

**MANULIFE INVESTMENT MANAGEMENT
TIMBERLAND AND AGRICULTURE
Boston, Massachusetts**

2023 LEADING HARVEST RE-CERTIFICATION AUDIT:
SUMMARY REPORT, TENANT OPERATED PROPERTIES

June 22, 2023





A SUBSIDIARY OF K-COE ISOM, LLP

8801 Renner Blvd, #100

Lenexa, KS 66219

Phone: 913.643.5087

Company Name	Manulife Investment Management Timberland and Agriculture
Contact Person	Natasha Wise
Address	197 Clarendon Street, C-08-99 Boston, MA 02116
Phone/Fax	208.589.2364
Email	NLWise@manulife.com
Certification Date	June 22, 2023
Recertification Due Date	June 22, 2026
Certification ID#	AVERUM-LH FMS-2023-0006

Certification Audit Re-Certification Audit Surveillance Audit Scope Extension

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

INTRODUCTION

This report summarizes the results of re-certification audit conducted on Manulife Investment Management Timberland and Agriculture (MIMTA) managed production agriculture properties. The audit was conducted by Matt Armstrong, lead auditor for Averum. Matt Armstrong has had experience with Leading Harvest throughout its development, is an assurance provider for multiple sustainability programs, and has expertise in production agriculture on multiple crop types in North American regions. Site visits were assisted by Andrew Zetterberg and Ethan Smith, Field Auditors. The audit process and reports were independently reviewed by Kyle Rusten, who is a certified public accountant in the state of California and has expertise on multiple crop types in the United States. All senior members of the audit team hold training certificates in ISO 17021:2015 (Conformity Assessment), 14001:2015 (Environmental Management Systems), as well as IAF MD-1:2018 (Certification of Multiple Sites).

SCOPE AND OBJECTIVE

In 2023, Averum was engaged by MIMTA to perform an audit of sustainability performance on 207,123 acres of managed agricultural operations and determine conformance to the principles, objectives, performance measures, and indicators of the Leading Harvest Farmland Management Standard 2020 (LH FMS). LH FMS objectives 1 through 13 were covered during site visits on properties in Florida, California, and Washington. There was no substitution or modification of LH FMS performance measures.

COMPANY INFORMATION

MIMTA is an independent agricultural investment firm. Farm operating tenants and regional tenant management are responsible for the day-to-day farmland management services for MIMTA's properties. MIMTA opted to recertify 100 percent of their agricultural properties in 2023, allowing them to engage in broader sampling and simplifying the process of maintaining their certification in the future.

MIMTA contracted with Averum to assess and recertify MIMTA's conformance to the Leading Harvest Farmland Management Standard on properties in multiple sites with various tenants in Florida, California, and Washington. On the re-certification audits, nine sites across Florida, California, and Washington were selected, with six tenant managers included. Managers overseeing decision making and standard compliance for sample regions were contacted for evidence requests and interviews. The properties in these regions are a representative sample of current practices in place and management decision making. The primary agricultural production on sites are row and permanent crops such as alfalfa, almonds, barley, corn, cotton, grapes, olives, potatoes, peanuts, rice, soybeans, vegetables, and wheat.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

AUDIT PLAN

An audit plan was developed and is maintained on file by Averum. An online portal was established for MIMTA coordinators to upload evidence and documentation securely for auditor review, and evidence was continuously uploaded throughout the audit. An opening meeting was held on April 21, 2023, preceding site visits. Following the meeting, a document review of the evidence provided was conducted by Averum. Field sites in Florida, California, and Washington were examined on April 25th, May 9th, and May 16th. A closing meeting was held on June 22, 2023.

Opening Meeting: Conference Call

April 21, 2023

Attendees:

(MIMTA) Holly Evers, David Evers, Wayne Armstrong, Paul Burgener, Kevin Wright, Natasha Wise, David Bergvall, Joseph Bell

(Audit Team) Matt Armstrong, Andrew Zetterberg, Ethan Smith, Linnea Rash

Topics:

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

Closing Meeting: Conference Call

June 22, 2023

Attendees:

(MIMTA) Holly Evers, Kevin Wright, Paul Burgener, David Evers, Wayne Armstrong, Brent McGowan, Natasha Wise, David Bergvall, Joseph Bell, Corey May

(Audit Team) Matt Armstrong, Andrew Zetterberg, Ethan Smith, Kyle Rusten

Topics:

