



AUDIT REPORT

People's Company
12119 Stratford Drive
Clive, IA 50325

Records Audit: May 19, 2025
Onsite Visits: June 02-June 05, 2025, Closing Meeting June 12, 2025.
Date of Report: June 12, 2025
Auditors:
Laura Fitzpatrick, Lead auditor.
Shadowed by Domenic Carmanico

Date of next Audit: Spring 2025

Certificate Code: SC2004-01
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Surveillance Audit 1



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Land and Management - public summary report
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Introduction

This report presents the results of the Assessment Audit conducted by SmartCert of **Peoples Company** for the Leading Harvest Farmland and Management Standard (hereafter Leading Harvest Standard).

The report is comprised of the findings in relation to the 13 Principles, 13 Objectives, 33 Performance Measures and 71 Indicators of the Leading Harvest Standard. They address economic, environmental, social and governance issues and include measures to efficiently use water, agricultural chemicals and energy to grow crops for useful agricultural products; minimize waste; and conserve soils, water resources and biodiversity. The standard also takes into consideration the well-being of farmland tenants, employees, contract management company employees, contract farm labor and local communities.

This audit is based on a sampling process of the information available.

Scope and Objective of the audit

The purpose of this audit is to review People's Company management system and onsite implementation of the Leading Harvest Objectives and Indicators. The scope of the audit is Peoples Company record keeping, policies/procedures (planning, review, and surveillance), and implementation activities related to the objectives and indicators of the standard at the farm level.

Client Portrait

Description of the Certified Program User's farmland included in the audits:

Peoples Company (hereafter PC) is a farm management, brokerage, appraisal, and agricultural advisory company based in Iowa, USA. The company does not own farmland. This audit focused on the farm management portion of the business as this is the scope of activity relevant to Leading Harvest certification.

PC farm managers have a fiduciary duty towards the landowner and manage farmland under a variety of lease agreement types. The approximately 100,000 acres under PC's management are located primarily in the midwestern United States, although there are some groups of clients outside of that region. The farms visited in 2025 are located in Illinois and Iowa.

Crops grown on the land are largely commodity crops--corn, soybeans, and rice. PC uses careful tenant selection, farm lease language, and frequent communication between certified Farm Manager and tenants as their primary methods of ensuring good land management consistent with the Leading Harvest standards and PC's own goals for land management.

Management changes since the last audit- All employee training and Land Management Handbook have been moved into the online platform Trainual. Salesforce platform has been implemented to organize and centralize key indicators, physical qualities, and farm manager notes about enrolled farms.

Audit Team

Auditor Name	Laura Fitzpatrick	Auditor Role	Lead Auditor
Auditor Qualifications	Laura Fitzpatrick has performed audits in the USA and Canada for USDA NOP, Regenagri, Roundtable on Sustainable Palm Oil and Farm Sustainability Assessment since 2014. She is ISO 9001 trained, and has provided consultancy for the development and improvement of the sustainability standards US Cotton Trust, Sustainable US Peanut Initiative, and the Farm Sustainability Assessment. She has worked as the compliance manager for an accredited certifier that certifies clients to USDA NOP and the Canada Organic Regime.		
Auditor Name	Domenic Carmanico	Auditor Role	Witness Auditor
Auditor Qualifications	Domenic Carmanico is an auditor in training for Leading Harvest, RSPO SCC, Veriflora, and FSC CoC certification audits. He is currently qualified for ISO 14001, ISO 9001, and RSPO SCC and has begun FSC CoC training. He has a background in urban forestry and agro-sciences.		

