



AUDIT REPORT

POMONA FARMING

10000 Stockdale Highway, Suite 340
Bakersfield, CA 93311

Date of Audit: STAGE 1- SEPT 25 and 26
STAGE 2- Dec 15-19

Date of Report: 12/23/24

Auditors: Laura Fitzpatrick

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Certification Audit- STAGE 1 and STAGE 2



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Introduction

This report presents the results of the Assessment Audit-STAGE 1 conducted by SmartCert of Pomona Farming, LLC (PF) 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 the Pomona Farming documentation, personnel, and sites.

Scope and Objective of the audit

This report reflects the findings of the stage 2 portion of the audit and follows the stage 1 audit which examined the management system used to achieve and maintain compliance of the enrolled farmland with the requirements of the standard. This Stage 2 audit not only covered this system more in depth, but specifically looked at its implementation in the field.

Client Portrait

All farmland owned by Pomona Farming is managed by Pomona Farming employees. Of the 25,194 acres of Pomona Farming land in Central California seeking certification under the standard, 84% is planted in almonds, and the remaining portion is pistachio and walnuts. Management is hands-on in conservation and sustainability activities.

Audit Team

Auditor Name	Laura Fitzpatrick	Auditor role	Lead auditor
Auditor Qualifications	Laura Fitzpatrick has performed audits in the USA and Canada for Leading Harvest, 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.		

Audit Plan

Date and time	Activity Description
SEPT 25 & 26, 2024	Stage 1 audit (remote) with Pomona Farming's Deanna Eakin, Britney Yoder, Irene Cruz. Additionally Ugo Lapointe and Domenic Carmanico observing from SmartCert.
DEC 16-18, 2024	Stage 2 Audit onsite with Pomona Farming's Ty Trimm, Irene Amezquita, Samuel Medina, Julian Jimenez, David Hammond, and James Lowe.
Dec 18, 2024	Closing meeting

Description of the Audit Process

Description of the audit process	
<p>Prior to the audit, the auditor reviewed all the documented evidence provided by Pomona Farming (PF) in their Egnyte files sharing system.</p> <p>The stage 1 remote audit began on September 25 with an opening meeting on Teams that described the audit process and how findings would be handled and explained.</p> <p>During the audit, the auditor reviewed the evidence provided by Britney Yoder, Deanna Eakin, and Irene Cruz and asked clarifying questions about potential gaps. PF uploaded additional documents as requested, which the auditor reviewed prior to the closing meeting on September 26, 2024. At the stage 1 closing meeting, one minor gap was noted and a few potential areas of improvement were identified (as described below).</p> <p>During stage 2, the auditor visited a random sampling of 5 sites (the square root of the number of the 23 sites seeking LH certification) in Central California. The sites visited were Dixon (2,300 ac), Delta (3,788 ac), 2 sites at the Oakdale location (6,424 ac), Firebaugh (~5,000 ac). Almond and young pistachio trees were viewed at these locations. The auditor spoke with the Ranch Manager at each site, and also interviewed two Environmental Health and Safety managers, and three non-management employees. At each site, the auditor was accompanied by the Environmental Health and Safety personnel as well as the Ranch Manager for the site. The auditor made visual control points and verified the implementation of the systems described in the documentation reviewed during stage 1.</p> <p>Overall, the auditor finds the Pomona Farming operation well positioned to manage enrolled farmland in compliance with the Leading Harvest Standard.</p>	
As part of the audit process, the audit team met or corresponded with the following affected stakeholders (incl. government agencies, community groups, affected indigenous peoples and conservation organizations)	N/a
Total number of auditor days	12.5 days (4 days Stage 1, 8.5 days Stage 2).
Audit schedule in the certification cycle	Initial certification audit

Audit Summary

Certification decision

SmartCert finds Pomona Farming is in compliance with the requirements of the Leading Harvest standard. Certification is granted.

Gaps identified as part of the Stage 1 audit

Description of the gap and associated evidence	
Requirement: 10.5.1- Farm Labor monitoring	
<p>Requirement: A program to monitor farm labor contractors employed by Program Users or Contract Management Companies to ensure compliance with applicable federal, state, and local labor laws, statutes, and regulations by reviewing policies, practices, and training addressing workplace environment, equal opportunity, worker health, safety, and compensation, including living wage and, where appropriate, housing and transportation.</p> <p>Finding: Farm labor contractor (FLC) monitoring program does not include monitoring for living wage. This finding was supported by sample irrigation labor rates provided to the auditor in Egnyte.</p> <p>Timeline to address the gap : The company seeking certification should ensure that it has the necessary evidence to demonstrate that the identified gap has been rectified before the Stage 2 audit.</p> <p>Evidence: After the Stage 1 audit, the operation forwarded evidence from the labor contractor of other benefits provided to employees (eg paid vacation and medical insurance) which showed that Pomona Farming is monitoring benefits and compensation appropriately for farm labor contractors. During this Stage 2 audit, this evidence was reviewed in full and employees were interviewed. Additionally, two of the Pomona Farming employees interviewed were previously employed by the FLC and they confirmed that the FLC does provide these benefits.</p>	
Comments (optional):	This is no longer a gap. Pomona Farming is in compliance with this requirement.