- Opening remarks: Matt Armstrong
- Statement of confidentiality: Matt Armstrong
- Closing summary: Matt Armstrong
- Presentation of the audit conclusion: Matt Armstrong
 - Non-Conformances: 0
 - Opportunities for Improvement (OFI): 3
 - Notable Practices: 8
- Report timing and expectations: Matt Armstrong

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

MULTI-SITE REQUIREMENTS

MIMTA maintains operations on multiple properties in Florida, California, and Washington. MIMTA qualifies for multi-site sampling since the properties within the management system are centrally controlled and directed by regional tenant management, with regular monitoring activities. Regional managers are responsible for developing corrective action plans regarding LH FMS conformance and report them to MIMTA management. MIMTA's current review and monitoring process is effective and ongoing.

Field visits and observations are conducted based on a sample of regions each year. Sampling methodology is provided in the LH FMS. In accordance with International Accreditation Forum Mandatory Documents (IAF-MD) methodology, all sites were initially selected at random with consideration of any preliminary examinations and then coordinated to ensure representative coverage of the complexity of the portfolio, variance in sizes of properties, environmental issues, geographical dispersion, and logistical feasibility.

Region	Crop	Properties Examined During Engagement
Southeast	Peanuts, Potatoes, Vegetables	3 sites visited during audit. <ul style="list-style-type: none">- 5,928 gross acres in production- Florida represents approx. 3% of all acreage.- Management population: One (1) Regional Manager, three (3) tenant operators- Sites visited: Lafayette 349, Dixie 55, Levy 121
West	Almonds, Pistachios, Grapes, Olives	4 sites visited during audit. <ul style="list-style-type: none">- 11,365 gross acres in production- California represents approx. 6% of all acreage.- Management population: One (1) regional manager, two (2) tenant operators- Sites visited: Yolo 16, Yolo 17, Yolo 18, Yolo 19
Pacific Northwest	Vegetables, Wheat	2 sites visited during audit. <ul style="list-style-type: none">- 20,836 gross acres in production- Washington represents approx. 10% of all acreage.- Management population: One (1) Regional Manager, one (1) tenant operator- Sites visited: Walla Walla Hillside, Walla Walla Ice Harbor

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

AUDIT RESULTS

Overall, MIMTA's agricultural operations conform to the objectives of the Leading Harvest Farmland Management Standard 2020 (LH FMS). Interviews and document reviews were performed to determine procedural and documentation conformance to the LH FMS. Documentation of practices was continuously supplied throughout the audit when requested. Documentation from multiple sites was provided to auditors. Field visits were performed on nine operating sites, with three in the Southeast, four in California, and two in the Pacific Northwest. Central and regional management representatives, as well as operating tenants, were present and interviewed to illustrate MIMTA's conformance and policy implementation. Central office staff with roles that impact LH FMS conformance were interviewed to determine awareness of and support for LH FMS conformance, and to illustrate company practices and procedures not performed by farm managers. MIMTA's Regional Managers served as guides and were available throughout the entire engagement, providing logistic support and honoring evidence requests wherever needed.

The following are summarized findings, per LH FMS performance measure. Specific non-conformances, opportunities for improvement, and notable practices are described in the Key Findings section of this report.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 1: Sustainable Agriculture Management

1.1 Sustainable Agriculture Stewardship

Conformance Evidence

- Written Commitment to Sustainable Agricultural Stewardship
- MIMTA Stewardship Principles
- MIMTA All Employee Meeting Slides
- Manulife Agriculture Services Stewardship Introductory Training
- Bonus Calculation Chart

Auditor Notes

- MIMTA maintains a written Commitment to Sustainable Agricultural Stewardship, containing five stewardship principles and twelve stewardship policies. The policies closely align with the LH FMS objectives and were made available to the auditor for review.
- Employees are trained in the importance of sustainability through annual presentations from leadership.
- The main issues on sites visited this year were heat pressure and water usage. MIMTA and its tenants combat this through managing irrigation technologies, water availability, and planning.
- Status of risks and opportunities in agriculture and the importance of sustainably managed agriculture are communicated across the entire company in all employee meetings.
- MIMTA specifically states in their Agriculture Stewardship Principles their commitment to preserving prime farmland.
- MIMTA does not convert any prime farmland into non-agricultural uses. This includes renewable energy developments, which are only allowed on non-prime farmland.
- Tenants are directed to farm and operate on the allotted acres in the lease agreement.