Audit Plan

Date and time	Activity Description
MAY 19	Remote Audit of Records
JUNE 02-05	Onsite farm visits in Illinois and Iowa
JUNE 12	Closing Meeting

Description of the Audit Process

Description of the audit process	
During the remote audit, the auditor reviewed the records, policies, and procedures associated with the indicators, and also remotely interviewed Mollie Aronowitz on the implementation of Leading Harvest objectives.	
During the site visits, the auditor interviewed 12 tenants, 1 custom farm manager, and 4 farm managers who are actively responsible for monitoring tenants on enrolled farm and. The auditor visited 14 total enrolled farms, specifically touring fields in production, CRP and wetland areas, pest control storage, grain bins, and equipment storage (all as applicable).	
As part of the audit process, the audit team met or corresponded with the following affected stakeholders (incl. government agencies, community groups,	N/a

affected indigenous peoples and conservation organizations)	
Total number of auditor days	7 audit, 2 travel.
Audit schedule of the certification cycle	Surveillance 1

Audit Summary

Audit Outcome

Certification Recommendation
The auditor recommends the continued certification of People's Company under the Leading Harvest Standard. There were many areas of excellence as well as some areas of potential improvement/minor nonconformance in the sample of sites visited. The single minor nonconformance noted was not an imminent or major threat to the compliance of the management system. The 14 sites visited by SmartCert in 2025 are located in Illinois and Iowa. This region of the USA has a long tradition of farm management, use of sophisticated technologies, and use of third-party expertise such as certified crop advisors, custom harvesting and pesticide applicators to create the best possible yields, crop quality, and land stewardship.

NCRs

Minor/Major NCR: 1/25	Requirement: 2.1.1
Description of the nonconformity and associated evidence:	
Requirement: 1) 2.1.1- Soil Quality- Minor Nonconformance There is very minimal use of cover crop in the sample sites visited. Cover crops are a Best Management Practice according to the Illinois Council on Best Management Practices. Peoples Company Farm Managers make an effort to influence tenant operators to plant cover crops or diversify as appropriate, but there is minor nonconformity to this indicator based on the low adoption of these practices in the sample sites visited throughout Illinois and Iowa.	
Corrective Action Request:	The organisation determines the corrective actions to be implemented to achieve compliance with the requirements referenced above. Note: Effective corrective actions focus on resolving the specific items described in the finding above, as well as addressing the root cause of the nonconformity and preventing the recurrence of the nonconformity.

Timeline to achieve conformance:	Corrective action plan must be submitted to auditor prior to next audit - implementation will be confirmed during the next audit.
Evidence provided by the Organization:	
Findings for Evidence Assessment:	
NCR status:	OPEN
Comments (optional):	

Opportunities for Improvement

2.1.1 OFI- Soil Quality -Based on tenant interviews, there may be additional opportunities for Farm Managers to educate tenants (and potentially landowners) on the benefits of cover crops. Some tenants voiced a misunderstanding of how cover crops work, or described a limited experience with a single cover crop trial that had dissuaded them from pursuing the practice.

2.1.2 OFI-Soil Health Monitoring- Peoples Company has an opportunity to experiment, innovate, and encourage techniques that measure soil health, bacterial activity, and other health indicators beyond the typical soil testing practices, and to use this data in the education of landowners and operators in support of sustainable practices.

Focus areas for the next audit

Comments: The next audit will take place in a different region of the country, so a primary focus will be confirming that management is consistent across regions and property types. The 2026 audit will confirm the implementation of corrective action to resolve the minor nonconformance.

Audit result summary (performance measures)

Confidential Audit Results (Indicator)

Objective 1. SUSTAINABLE AGRICULTURE MANAGEMENT To practice sustainable agricultural stewardship to improve crop production and ensure long-term agricultural sustainability.	
Performance Measures	Findings
1.1 Sustainable Agriculture Stewardship: Standard users shall demonstrate their commitment to sustainable agricultural sustainability.	Finding: PC policy manuals, handbooks, and client facing literature adequately describe the company's commitments to sustainability.
1.2 Critical External Factors: <i>Standard users</i> shall manage for potential impacts of <i>critical external factors</i> to help ensure long-term profitability and sustainability of each farm or farm management unit by the <i>Standard user</i> .	Finding: PC farm managers identified the following critical external factors: Political issues (such as tariffs) affecting international trade and agricultural regulations, grain markets (low prices in 2025), crop insurance administration issues, understaffing in local offices that administer farm related programs such as CRP.