Exceptional practices

Requirement	Exceptional practice
2.2.1 Cropland Soil Management: Application of <i>regional agricultural best management practices</i> to <i>minimize soil erosion</i> and physical damage (e.g., compaction) of <i>cropland</i> and <i>restore soil health</i> where <i>appropriate</i> .	Pomona Farming has adopted and implement a “Sediment Erosion Control Plan”, and as a result SmartCert finds exceptional erosion control on a very steep Pomona Farming site that is prone to erosion. Diversion of water flow and catching of sediment, cover crops in unused areas to limit erosion by holding soil in place, un-harvested rows along berms, and gravel lined pits that catch flowing water and divert it under roadways before it can wash out farm roads are among the practices that SmartCert finds lead to exceptional results by Pomona Farming.
10.1.2 Respectful Work Environment: Maintain a safe,	SmartCert finds Pomona Farming takes exceptional care of worker safety, as demonstrated by safety equipment being readily accessible in a manner that goes beyond the minimum

gender equitable and professional work environment.	legal requirements (eg, eyewash station, first aid, and spill kit placement).
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Opportunities for Improvement

- 1) OFI 2.1.1 Soil Quality – There may be an opportunity for increased cover crop use on some farms. General reasoning behind current amount of cover crop used seems sound, but the SmartCert auditor found there may be opportunities for more frequent coverage and more acres covered on some parts of some farms. The opportunity for improvement is a more detailed evaluation of feasibility of covering more acres on the sites sampled.
- 2) OFI 9.1.1 Economic Contributions - Pomona Farming has a written policy for local procurement of supplies and services. PF currently sources some supplies and equipment locally, but there are no metrics available to show how PF is conforming to its own policy. PF expects to get these metrics from a third party assessment later this year.

Focus areas for the next audit

There are no particular focus areas.

Audit result summary (performance measures)

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: Operation clearly demonstrates commitment to sustainable agriculture via policy and implemented projects.
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> .	<p>Conformance with the indicator: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Finding: PF manages and balances profitability and sustainability</p> <p>Evidence : « Annual Consolidated Plan » evaluates farm vulnerability to hazardous materials. « Environmental Compliance » document establishes responsibility for environmental oversight of farms, (e.g. inspecting for animal activity and hazardous materials). Viewed example of « Phase 1 Environmental Assessment » for Tranquility Ranch which shows very comprehensive site assessment that shows physical, environmental, and geological site conditions for each site. Industry reports- cost of sales are below cost of production. This indicates the operation is ensuring profitability.</p> <p>Ranch Managers demonstrated attention to detail regarding their sites, including monitoring for and managing critical</p>

	external factors such as pest damage, erosion risk zones, worker safety, and productivity of crops.
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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 of cropland</i> .	Finding: PF demonstrates an adequate system for maintaining and improving soil health through advanced best practices, several forms of testing, and site specific sediment erosion programs. Documentation was available showing detailed testing of soil and tissue from Dellaville.

NOTES: (NCRs/Opportunities for improvement) : OFI 2.1.1 Soil Quality – There may be an opportunity for increased cover crop use on some farms. General reasoning behind current amount of cover crop used seems sound, but the SmartCert auditor found there may be opportunities for more frequent coverage and more acres covered on some parts of some farms. The opportunity for improvement is a more detailed evaluation of feasibility of covering more acres on the sites sampled.

2.2 Soil Conservation: <i>Standard users</i> shall implement <i>agricultural practices to minimize soil erosion</i> and avoid degradation of <i>agricultural lands</i> .	Finding: Policies are in place to minimize erosion and control sediment. Implementation was verified onsite. Pomona Farming has adopted and implement a “Sediment Erosion Control Plan”, and as a result SmartCert finds exceptional erosion control on a very steep Pomona Farming site that is prone to erosion. Diversion of water flow and catching of sediment, cover crops in unused areas to limit erosion by holding soil in place, un-harvested rows along berms, and gravel lined pits that catch flowing water and divert it under roadways before it can wash out farm roads are among the practices that SmartCert finds lead to exceptional results by Pomona Farming.
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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</i> shall conserve water resources and manage water use to avoid long-term depletion and maintain <i>crop productivity</i> .	Finding: PF employs advanced techniques to monitor soil water levels, evaporative transpiration, and calibrate irrigation. Central California has very strict legal limits on the amount of water that can be used in irrigation.
3.2 Water Quality: <i>Standard users</i> shall apply <i>program</i> to properly manage the use of <i>fertilizers</i> and other <i>soil amendments, crop protectants</i> , and other inputs and avoid release of sediment and nutrients from <i>agricultural lands</i> into <i>groundwater</i> and <i>surface water</i> .	Finding: PF’s Water Management Plan addresses run off. Practices are in place to minimize fertilizer and crop protectant run off and overspray.