Result: In Conformance, Notable Practice

1.2 Critical External Factors

Conformance Evidence

Critical External Factors Forms

Auditor Notes

-MIMTA has a system in place for identifying critical external factors with its employees. The Critical External Factors Form incorporates environmental, economic, and social factors. The Forms are completed by Regional Managers and sent to the Sustainability Certification Specialist and the Vice President of MIMTA to ensure relevant topics are included on an external factor list MIMTA monitors.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 2: Soil Health and Conservation

2.1 Soil Health

Conformance Evidence

- LODI RULES Certification
- Fertility Analyses
- Soil samples
- Regenerative Ag Principles Inventory
- Crop yield reports
- Prescription report

Auditor Notes

- Soil health tests are a vital part of the maintenance process to efficiently produce row and permanent crops such as corn, grape, peanut, and food grade vegetables.
- Sites conduct soil testing on a 2.5 acre grids each year. Tests are conducted either by the tenant or a qualified third-party entity and supplemented by additional Soil samples every three years conducted by MIMTA.
- Tissue samples are also conducted at regular time intervals depending on site and crop. Samples are taken either annually, biannually, or every 14 days.
- Sites use soil moisture probes, sap analysis, standard nutritional tests, brix tests to measure total sugar, and electromagnetic fields to monitor soil health.
- Soil chemistry and characteristics of concerns are salinity, soil pH, microbes and fungi, organic matter, and availability of micro and macro nutrients, such as nitrogen and zinc.
- Nutrient applications are based on current standards posted from local university research, results of soil and tissue samples, recommendations from Certified Crop Advisors (CCAs), Pest Control Advisors (PCAs), and Agronomists and ultimately the sites Nutrient Management Plans (NMPs).
- Sites selected have formalized, written NMPs provided by a qualified consultant and informal NMPs developed with a qualified consultant in place. Prior years' events, amendments, and current tissue samples and property goals are considered during annual NMP updates.
- Tenants use fertigation (the application of fertilizers or nutrients via the irrigation network) to apply nitrogen to reduce product leeching. Application of boron and zinc is carefully performed and monitored due to a narrow difference between nutrient deficiency and toxicity.
- Head agronomist on staff determines applications at sample site and reduces fertilizer use through more precise application.
- Tenants apply less nitrogen than prescribed by Crop Consultant if they are able to hit plant growth targets with more precise irrigation.
- Sample site aims to maintain soil microbes and beneficial fungi and uses variable rate fertilizer application to reduce overall use of amendments.
- Soil health and soil organic matter are enhanced by tenants through the application of composts, practicing minimum to zero-till, reincorporation of crop residues, pruned limbs, mower clippings, and cover crops.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 2: Soil Health and Conservation (Continued)

2.1 Soil Health (Continued)

- Sample sites in Pacific Northwest use Haney tests to determine the quantity of nutrients in the soil available to soil microbes and incorporate chicken litter (post-harvest), gypsum, permanent cover crops, and almond shells to improve organic matter. Tenant of sample site reported they set a target increase in soil organic matter from 1.5% to 5%.
- Cover crops are planted after peanut crops to restore nutrient balance and provide forage for cattle.
- Cover crops are planted at an angle to prevent root rot.
- Cover crops, including oats and rye, are grazed by sheep and cattle.
- Specialty crops in rotation double as a cover crop and revenue stream and support long-term soil productivity and balanced soil health.
- Tenant of site selected developed a Farm Data App to record crop information and provide supporting photos of plants. A one-foot probe sends soil data to the app which uses rate application, photos, and data from the probe to inform nutrient application.
- Selected site uses chemical burndown to eliminate prior crop to terminate prior to planting in lieu of tillage to reduce soil disturbance.
- Sample site practices 100 percent no-till farming and is moving toward a Regenerative Organic Certification in 2027. No more synthetics will be used after 2023 growing season.