Objective 2. SOIL HEALTH AND CONSERVATION To maintain or enhance soil health to optimize crop yield and protect long-term soil productivity on agricultural lands.	
Performance Measures	Findings
2.1 Soil Health: <i>Standard users</i> manage nutrients and apply practices to achieve <i>crop</i> yield and maintain or enhance <i>soil health</i> of <i>cropland</i> .	The following resources were consulted in the reporting for this section: 1) Illinois Council on Best Management Practices (https://illinoiscbmp.com/) 2) Iowa Corn Grower's Association « On Farm Conservation Practices » https://www.iowacorn.org/corn-production-research/farming-practices/conservation/ Finding: Tenants in the sites visited take soil tests approximately every 3-5 years. Mollie A provided examples of soil testing and variable applications of fertilizer from FieldAlytics for all farms in the sample. Minor nonconformance related to soil quality described in 2.1.1.

NOTES: (NCRs/Opportunities for improvement): Minor NC: 2.1.1, OFI: 2.1.1, OFI: 2.1.2

2.2 Soil Conservation: <i>Standard users shall implement agricultural practices to minimize soil erosion and avoid degradation of agricultural lands.</i>	Finding: Drainage tile is used on most of the farms in the sample. In Iowa, terraces are also used to redirect water flow and prevent erosion. No erosion noted on the land viewed. Management of water during heavy rainfall events is a priority on the farms in the sample. Iowa farms have a HEL (Highly Erodible Land) designation, which requires cover crops and no-till on the designated land. Evidence: Tenant and farm manager interviews, viewed terraces, areas where pattern tile is installed, and waterways.
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Objective 3. WATER RESOURCES To protect water resources and manage water efficient agricultural productivity.	
Measures Performance	Findings
3.1 Water Use: <i>Standard users shall conserve water resources and manage water use to avoid long-term depletion and maintain crop productivity.</i>	<i>The following resources were consulted in the reporting for this section:</i> 1) <i>Illinois Council on Best Management Practices</i> (https://illinoiscbmp.com/) 2) <i>Iowa Corn Grower's Association « On Farm Conservation Practices »</i> https://www.iowacorn.org/corn-production-research/farming-practices/conservation/ Finding: Farm leases stipulate water management expectations. PC reviews considerations regarding natural resources (including water) when farmland is originally assessed for management (See Land Management Farmland Assessment). No irrigation is used on the farms in the sample. There are some ponds and waterways on the sample farms. These were all well vegetated with buffers between row crops. Evidence: Farm leases, Land Management Farmland Assessment, interviews with tenants and farm managers, onsite observation.
3.2 Water Quality: <i>Standard users shall apply program to properly manage the use of fertilizers and other soil amendments, crop protectants, and other inputs and avoid release of sediment and nutrients from agricultural lands into groundwater and surface water.</i>	Finding: Tenants apply nitrogen in multiple applications (during planting, side dressing) and pesticides are applied by licensed applicators (can be third party, or the tenant or tenant's employees) according to IPM techniques. Surface water on farms in the sample appeared free of algal bloom. Good drainage on fields in the sample.

	Evidence: Operator input worksheet (reviewed by farm managers) tenant and farm manager interview, visual observation.
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Objective 4. CROP PROTECTION To achieve crop protection objectives while protecting people and the environment.	
Performance Measures	Findings
4.1 Integrated Pest Management: Standard users shall protect crops against pests by implementing an Integrated Pest Management program that uses regional agricultural best management practices to achieve crop protection objectives.	<i>The following resources were consulted in the reporting for this section:</i> 1) <i>Illinois Council on Best Management Practices</i> (https://illinoiscbmp.com/) 2) <i>Iowa Corn Grower's Association « On Farm Conservation Practices »</i> https://www.iowacorn.org/corn-production-research/farming-practices/conservation/ Finding: Lease stipulates that IPM must be used to manage pests. All tenants interviewed use IPM practices, including the use of experienced scouts (either third party, or trained persons employed by the farm) to identify pest issues during the growing season. All tenants interviewed rotate their crops between corn and soybean (with some very limited use of cover crop on some farms in some fields). Evidence: Lease agreements, visual observation of farms, drone imagery, interviews with tenants and farm managers.
4.2 Crop Protectant Management: Standard users shall select, use and store crop protectants in accordance with label instructions and regulatory requirements.	Finding: Lease agreements specify that pesticides must be used and stored per regulatory requirements. There was no crop protectant stored on the Peoples Company land in the sample (although some tenants stored products on their home farms, not managed by Peoples Company and therefore outside the scope of the audit). It is common for tenants in the sample to pick up « hot loads » i.e., pre-mixed tanks of chemicals made by the pesticide dealer ready to apply. Some tenants have the infrastructure in place to mix their own tanks. Evidence:

