpinning their management strategy. Ceres Portfolio Managers conduct regular property visits throughout the year and seek (and share) tenant recommendations for local vendors and community members with other tenants when appropriate. Tenants interviewed during this surveillance audit work closely with local agronomists to develop appropriate nutrient prescriptions and monitor crop performance and participate in the H2Ohio Program, which supports Ohio's statewide water quality initiatives. Ceres continues the management practices that support efficient land use and long-term profitability while using previous years' findings to continue alignment with LH FMS Objectives and Principles.

Specific Focus Areas for Next Audit:

During Ceres's second surveillance audit Averum will focus on Ceres's process for using information from the verifiable monitoring system.



AUDIT TEAM RECOMMENDATION

Results of the audit indicate that Ceres Farms, LLC has a management system that continues to meet the requirements of and is in conformance with the Leading Harvest Farmland Management System (LH FMS). Ceres's enrolled acreage is recommended for continued certification. Ceres's next surveillance audit event should take place prior to June 2026.

Corrective Action Plan(s) Accepted:	Not applicable
Proceed to/Continue Recertification:	Yes
All NCR Closed:	Not applicable



Certification Decision

Program User: Ceres Farms, LLC

Audit Dates: June 1, 2026–August 13, 2026

Number of Nonconformances Raised (NCRs): Major (0) Minor (0)

Certification Date: June 2, 2025

Status: Continued

Conclusion:

Results of the audit show that Ceres Farms, LLC has a management system that continues to meet the requirements of the LH FMS and conforms with LH FMS criteria. Ceres's enrolled acreage is recommended for continued certification.

Standard(s) Within Scope of Audit

Leading Harvest Farmland Management Standard 2025 (Objectives 1–13)



Scope of Audit

Management system of 100,000 – 250,000 managed acres enrolled in the Leading Harvest program that are operated by Ceres tenants.

Accreditations:

Averum has been issued a Certificate of Accreditation by the ANSI National Accreditation Board and is accredited to ISO/IEC 17021-1, Conformity assessment - Requirements for bodies providing audit and certification of management systems, in accordance with the Leading Harvest Farmland Management Program (Leading Harvest 2025) requirements.

Certification Number and Expiration:

AVERUM-LHFMS-2026-0049; June 2, 2028

Standard User Guidance–Leading Harvest Logo Usage:

Program users who are in good standing with enrolled acreage in the Leading Harvest Farmland Management Standard 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 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.

AUDIT PROCESS

Audit Staff

The audit was conducted by Linnea Abel and Tammye Schandua. Linnea Abel and Tammye Schandua have experience with Leading Harvest, are assurance providers for multiple sustainability programs and have expertise in production agriculture on multiple crop types in Ohio. Site visits were conducted by Tammye Schandua. All senior members of the audit team hold training certificates in ISO 17021 (Conformity Assessment Requirements for bodies providing audit and certification of management systems) and relevant IAF Mandatory Documents, including Certification of Multiple Sites. The audit processes 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.

Company Information

Ceres acquires properties and leases them to local farmers who produce commodity and specialty crops. Ceres invests in farmland to realize capital appreciation. Farm operating tenants are responsible for the day-to-day farmland management activities for Ceres's properties. Ceres initially achieved certification for 100% of its enrolled agricultural properties in 2022.

Since the last audit took place, no significant events have taken place that would affect Ceres's farmland management system.

AUDIT PLAN

Multi-Site Requirements

Multi-site organizations may be audited on a site-by-site basis (all sites visited each year) or, in some cases, on a sample basis. Multi-site certifications adhere to the requirements of International Accreditation Forum (IAF) Mandatory Document (MD) 1.

Averum conducts sampling in conformance with IAF MD 1 and including qualitative considerations such as the proximity of sites, functional management units, crop types, and previous conformance history.

Ceres site visits were conducted on a sample basis. Ceres's management system provides oversight and is responsible for conformance activities of sites in twelve states in the Corn Belt, Lake States, Northeast, Southeast, and Appalachian regions. Ceres's Senior Portfolio Manager is responsible for developing corrective action plans regarding LH FMS conformance and reporting them to Ceres management. Ceres's current review and monitoring process is effective and ongoing.



Ceres 2026 Surveillance I Audit Plan

Audit Objectives and Criteria:

The objective of this surveillance audit is to monitor the effectiveness of the management system developed by Ceres and the continuing conformance with the Leading Harvest Farmland Management Standard Objectives and Performance Measures.

Criteria: Performance measures and indicators contained in the Leading Harvest Farmland Management Standard 2025 and the defined processes and documentation of the management system developed by Ceres.

Substitution or Modification of Indicators: N/A.