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.	Finding: PF has a system in place to protect crops using IPM as well as other techniques. Documentation and chemical storage was viewed onsite in stage 2.
4.2 Crop Protectant Management: Standard users shall select, use and store crop protectants in accordance with label instructions and regulatory requirements.	Finding:Crop Protectant management is adequate and according to regulation.

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.	<p>Finding: PF maintains a sustainability program deck that describes multiple projects in place to eliminate carbon emissions by 2050, with 5 year goals between 2020 and 2050.</p> <p>The major parts of the project are : Reduced tillage, electrification of fleet and hybrid versions of vehicles, off ground harvesting, solar installations, biochar applications.</p> <p>Solar installations have already been started on some sites-viewed at Dixon.</p>
5.2 Air Quality: Standard users shall minimize adverse impacts to air quality from agricultural operations.	Dust control programs in place for enrolled farmland in districts where such a plan is required by law.
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: Thorough GHG assessment performed by a third party that enables PF to create climate related sustainability goals, which are described in the Climate Transition Plan The USDA defines climate smart agricultures as focusing on 1) increasing or maintaining yield, 2) enhancing resilience to environmental change and 3) reducing greenhouse gas emissions. Each of these elements is covered in the Climate Transition Plan, and is described in further detail in the relevant indicator. Although the Climate Transition Plan has not been formally rolled out, many of the practices in it are already well under way on the farm sites.

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: Management of waste and other materials is in compliance with local laws. Operation endeavors to minimize waste as much as possible, and uses third party contractors to recycle waste (eg, used oil, drip tape, pesticide jugs).
6.2 Food and Agricultural Waste Resource Recovery: Standard users shall ensure efficient handling and recovery of agricultural products and agricultural waste.	Finding: Minimal agricultural wastes produced- main wastes are prunings (which are mulched and returned to the soil) and hulls (hulls are collected by 3 rd party processors, but PF is involved in trials for the composting of almond hulls).

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 evidence of threatened/endangered species at the certified sites after thorough environmental survey.
7.2 Wildlife Habitat Conservation: Standard users shall conserve native habitats, wildlife habitat, natural communities and Ecologically Important Sites on enrolled farmland.	Finding: Good conservation and enhancement of natural habitats observed on farm sites.
7.3 Avoided Conversion: Standard users shall avoid conversion of natural forests, other natural communities and Ecologically Important Sites.	Finding: No conversion has taken place on the sites sampled, and the operation has policy in place to avoid conversion of natural communities.
7.4 Crop Diversity: Support crop diversity on cropland.	Finding: Adequate diversity for these perennial crops via cover crop.

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
8.1 Special Site Management: Standard users shall manage Special Sites in a manner appropriate for their unique qualities	Finding: No special sites were identified by third party environmental consultant’s review or by the operation.

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	Finding: PF demonstrates adequate investment in local community. One opportunity for improvement was identified in this Objective.

practices that support sustainable agriculture and the local economy.	
OFI 9.1.1 Economic Contributions - Pomona Farming has a written policy for local procurement of supplies and services. PF currently sources some supplies and equipment locally, but there are no metrics available to show how PF is conforming to its own policy. PF expects to get these metrics from a third party assessment later this year.	
9.2 Community Realitions: 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: Good community engagement demonstrated in several different areas (schools, regulatory, local agriculture, mentoring).
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: Adequate measure in place to capture the concerns of local Indigenous People. There have been no issues noted with this community.
9.4 Public Health: Standard users shall apply measures to protect public health from adverse impacts of enrolled farmland.	Finding: Adequate measures in place to protect public health.

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: Policies in place to foster a safe and respectful working environment- employee interviews confirmed that policies are being implemented. SmartCert finds Pomona Farming takes exceptional care of worker safety, as demonstrated by safety equipment being readily accessible in a manner that goes beyond the minimum legal requirements (eg, eyewash station, first aid, and spill kit placement).
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: Good training in place for PF staff, and for 3 rd party FLC who perform most of the spraying and general farm labor.
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: Good training in place for PF staff, and for 3 rd party FLC who perform most of the spraying and general farm labor
10.4 Compensation: Standard users shall ensure adequate livelihood for employees and contract management company employees to attract and retain a stable workforce.	Finding: Compensation is equal to or greater than the MIT living wage for PF employees and FLC personnel.
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: Good monitoring of FLC. PF staff has a close relationship with FLC management personnel and works with them daily.

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: California has an unusually high amount of local laws and statutes for agricultural operations relative to the rest of the USA- PF appears to be complying with applicable laws.
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: No issues noted in this area.

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: Very good management system in place for generation and review of sustainability and profit related metrics.
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: The operation demonstrated above average participation in these programs.

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.	N/A
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.	N/A