	Visual observation, lease agreements, tenant interview.
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Objective 5. ENERGY USE, AIR QUALITY, AND CLIMATE CHANGE

To conserve energy used by agricultural operations and minimize adverse impacts to the atmosphere and the global climate.

Performance Measures	Findings
5.1 Agricultural Energy Use and Conservation: Standard users shall conserve energy resources, especially fossil fuels, used by agricultural operations.	Finding: Tenants use no or minimum till, variable rate fertilizer applications, and minimize pesticide applications through IPM. Most tenants have modern, high-tech equipment that includes precision ag capabilities and maximum fuel efficiency. Evidence: equipment inspection onsite, tenant interview, observation of fields.
5.2 Air Quality: Standard users shall minimize adverse impacts to air quality from agricultural operations.	Finding: Modern equipment (either owned by tenant, or in use by third party custom harvesters/applicators) provides the maximum level of emissions control possible for the activities undertaken. Evidence: Equipment inspection onsite, interview with tenants and farm managers.
5.3 Climate-Smart Agriculture: Standard users shall apply the principles of climate-smart agriculture to reduce adverse impacts to the global climate and adapt to climate change.	Finding: Adequate use of climate smart agriculture practices. Generally, farm managers discuss climate related issues in terms of economics and farm stewardship for future generations when working with tenants and landowners. Evidence: Interview with farm managers, Trainual- « Best Management Practices ».

Objective 6. WASTE AND MATERIAL MANAGEMENT

To manage waste, agricultural chemicals and other materials from agricultural operations to minimize their adverse impacts to agriculture and the environment.

Performance Measures	Findings
6.1 Management of Waste and Other Materials: Standard users shall minimize solid waste and hazardous waste from agricultural operations and manage waste and agricultural chemicals in compliance with applicable laws, statutes and regulations.	Finding: PC has demonstrated that adequate waste management practices are in place and that efforts are made to minimize the amount of waste generate by the farms. These practices include avoiding the use of disposable materials on fields, bulk crop management material purchases rather than individually packaged materials, and onsite waste disposal facilities.

	Additionally, last years NC regarding proper labeling of fuel tanks has been addressed and resolved.
6.2 Food and Agricultural Waste Resource Recovery: Standard users shall ensure efficient handling and recovery of agricultural products and agricultural waste.	Finding: During the audit, it was evident that practices and policies to ensure sufficient handling and recovery of agricultural products and waste were in place. This was demonstrated through review of documentation such as the Trainual-Best Management Practices, as well as through onsite interviews with farm managers and tenants and observation of onsite materials and equipment.

Objective 7. CONSERVATION OF BIODIVERSITY

To manage farmland in a manner that maintains agricultural production while conserving biodiversity where appropriate or legally required.

Performance Measures	Findings
7.1 Species Protection: Standard users shall protect threatened and endangered species and viable occurrences of at-risk species.	Finding: No instances of threatened, endangered, or at-risk species have yet been identified on any enrolled farmland. However, PC has demonstrated sufficient efforts to investigate whether any are present at any enrolled sites.
7.2 Wildlife Habitat Conservation: Standard users shall conserve native habitats, wildlife habitat, natural communities and Ecologically Important Sites on enrolled farmland.	Finding: Observations of preserved waterways, ponds, buffers, other natural features, and review of PC's Best Management Practices demonstrate that natural ecosystems and habitats are properly conserved on all enrolled farmland.
7.3 Avoided Conversion: Standard users shall avoid conversion of natural forests, other natural communities and Ecologically Important Sites.	Finding: PC has demonstrated that no conversion of natural forests or other Ecologically Important Sites has occurred through in person interviews, review of farm leases, PC policies, and from onsite review of the farmland and surrounding area and natural features.
7.4 Crop Diversity: Support crop diversity on cropland.	Finding: As evidenced through in person interviews and from the review of farmland crop data, crop diversity is sufficiently supported via crop rotation and through the use of hybrid varieties.