Type and Scope of Audit (Including Organizational and Functional Units or Processes to be Audited):

Type: Surveillance audit in accordance with audit standards established by the International Standards Organization framework on auditing management systems with multiple sites (ISO 17021:1-2015, IAF MD-1)

Scope: Management system of 100,000 – 250,000 managed acres enrolled in the Leading Harvest program that are operated by Ceres tenants.

Functional Units: Management personnel responsible for developing, implementing, and overseeing management practices that support conformance to LH FMS Objectives.

- Travis Alexander, Sr Portfolio Manager
- Nate Kaehler, Renewable Energy Director
- Luke Drachenberg, Portfolio Manager
- Tara Wolfe, Operations

Audit Team:

Linnea Abel – Lead Auditor
Tammye Schandua – Auditor

Opening Meeting:

June 1, 2026

Site Visits:

June 29 and 30, 2026

- Hidden Acres Farm
- Aicholz Farm
- JSM Farm
- Grip Farm
- Carpenter East/West Farm
- RD Carpenter Farm
- Fults Farm
- Serendipity Farm
- Hastings Farm
- Wright Farm
- Morton Farm
- Styer Farm
- Garberich Farm
- Schmidt Lorain Farm
- Burrer Farm

Closing Meeting:

August 13, 2026

Region:

The Corn Belt represents 48% of enrolled acreage

Crop Types:

Corn, Soybeans, Wheat

Audit Time:

Offsite audit activities:

8.25 days¹, Auditor/Lead Auditor

Onsite audit activities:

2 days, Auditor

¹ The audit team required less audit time than anticipated because the sites selected were operated by the same two tenants, which resulted in fewer individual reviews. Risk modified audit time related to last year's audit findings was greater than required.

KEY FINDINGS

Audit Findings

Previous Nonconformance: Two (2)

Major Nonconformance: Zero (0)

Minor Nonconformance: Zero (0)

Opportunities for Improvement: Two (2)

Notable Practices: One (1)

Previous Nonconformance:

1. 7.1.2 Species at Risk Protection: Ceres implemented a corrective action plan that was verified during this audit and deemed to be effective. Ceres developed Awareness Letters that include procedures for reporting endangered and at-risk species and provide information on appropriate communication channels, such as wildlife agencies to inform if protected species are identified on sites. The letters provided for auditor review were shared with their tenants and are accessible.
2. 7.3.2 Deforestation: Ceres updated their Sustainability and Governance Policy to include a commitment to avoid deforestation and identified a cutoff date. Procedures describe due diligence including wetlands assessments before trees on marginal acreage are removed.

Opportunities for Improvement:

1. 10.1.1 Equal Opportunity Employment: Ceres could consider adding a distinct EOE statement to their Employee Handbook or other governing documentation.
2. 13.2.2 Improvement of the Verifiable Monitoring System: Ceres could consider using features already available within their internal cloud-based application (Quickbase) to document relevant sustainability practices after meeting with tenants.

Notable Practices:

1. 7.1.2 Species at Risk Protection: Ceres' has developed a clearly defined reporting procedure for tenants and provided information regarding communication channels available to tenants. Awareness Letters communicate Ceres' ongoing commitment to responsible land management and respect for relevant species.

PERFORMANCE MEASURE SUMMARY APPENDIX

1

SUSTAINABLE AGRICULTURE MANAGEMENT

1.1: Sustainable Agricultural Stewardship

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				1.1.1 1.1.2 1.1.3	

Ceres maintains a Sustainability and Governance Policy that outlines its commitment to environmental stewardship, social responsibility, economic sustainability, and sound governance practices. Employees are required to follow the 13 sustainability principles established by the Leading Harvest Standard.

Ceres conducts soil testing, topographical mapping, tillable acreage evaluations, and yield analyses across its properties to identify opportunities for long-term land improvements and increase operational efficiency for tenants. The company also obtains annual property appraisals to assess fair market value and support property performance and cost analyses.

Ceres invests in long-term agricultural infrastructure, including grain storage facilities, to support tenant operations and help reduce crop losses. Lease agreements require tenants to retain crop residue, including stalks, straw, and stubble, to promote soil health and conservation.

Ceres maintains existing natural habitats surrounding its farmland and manages these areas independently when practical. The company generally does not enroll acreage in the Conservation Reserve Program (CRP), as management believes direct stewardship of these areas provides greater operational value. Additional revenue is generated through hunting leases on non-tillable acreage and through renewable energy lease opportunities where appropriate. These practices support both the environmental and economic sustainability of the company's farmland portfolio.