Result: In Conformance

2.2 Soil Conservation

Conformance Evidence

- LODI RULES Certification
- Regenerative Ag Principles Inventory

Auditor Notes

- No reported or observable Highly Erodible Land (HEL) on sites selected.
- Tenants use humic acid to increase aeration and drainage and plant cover crops to control wind and water erosion.
- To avoid and minimize soil disturbance and compaction, tenants practice strip till and minimum to zero-till whenever possible. Equipment is used strategically to dyke around head rows of crops to prevent soil compaction and erosion. Tenants further work to prevent compaction by reducing the number of passes and avoiding the use of equipment after a rain event.
- Sample sites practice minimum till and rotational deep till to control compaction, which led to limited issues with fungus and compaction.
- Tenants rotate crops between sweet peas, sweet corn, potatoes. Rotations support pest management and balanced soil health and reduces the need to rest land.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 3: Water Resources

3.1 Water Use

Conformance Evidence

- LODI RULES Certification
- Water Use and Quality Management Policy
- Water Use Permits
- HNRG Sustainability and Responsible Investing (SRI) Toolkit
- Meter data
- The San Joaquin Valley Water Collaborative Action Program (CAP) White Paper Draft
- Irrigation Pump Tests
- Pivot replacement invoice
- Well repair invoice

Auditor Notes

- Tenant of site selected maintains a water use permit issued by their respective Water Management District (WMD), such as Suwanee River WMD, Southwest Florida WMD, and Yolo Water District, and reports water use back to the water district.
- Some of the sites are located in water districts without irrigation or water use restrictions, while others have limits. Water usage limits are placed by the Yolo Water District for selected sites. Most water is pulled from Yolo surface water.
- All sites selected comply with water limits placed on local watershed/groundwater. Farms are provided with a 10-year drought allocation through the local water association. There is no current or known risk of groundwater depletion in Dixie County where one of the sample sites is located.
- Wells and the pumping system for surface water are metered. Sample site housed three major wells, but water can be moved around from all seven wells on the larger property.
- Site selected uses FieldNET irrigation technology to start and stop pivots and record water usage, rates, and times. Tenants elect to use flow meters on pumps to track water usage. Pivots run on 30 to 36 hour sets, based on soil moisture.
- Tenants use low pressure nozzles and drip irrigation, to increase water efficiency, and tailor irrigation to crop needs.
- Tenants utilize automatic timers on wells that shut off after an adequate irrigation. This allows tenant to typically stay between 60 and 70 percent of usage restriction.
- Tenants use cost share money to run efficiency tests on pivots through the local water district when funds are available.
- Maintaining appropriate moisture thresholds to ensure water availability for plants is a best management practice at site selected. Site selected manages leeching using soil moisture probes. Moisture content is monitored daily and weekly by site managers using a combination of automated and manual moisture probes. Soil probes allow for the monitoring of water usage for each crop cultivated.
- Pumping stations have one variable frequency drive (VFD) pump that can adjust and work with the other pumps to meet the water demand.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 3: Water Resources (Continued)

3.1 Water Use (Continued)

- Surface water and well water quality are tested at least four times annually on sites selected. Local lab performs tests to identify e-coli on every farm managed by tenant. Farms are tested during planting, growing, and harvest due to food safety and GLOBAL GAP audit procedures. Adjustments are made using sulfur or acid within regulations guidelines to balance out pH.
- MIMTA maintains a water supply station and partners with neighbors to provide irrigation needs and prevent the installation of additional water withdrawal points.

Result: *In Conformance, Notable Practice*

3.2 Water Quality

Conformance Evidence

- Fertility Analyses
- Crop Maps
- Agricultural Chemical Use Policy
- Fertilizer Reports
- Lease Language
- Crop yield reports
- Riparian Site Management Policy
- Soil Productivity Policy
- Prescription report
- Wetlands Maps
- Regenerative Ag Principles Inventory

Auditor Notes

- Sample site uses third-party scout who provides weekly inspections and makes crop amendment recommendations.
- Consultant takes tissue samples every 14 days to monitor crop health.
- Site selected uses GPS to control irrigation equipment. Pivots are monitored by mobile app. Fertigation of nitrogen is made every 7 days during a growing crop.
- Tenant of sample site and third-party agronomist have graduate degrees in agronomy. They alternate conducting crop inspections and discuss crop amendment recommendations together. An extension service conducts sap and tissue samples for vegetable crops.
- Chemical applications are made based on instructions on product labels. Since crops are rotated, applications must be closely monitored to prevent residual chemicals that may negatively impact specialty crops.
- Tenant of a sampled site performs their own scouting from experience. Applications are made based on action thresholds.
- No issues with water runoff from cropland are observable or reported. There are no known wetlands within the area of sites selected.