Objective 8. PROTECTION OF SPECIAL SITES

To manage Special Sites on farmland that are geologically or culturally important in a manner that recognizes and respects their unique qualities.

Performance Measures	Findings
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8.1 Special Site Management: Standard users shall manage Special Sites in a manner appropriate for their unique qualities	Finding: PC has demonstrated that it has made sufficient efforts to identify any potential Special Sites on all enrolled farmland and has not found any such areas. Last year's NC regarding the lack of a company-wide best practice for the identification of special sites has been adequately resolved with the implementation of such a company-wide practice.
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Objective 9. LOCAL COMMUNITIES

To operate safely and responsibly; contribute to the economic well-being, social networks and health of local communities; and to recognize and respect the rights of local communities and Indigenous Peoples in regions of agricultural operations.

Performance Measures	Findings
9.1 Economic Well-Being: Standard users shall foster the economic vitality of local communities through business practices that support sustainable agriculture and the local economy.	Finding: PC has sufficiently demonstrated that all payments of federal, state, and local taxes are made and that all tenants are bound to the same requirements.
9.2 Community Relations: Standard users shall engage local communities to increase community awareness and support for the practice of sustainable agriculture and maintain or enhance Standard user reputation.	Finding: There were examples of exceptional practices in place to address community support and awareness for the purposes of supporting sustainable agriculture and enhancing the reputation of PC. These practices include participation in annual conferences, attending and hosting local and professional workshops, and the management of the Clearview Farm educational and recreational resource, and the Middlebrook Farm community hub and educational site. PC has gone above and beyond the requirements for Community Relations.
9.3 Local Communities and Indigenous Peoples: Standard users shall recognize and respect rights of local communities and the treaty rights of Indigenous Peoples.	Finding: PC has demonstrated that sufficient policies and procedures are in place to identify the current or historical presence of Indigenous communities on enrolled farmland, and to recognize and respect their rights in cases where there is a presence. Processes are in place to prevent infringement on these communities, as well as a method for submitting and receiving complaints and other notifications from them.
9.4 Public Health: Standard users shall apply measures to protect public health from adverse impacts of enrolled farmland.	Finding: PC has demonstrated that they have implemented adequate measures to protect public health from all potentially harmful farmland inputs. This was evidenced through in person interviews with tenants and farmland managers, and from review of PC policies and procedures.

Objective 10. PERSONNEL AND FARM LABOR

To provide a safe and healthy working environment, fair compensation and training for Standard user personnel,

contract management company employees and contract farm labor necessary to improve the practice of sustainable agriculture.	
Performance Measures	Findings
10.1 Safe and Respectful Working Environment: Standard users shall foster a culture of safety and respect among Standard user personnel and contract management company employees to minimize injuries, help establish safe routines, and enhance employee productivity.	Finding: PC fosters a safe, respectful, equal-opportunity work environment. This was demonstrated by in person interviews with PC staff and tenants, as well as review of PC workplace policies. The working environment across all PC sites and farms meet the criteria of the requirement.
10.2 Occupational Training: Standard users shall provide training for Standard user personnel and ensure adequate training for contract management company employees necessary to improve the knowledge and practice of sustainable agriculture.	Finding: Adequate employee training is provided by PC through semi-annual company training, webinars, and other enrichment programs, to provide for the knowledge of sustainable agriculture practices. The Trainual resource was reviewed during the audit; it is used as a central database for the company policies and training materials.
10.3 Supporting Capacity for Sustainability: Standard users shall require appropriate training of Standard user personnel and contract management company employees so that they are competent to fulfill their responsibilities under the Leading Harvest Standard.	Finding: Review of the training policies and materials and in person interviews with farmland management and tenants demonstrates that appropriate and sufficient training is provided to all personnel, and that all personnel are knowledgeable and capable in their roles and responsibilities.
10.4 Compensation: Standard users shall ensure adequate livelihood for employees and contract management company employees to attract and retain a stable workforce.	Finding: PC has demonstrated that all employees are paid at normal market rates, and interviews confirmed that compensation is fair and adequate.
10.5 Farm Labor: Standard users shall monitor contract management companies or farm labor contractors to help ensure farm labor working conditions consistent with the Principles and Objectives of Leading Harvest Standard.	Finding: PC does not engage in farm labor contracting.