Conformance Evidence:

Sustainability and Governance Policy
Map Packs
Wildlife Natural Habitat Photos



1. SUSTAINABLE AGRICULTURE MANAGEMENT

1.2 Critical External Factors

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance 1.2.1	Notable Practice

Ceres maintains regular communication with tenants and conducts multiple property visits throughout the year.

Ceres Portfolio Managers visit sites periodically throughout the growing season. After site visits, managers document property conditions and ongoing projects through photographs and report findings on an internal server.

Ceres provided an example of documented property observations. Observations include photos of site conditions and capital expenditure projects, such as planted grass waterways and vegetative buffer strips to control erosion. Photos are included in observations and were shared with the audit team for review.

Properties within the portfolio are appraised annually, with appraisal results reviewed by an internal committee to support oversight and decision-making.

Conformance Evidence:

Site visit photos/property observations

SOIL HEALTH AND CONSERVATION

2.1: Soil Health

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				2.1.1 2.1.2 2.1.3 2.1.4	

Tenants implement comprehensive soil fertility and nutrient management practices to support crop productivity and environmental stewardship. Soil testing is conducted on a 3- to 4-year cycle using 2.5- to 5-acre grid sampling, with samples collected and analyzed through local cooperatives and agricultural service providers. Nutrient management decisions are guided by Tri-State Fertilizer Recommendations, a science-based guide made by agronomists across Indiana, Ohio, and Michigan, and tenants utilize variable-rate fertilizer applications based on field-specific needs.

Tenants work closely with local agronomists, crop consultants, and agricultural vendors to develop nutrient prescriptions and monitor field performance. Fertility plans, application records, soil maps, and equipment data are maintained through farm management software platforms, such as Climate FieldView or John Deere Operations Center (JD Ops), which consolidate information from multiple equipment brands and data sources. These systems provide centralized recordkeeping and facilitate communication with crop consultants and advisors.

Ceres conducts soil testing as part of its due diligence process when acquiring new properties. Property evaluations include map packages containing soil test results, potential yield analyses, and topographic information to support management decisions.

Tenants participate in conservation-focused initiatives, including the H2Ohio program, which incentivizes soil sampling and cover crop adoption.

Ceres collects relevant farm records annually from tenants, including Farm Service Agency (FSA) records to verify crop production and land designations.

To promote soil health and reduce erosion, tenants incorporate crop residue, such as corn stalks and wheat residue, back into the soil and utilize conservation tillage practices, including no-till, minimum-till, and vertical tillage systems. These practices help maintain soil structure, improve water retention, and minimize soil loss.

Conformance Evidence:

Soil Test Results
Lease Agreement
FSA 578s

2. SOIL HEALTH AND CONSERVATION

2.2: Soil Conservation

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				2.2.1 2.2.2	

Management works collaboratively with tenants and qualified experts to develop tile drainage systems, waterways, and field management plans designed to minimize erosion and improve water control. Management engages experienced local contractors to design and construct tile infrastructure, while conservation professionals assist in evaluating waterway effectiveness.

To improve long-term field productivity and drainage, management and tenants have utilized periods of prevented planting to implement tile improvements more efficiently. Tenants interviewed have actively farmed the farmland for decades, and Ceres has enrolled portions of the property in CRP and solar energy contracts to support conservation and alternative land use objectives.

Lease agreements require tenants to maintain crop residue on fields, including stalks and stubble, and to provide crop production and yield information. Site visits confirmed that management and tenants completed tile improvement projects on several properties in recent years, supporting ongoing efforts to enhance soil conservation, water management, and operational sustainability.

Conformance Evidence:

Tile Project Photos
CRP Plans
Yield and Input Application Report

WATER RESOURCES

3.1: Water Use

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				3.1.1 3.1.2 3.1.3	

The farms visited included entirely dryland acreage, and auditors did not observe irrigation infrastructure, such as center pivots, on-site. Water management practices in the region rely heavily on subsurface tile drainage systems, which help improve water utilization, drainage efficiency, and overall soil conditions.

For irrigated sites in the Corn Belt, management and tenants obtain appropriate permits for well drilling and comply with local reporting requirements related to groundwater use.

Tenants are responsible for monitoring and reporting water usage from wells utilized during the growing season. Lease agreements require the completion and submission of annual water-use reporting forms by the established deadline, including reporting by December 15 of the lease year.

During the reporting period, excessive moisture resulted in delayed planting, causing many crops to remain in earlier growth stages later in the season. As a result, tile drainage systems played an important role in managing field conditions and supporting crop development throughout the growing season.

Conformance Evidence:

Water Usage Reports
Drilling Reports
Site photos of tile project

3. WATER RESOURCES

3.2: Water Quality

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				3.2.1 3.2.2	

Ceres promotes sustainable farming practices through the use of crop consultants, conservation-focused land management, and data-driven decision-making.

Tenants utilize integrated pest management practices, employing crop consultants to monitor field conditions and provide treatment recommendations based on established pest thresholds. Conservation tillage practices, including no-till, minimum-till, and vertical-till methods, are implemented based on soil conditions to reduce soil disturbance and improve soil health.

Tenants track input applications through farm management software to support year-over-year field-level analysis and optimize resource use.

Ceres maintains acres in conservation programs and works with local experts and Natural Resources Conservation Services (NRCS) representatives to convert environmentally sensitive areas into waterways, grassed buffers, forestry, or other natural habitats when appropriate.

Tenants establish grassed waterways to reduce erosion and nutrient runoff, while management benefits from in-house expertise with former FSA and NRCS experience to support compliance and conservation efforts.

Conformance Evidence:

Climate Software
Conservation Reservation Program Plan
Photos of waterways and tile projects

CROP PROTECTION

4.1: Integrated Pest Management

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				4.1.1 4.1.2 4.1.3	

Tenants interviewed work with crop consultants and agronomists to implement integrated pest and weed management practices. Consultants conduct field scouting and provide recommendations based on field conditions and treatment thresholds.

Tenants address pest pressures, including vertebrates and insects, through hunting, targeted applications, and other management strategies. Variable-rate application technology is utilized when feasible, and some tenants interviewed use specialized products to meet non-GMO crop requirements.

Chemical selection and application timing are guided by agronomic recommendations, weather conditions, and environmental considerations, including wind speed, temperature, and inversion risk. Licensed applicators perform most applications with ground equipment, while certified aerial applicators conduct aerial applications when necessary. Tenants document chemical applications within farm management software.

Tenants interviewed use biological inputs when it is economically feasible. Use of biological inputs has declined in recent crops years due to economic pressures.

Ceres attended a demonstration conducted by one of their tenants to observe management activities conducted via drone. Video of the demonstration was provided for auditor review. Ceres has observed and supports tenants adopting precision agriculture practices, including drone-based application technology, to improve application accuracy and reduce chemical usage where appropriate.

Conformance Evidence:

Application records
Drone Video



4. CROP PROTECTION

4.2: Crop Protectant Management

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				4.2.1	

Ceres requires tenants to comply with federal, state, and local laws. Tenants must maintain the appropriate licenses and follow established safety and handling procedures when applying agricultural chemicals.

Tenants conduct regular tailgate safety trainings throughout the growing season, utilize personal protective equipment (PPE) as needed, and work with input vendors that pre-mix chemicals to reduce handling risks.

Suppliers deliver chemicals directly to the field when possible, and tenants maintain any on-site storage in secured, designated areas.

Tenants avoid transporting mixed chemicals and follow proper disposal practices, including triple-rinsing chemical containers before vendor collection.

Tenants interview use spray equipment with rinse-induction systems to support safe cleaning procedures, and liquid fertilizer storage tanks are clearly labeled and equipped with appropriate warning signage.

Conformance Evidence:

Site photos

ENERGY USE, AIR QUALITY, AND CLIMATE CHANGE

5.1: Agricultural Energy Use and Conservation

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				5.1.1 5.1.2	

Tenants utilize farm management software, equipment monitoring technology, and detailed recordkeeping systems to track equipment performance, fuel consumption, and energy usage. Tenants routinely calibrate and maintain equipment throughout the growing season to support operational efficiency.

Ceres has partnered with multiple solar and wind developers and has executed solar and wind leases on select properties where opportunities are available. Properties visited during this audit did not have renewable energy projects onsite.

Conformance Evidence:

Solar Farm Pictures
Wind Leases
Solar Leases

5. ENERGY USE, AIR QUALITY, AND CLIMATE CHANGE

5.2: Air Quality

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				5.2.1 5.2.2	

Tenants utilize technology and training to support efficient equipment operation and farm management. Tenants maintain equipment inventories through farm management software and spreadsheets, and operational data is monitored to evaluate equipment performance and field activities.

Ceres continues to invest in infrastructure improvements, including conversions from diesel to electric, grain handling, storage, and drying capacity enhancements. Ceres provided electricity invoices for auditors to review at sites with irrigation systems previously powered by diesel.

Ceres has completed multiple capital improvement projects, such as fence row removal, grain bin site upgrades, and waterway enhancements. Removal of fence rows allows for more efficient passes and fewer turns with equipment during management activities, such as planting and harvests and results in lower emissions. Upgrades and conversions to more efficient fuel sources in grain bins can also result in lower emissions.

The tenant sites visited have favorable soil moisture conditions, heavier soil types, and natural windbreaks provided by surrounding tree lines reduce dust concerns.