Objective 11. LEGAL AND REGULATORY COMPLIANCE

To comply with applicable federal, state and local laws, statutes, and regulations.

Performance Measures	Findings
11.1 Legal Compliance: Standard users shall comply with applicable federal, state and local agricultural and related social and environmental laws, statutes, and regulations.	Finding: Review of team meeting minutes regarding relevant legal information confirms that PC is in compliance with all such laws, statutes, and regulations.
11.2 Legal Compliance Policies: Standard user shall take appropriate steps to comply with all applicable social laws at the federal, state and local levels in the jurisdictions where the Standard user operates.	Finding: PC has sufficient policies and procedures to maintain compliance with all relevant laws and regulations, and to ensure that all personnel are fully informed of the organization's compliance as well as their own rights and responsibilities.

Objective 12. MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT

To promote continual improvement in the practice of sustainable agriculture by conducting management reviews and monitoring performance.

Performance Measures	Findings
12.1 Farm Review and Continual Improvement: Standard users shall establish a management review system to examine findings and progress in implementing the Leading Harvest Standard, improve resource-use efficiency of agricultural production, make appropriate improvements in programs, and inform their employees of changes.	Finding: PC has demonstrated that they have implemented and maintained a monitoring system to track performance metrics, a process with which to provide updates throughout the organization, and a methodology to evaluate areas for potential improvement. In person interviews, review of business plans, meeting minutes records, and onsite evaluations affirm that PC has established sufficient measures to ensure continuous improvement of the organization.
12.2 Support for Sustainable Agriculture: Standard users shall individually and/or through cooperative efforts support science-based agricultural research programs or partnerships or other efforts by associations to improve soil health, agricultural productivity and sustainable agriculture.	Finding: In addition to engaging with professional communities regarding best agriculture practices, it was also demonstrated during the audit that PC tenants use test plots for seed trials, some engage in the use of cover crops, and PC participates in the annual land expo; a conference that hosts a range of professional speakers from economic, farm management, political, and other related sectors as well as organizations, services, and other businesses involved in agriculture, sustainability, and farmland productivity.

Objective 13. TENANT-OPERATED OPERATIONS

To promote the use of regional agricultural best management practices on farmland leased by farmland tenants to broaden the practice of sustainable agriculture to promote the efficient use of agricultural inputs and the management of adverse environmental impacts.

Performance Measures	Findings
13.1 Leased-Land Management: Standard users shall clearly define and implement strategies to ensure that farmland tenant activities adhere to the principles of sustainable agriculture.	Finding: PC has demonstrated that all tenant activities adhere to the principles of sustainable agriculture defined the standard through in person interviews, review of farmland management policies and procedures, and through evidence from the onsite inspection of farmland practices currently in place.
13.2 Leased-Land Monitoring: Standard users shall monitor agricultural practices used by farmland tenants to ensure their consistency with regional agricultural best management practices.	Finding: Exceptional practices are in place, and there has been exceptional improvement in this requirement from last year as observed during the audit. From last year, it was stated that there was a lack of a procedure or documentation for identifying and communicating areas of improvement for tenants. This year, tenants stated during onsite interviews that the communication and guidance from farmland management is exceptional and conducive towards continuous improvement in

	agricultural best management practices. This was further affirmed through review of annual business plans, summer plans, and in SalesForce where data for areas of improvement is managed.
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