Conformance Evidence:

Site photos
Electricity invoices

5. ENERGY USE, AIR QUALITY, AND CLIMATE CHANGE

5.3 Climate Smart Agriculture

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				5.3.1 5.3.2 5.3.3	

Tenants utilize precision agriculture technologies, including GPS-guided and autopilot-equipped equipment, to improve operational efficiency and accuracy in field activities.

Tenants maintain equipment through scheduled maintenance programs and documented maintenance logs. Most diesel-powered machinery incorporates DEF systems to support emissions compliance.

Tenants work closely with crop consultants and leverage their own operational expertise to optimize harvest timing and field management decisions. They also participate in seed trials with local suppliers to evaluate crop performance across varying soil types and identify opportunities for improved productivity.

Tenants proactively adapt to changing field and weather conditions. For example, tenants have used prevent-plant acreage as an opportunity to complete additional drainage tile improvements.

Tenants maintain multiple pieces of critical equipment, such as sprayers, to improve responsiveness to weather events and efficiently manage large operating areas.

Tenants prioritize field operations based on soil characteristics and agronomic conditions to maximize efficiency and help control input costs.

Lease agreements require tenants to maintain crop insurance to mitigate financial loss from extreme weather events.

Conformance Evidence:

Tenant Interview
Lease agreement

WASTE AND MATERIAL MANAGEMENT

6.1: Management of Waste and Other Materials

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				6.1.1 6.1.2 6.1.3	

Tenants interviewed implement waste management and chemical handling practices to maintain clean and environmentally responsible farm operations. Tenants collect solid waste in designated dumpsters and properly store used oil for heating purposes or manage it through approved recycling channels. Scrap metal and other recyclable materials are routinely sold or recycled through local vendors.

Tenants minimize chemical storage by purchasing and applying products as needed. Tenants maintain chemicals in designated areas with appropriate labeling and handling procedures when temporary storage is necessary. Input suppliers commonly deliver products directly to the farm or field to reduce on-site storage requirements.

Lease agreements require tenants to maintain properties free of debris, control noxious weeds, and mow vegetation as needed. Leases also require that only federally and state-approved fertilizers, chemicals, and pesticides are applied, ensuring compliance with applicable regulations and environmental stewardship standards.

Conformance Evidence:

Lease Agreement

6. WASTE AND MATERIAL MANAGEMENT

6.2: Food and Agricultural Surplus and Waste Resource Recovery

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				6.2.1 6.2.2	

Tenant interviewed utilizes farm management technology and yield-monitoring systems integrated with harvesting equipment to track production in real time and maintain accurate crop inventory records. Grain is stored across multiple on-farm storage facilities, and inventory is regularly reconciled as grain is marketed, with minimal variance.

Tenant interviewed uses manure applications to build organic matter and provide essential crop nutrients through qualified third-party applicators and returning crop residue, including wheat, cover crops, and corn stalks, to the soil through tillage. Lease agreements prohibit the burning or removal of crop residue unless expressly authorized in writing by the landowner, supporting long-term soil conservation and organic matter retention.

Conformance Evidence:

Lease Agreement

CONSERVATION OF BIODIVERSITY

7.1: Species Protection

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
7.1.2				7.1.1	7.1.2

Ceres Portfolio Managers have supported wildlife surveys to identify whether or not certain at-risk species (the Indiana bat) reside on farms within their portfolio.

Ceres developed maps for each state where they manage properties that list Threatened and Endangered species. Maps leverage information from state wildlife resource agencies and appropriate resources, such as the Ohio Department of Natural Resources (DNR). Ceres made wildlife maps available to tenants through a SharePoint site. Tenants receive notifications any time new documents are uploaded.

Ceres provides executed Awareness Letters for tenants interviewed. The letters relate to observing and reporting endangered and at-risk species and outline reporting procedures, communication channels, and expectations for environmental stewardship.

Conformance Evidence:

Awareness Letter
State Maps

7. CONSERVATION OF BIODIVERSITY

7.2: Wildlife Habitat Conservation

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				7.2.1 7.2.2 7.2.3	

Ceres maintains satellite imagery, soil maps, FSA Form 578 records, and other farm documentation to support effective land management, regulatory compliance, and reporting.

Property maps identify tillable and non-tillable acreage, including wetland determinations, providing accurate land-use information across the portfolio. A third-party provider manages hunting leases on non-tillable acreage and include stewardship requirements to maintain property conditions and ensure compliance with applicable hunting regulations.

Tenants support wildlife management efforts as part of ongoing land stewardship activities. Site visits confirmed the implementation of erosion control measures, including grassed waterways, drainage structures, and maintained tree lines, which help reduce soil loss and enhance wildlife habitat.

Ceres demonstrated its commitment to biodiversity by establishing native vegetation and pollinator-friendly habitats on properties across its portfolio, as supported by multiple CRP contracts provided as evidence. Awareness Letters restate their commitment to responsible land stewardship and demonstrate care for ecologically important sites.

Conformance Evidence:

Site Maps
Hunting Lease
Site photos
FSA Form 578
CRP contracts
Awareness Letter

7. CONSERVATION OF BIODIVERSITY

7.3: Avoided Conversion

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
7.3.2				7.3.1 7.3.2 7.3.3	

Ceres conducts a comprehensive due diligence process prior to property acquisition or management, evaluating site history, natural resources, and key property characteristics. This process includes reviewing property maps, FSA records, and wetland determinations to assess site conditions and regulatory requirements.

Ceres's Sustainability and Governance Policy includes their commitment to preventing deforestation and compliance with applicable environmental regulations and conducting wetland assessments before any land-clearing activities.

Ceres supports conservation efforts through participation in NRCS programs and other resource conservation initiatives that promote long-term environmental sustainability.

Conformance Evidence:

Sustainability and Governance Policy



7. CONSERVATION OF BIODIVERSITY

7.4: Crop Diversity

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				7.4.1	

Ceres leases require tenants to implement regional best management practices. Lease agreements outline allowable crop types, and tenants provide Farm Service Agency (FSA) records to support compliance.

Sites visited implement crop rotations between various commodity crops, mostly corn, soybeans, and wheat.

Ceres maintains annual FSA certifications and other farm records within its internal recordkeeping system and demonstrated the retention and review process during the audit.

Conformance Evidence:

Lease Agreement
Recordkeeping System Demonstration
FSA 578s

PROTECTION OF SPECIAL SITES

8.1: Special Site Management

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				8.1.1 8.1.2	

Ceres maintains a comprehensive property and tenant recordkeeping system that supports due diligence, compliance, and property management activities. Documentation includes property maps, appraisals, lease agreements, tenant communications, farm records, and annual reports required under lease terms. Ceres retains tenant-provided documentation to support ongoing monitoring and management of its agricultural properties.

Ceres maintains aerial imagery, soil maps, drainage tile maps, and other property-specific records that document site characteristics and key features to support informed land management and future planning. During property acquisitions, Ceres evaluates site history and obtains wetland determinations when appropriate to identify environmental considerations and potential development constraints.

Conformance Evidence:

Recordkeeping System Demonstration
Soil Maps

LOCAL COMMUNITIES

9.1: Economic Well-Being

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				9.1.1	

Tenant interviewed retains an experienced domestic workforce. Employees have been employed for multiple years and occupy full-time positions. The tenant offers employees competitive compensation and benefits, including retirement and health insurance programs.

Tenants source agricultural inputs through local cooperatives, supporting regional businesses and supply networks.

Ceres further supports local communities by engaging local contractors and service providers, often seeking tenant recommendations to identify trusted vendors and strengthen community relationships.

Conformance Evidence:

Tenant Interview



9. LOCAL COMMUNITIES

9.2: Community Relations

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				9.2.1	

Ceres and tenants actively support agricultural education, community engagement, and industry collaboration.

Tenants participate in local scholarship programs and peer networks, providing opportunities to exchange ideas, discuss operational challenges, and share best practices with fellow growers.

Ceres property managers further promote agricultural awareness by serving as guest speakers at universities, delivering presentations on farmland ownership, sustainability, land stewardship, and agricultural investment to encourage responsible farmland management and industry education. Ceres's Senior Portfolio Manager provided a slide deck used by Ceres Portfolio Managers to teach a class on private equity at Notre Dame University. Ceres has supported this class for several years.

Conformance Evidence:

Private Equity slide deck presentation

9. LOCAL COMMUNITIES

9.3: Local Communities and Indigenous Peoples

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				9.3.1 9.3.2 9.3.3	

Ceres Sustainability and Governance Policy contains a commitment to respect community rights and the treaty rights of Indigenous Peoples. Management conducts due diligence through title research, property mapping, and maintenance of USDA certifications and FSA 578 records for enrolled farmland.

Ceres is committed to complying with applicable laws and best practices related to the protection of cemeteries, Indigenous burial sites, and other culturally significant historical resources.

Ceres promotes transparency and stakeholder engagement by providing public contact information through tenant communications, social media platforms, property signage, and its corporate website.

Ceres's website includes detailed property maps and information on portfolio acreage, locations, and investment opportunities, supporting accessibility and community awareness.

Conformance Evidence:

Sustainability and Governance Policy
Ceres Website



9. LOCAL COMMUNITIES

9.4: Public Health

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				9.4.1	

Tenants interviewed promote workplace safety using warning signage on hazardous equipment and ongoing employee training tailored to seasonal operational activities.

Ceres and the tenants make contact information publicly available to ensure accessibility and support open communication with local communities and stakeholders. These practices support a safe work environment, workforce preparedness, and community engagement.

Conformance Evidence:

Ceres Website

PERSONNEL AND FARM LABOUR

10.1: Safe and Respectful Working Environment

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
			10.1.1	10.1.2	

Ceres promotes an inclusive and respectful workplace through policies that prohibit discrimination and harassment and require employee acknowledgment of these standards. Ceres’s governance, sustainability, and employee policies support equal opportunity principles. Ceres could consider adding a distinct EOE statement to their Employee Handbook or other governing documentation.

Ceres states in the employee handbook that to maintain a safe and healthy work environment they encourage employees and tenants to comply with OSHA regulations and the EPA Worker Protection Standard for Agricultural Workers.

Ceres also require tenants through lease agreements to operate production sites in a safe, responsible, and environmentally sound manner to protect employees, tenants, vendors, and other stakeholders.

Conformance Evidence:

Ceres Partners Policy and Ethics Employee Handbook Lease Agreement
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10. PERSONNEL AND FARM LABOUR

10.2: Occupational Training

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				10.2.1	

Ceres requires tenants to operate farm properties in a safe, responsible, and compliant manner in accordance with lease agreements. Tenants assume responsibility for risks associated with normal farming operations and must maintain adequate insurance coverage for their activities, including those of their agents and contractors. Tenants verify compliance by submitting current certificates of insurance.

Conformance Evidence:

Lease Agreement

10. PERSONNEL AND FARM LABOUR

10.3: Supporting Capacity for Sustainability

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				10.3.1 10.3.2 10.3.3	

Ceres demonstrates its commitment to sustainable farmland management by incorporating stewardship and sustainability requirements into lease agreements. Leases describe Ceres’s commitment to the Leading Harvest program and define expectations for tenants to support this alignment. The lease agreements require lessees to use regional best practices, manage the properties in a safe manner, protect wildlife and plant species, and observe the law.

Dedicated Portfolio Managers work closely with tenants to support operational performance, implementation of best management practices, and compliance with lease obligations.

Ceres maintains a defined organizational structure and provides employees with semi-annual compliance training through a third-party consultant. Training covers workplace conduct, anti-harassment policies, and reporting procedures.

Tenants promote employee engagement, safety, and operational efficiency through regular tailgate training sessions and the use of dedicated on-farm meeting spaces. Ceres further supports continuous improvement by encouraging tenant participation in agricultural industry events and technology showcases, providing exposure to emerging innovations and regionally appropriate best management practices that enhance farm operations.

Conformance Evidence:

Lease Agreement Organizational Chart



10. PERSONNEL AND FARM LABOUR

10.4: Compensation

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				10.4.1	

Tenant interviewed provides competitive compensation exceeding state minimum wage requirements and offers employee benefits, including retirement contributions and health insurance, supporting employee well-being, retention, and long-term workforce stability.

Conformance Evidence:

Tenant Interview

10. PERSONNEL AND FARM LABOUR

10.5 Farm Labour

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				10.5.1	

Tenants interviewed during this audit employ a domestic workforce and emphasize employee retention through competitive compensation and workforce support practices. Tenants interviewed do not use farm labor contractors (FLCs) to source labor.

Lease agreements require tenants to comply with applicable federal, state, and local laws and regulations governing their operations.

Conformance Evidence:

Lease Agreement

LEGAL AND REGULATORY COMPLIANCE

11.1: Legal Compliance

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				11.1.1 11.1.2 11.1.3	

The Policy and Ethics Employee Handbook outlines expectations for ethical behavior, workplace conduct, and compliance with company policies. Employees receive semi-annual compliance training through a third-party provider and annually acknowledge adherence to the Code of Ethics.

Lease agreements reinforce Ceres's commitment to Leading Harvest standards by requiring tenants to implement regional best management practices, comply with applicable laws and regulations, and operate properties safely and responsibly. Tenants are required to provide annual documentation, including yield maps, water usage reports, crop insurance records, and chemical application records, to support compliance monitoring and stewardship objectives.

Ceres maintains property records and supporting documentation, including Highly Erodible Land (HEL) designations and wetland determinations, to support regulatory compliance and informed land management decisions.

Tenant interviewed maintains an Employee Handbook due to larger workforce that contains relevant policies and operational requirements associated with its trucking and construction business. OSHA workplace safety posters were observed in tenant shop facilities, supporting employee awareness of safety requirements.

Conformance Evidence:

Policy and Ethics Handbook
Lease Agreement

11. LEGAL AND REGULATORY COMPLIANCE

11.2: Legal Compliance Policies

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				11.2.1 11.2.2 11.2.3	

Ceres's Sustainability and Governance Policy contains a commitment to employee welfare, regulatory compliance, and responsible farm management.

Ceres maintains comprehensive farm and tenant records through centralized management systems that support due diligence, property oversight, and operational decision-making.

Records include property maps, appraisals, lease agreements, communications, farm reports, and annual tenant submissions, with secure document storage and backup maintained through OneDrive, ShareFile, and Quickbase. Ceres demonstrated the recordkeeping system during management interviews.

Lease agreements provide tenants with the right to peacefully use and occupy leased properties, provided lease terms and obligations are met.

Conformance Evidence:

Sustainability and Governance Policy
Recordkeeping System Demonstration
Lease Agreement

MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT

12.1: Farm Review and Continual Improvement

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				12.1.1 12.1.2 12.1.3 12.1.4	

Lease agreements require tenants to provide soil fertility grid samples taken during the lease to maintain soil fertility and preserve the productive capacity of the land. Lease renewals and rent discussions reinforce the principles of the Leading Harvest Farmland Management Standard and encourage continuous improvement in sustainable farming practices.

Senior management, including the Chief Investment Officer and Portfolio Managers, conduct annual farm visits to strengthen tenant relationships, evaluate operational performance, and support stewardship objectives.

Ceres monitors farm performance through the collection and review of soil fertility data, FSA records, input application reports, yield information, and water usage records. The company has also invested in property improvements, including tile drainage, grain storage infrastructure, and conservation projects, while remaining informed of emerging agricultural technologies and management practices.

Ceres uses ShareFile, Quickbase, and OneDrive to maintain property oversight, as demonstrated in the management interview. ShareFile serves as the primary portal for collecting tenant documentation and farm records, while Quickbase functions as a centralized property management database containing detailed property, operational, appraisal, conservation, and valuation information.

Quickbase also allows property managers to document farm observations and notes, providing accessible and consistent records across the organization. OneDrive serves as a secure repository and backup location for property, financial, tax, and administrative records, ensuring documentation is readily available to support due diligence, property management, and decision-making activities.

Conformance Evidence:

Recordkeeping System Demonstration
Lease Agreement
Tile Project Photos

12. MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT

12.2: Support for Sustainable Agriculture

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				12.2.1	

Tenants actively participate in agricultural research and field trials with local cooperatives and vendors, evaluating seed varieties, equipment technologies, and nutrient management practices, including late-season and split nitrogen applications, to support continuous operational improvement.

Ceres property managers contribute to agricultural education and industry engagement by serving as guest speakers at universities, providing students with insights into farmland ownership, agricultural sustainability, and responsible land stewardship. These efforts promote knowledge sharing and support the development of future agricultural professionals.

Conformance Evidence:

Tenant and Mangement Interviews

TENANT/LEASED OPERATIONS

13.1: Leased-Land Management

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
				13.1.1 13.1.2 13.1.3 13.1.4	

Ceres promotes sustainable farmland management by maintaining strong tenant relationships and requiring the implementation of regionally appropriate Best Management Practices through lease agreements.

Lease provisions communicate Ceres’ commitment to the Leading Harvest Farmland Management Standard, responsible land stewardship, workplace safety, and liability coverage requirements.

Ceres collects and reviews annual farm records, including soil fertility and yield data, to evaluate land management performance, identify improvement opportunities, and support the continuous enhancement of farm productivity and sustainability.

Conformance Evidence:

Lease Agreement

13. TENANT/LEASED OPERATIONS

13.2: Leased-Land Monitoring

Previous Audit Nonconformance	Major Nonconformance	Minor Nonconformance	Opportunities for Improvement	In Conformance	Notable Practice
			13.2.2	13.2.1a 13.2.1b	

Ceres maintains a centralized property management and recordkeeping system through Quickbase and secure server platforms.

Ceres retains comprehensive property and tenant records, including property characteristics, maps, appraisals, lease agreements, communications, management notes, conservation program documentation, irrigation practices, acreage data, fair market value assessments, and annual tenant reporting. This centralized system supports due diligence, regulatory compliance, informed decision-making, and effective property oversight across the portfolio.

Ceres tracks property improvement activities through Improvement Summaries in Quickbase. Summaries document investments that prevent land degradation and improve overall farm productivity and operational efficiency. Ceres could consider using features already available within Quickbase to document relevant sustainability practices after meeting with tenants.

Conformance Evidence:

Demonstration of Quickbase