Result: *In Conformance*

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 4: Crop Protection

4.1 Integrated Pest Management

Conformance Evidence

- Scouting Reports
- Lease Language
- LODI RULES Certification
- Pesticide Environmental Assessment System (PEAS) Impact Index

Auditor Notes

- Third-party consultant assists developing Integrated Pest Management (IPM) for sample sites. Tenant and employees hold Certified Pesticide Applicators (CPA) license and self-apply protectants. Pest Control Advisors (PCA) scout crops and are trained to identify presence of pests and beneficial insects, such as pollinators and predatory insects.
- Scouting takes place almost daily on some sites and tenants use traps to collect, quantify, and identify pests. Common pests include leaf hoppers, vine mealybugs, leaf rollers, thrips, potato beetles, spider mites, and loopers. Staff utilize the in-house app to take pictures of pests and weeds.
- Crop treatments for pests are based on action thresholds established by state agencies and agronomists at sample sites. Beneficial insects are used to keep worms from attacking peanuts to prevent excessive crop loss. A stringent and proactive fungicide program is in place to prevent the growth of white mold in the cultivation of peanuts. Wettable sulfur is used for a 14-day period every year to prevent mildew and harmful fungus.
- Several Best Management Practices such as agrochemical applications at night, the planting of white mustard as a cover crop, and deep plowing are practiced by tenants to reduce honeybee mortality, suppress nematodes, and reduce the use of agrochemicals to control perennial weeds.
- Tenants of sample sites are trained, licensed, and self-administer pesticides. Chemicals are applied based on label instructions and pest densities. Tenants exercise caution for pollinator health and preferences for non-chemical pest control practices. Tenants thin shoots and leaves to manage disease pressure. Rotary hoes are used on organic site to remove weeds without spraying any crop amendments.
- Pest populations are disrupted by targeting mating through crop rotations and chemical sprays to avoid excessive crop loss. Pesticides may be applied through drip to better protect beneficial insects.
- Tenants use IPM standards included in Food Safety Audits where applicable. IPMs are documented and specific to each crop and field. Crop application records are kept and analyzed from years prior to anticipate pest presence and potential corrections.
- Sample site reported some neighbors with drift issues, but beneficial bugs are retained.
- Sample site uses Agrian to document crop applications. Agrian collects data including wind speed and direction, temperature, and time that applications were made.
- Sample site is participating in an organic chemical trial to protect crops.

Result: In Conformance, Notable Practice,

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 4: Crop Protection (Continued)

4.2 Crop Protectant Management

Conformance Evidence

- Agricultural Chemical Use Policy
- Lease Language
- Safe Work Environment Policy

Auditor Notes

- Chemicals are held in a secured location at farm headquarters. Chemicals are mixed at a central location greater than two hundred feet away from wells.
- Containers are triple-rinsed and disposed of in accordance with state regulations including the Yolo County Agricultural Department and California Department of Pesticide Regulation (CDPR). Some sites recycle chemical containers through the local landfill.
- Florida state law states that a triple rinse and burn is an allowed method of disposal.
- Newly contracted employees require safety training records to be provided prior to administering crop applications.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

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

5.1 Agricultural Energy Use and Conservation

Conformance Evidence

- Energy Efficiency and Air Quality Policy
- Renewable Projects
- Irrigation Pump Tests
- LODI RULES Certification

Auditor Notes

- Equipment maintenance and inventory records are maintained to ensure farm implements are running efficiently.
- Sample sites use electricity on wells.
- Farm equipment uses diesel exhaust fluid (DEF) and Tier 4 engines to increase fuel efficiency.
- Tenants of sites use equipment guided by global positioning system (GPS) technology from Case, John Deere, and Trimble, to reduce the number of passes required for activities. Equipment also pulls two implements simultaneously with the same tractor to conserve energy when feasible.
- Sample sites use FieldIn irrigation software that uses soil probes to inform pivot schedules. Smaller equipment is used to reduce fuel usage. John Deere Ops and Green Star provide data management.
- Tenants practice minimum till and utilize drip irrigation to conserve energy.
- Water pump stations use VFD's to increase efficiency and help regulate water pressure demands.
- Sample site has a 4-acre solar farm on the property. Excess energy generated is returned to the grid.
- Tenant on sample site is a shareholder of a hydrogen plant that will be online in 2027.
- Energy used on sample sites is generated by hydropower.

Result: In Conformance, Notable Practice

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

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

5.2 Air Quality

Conformance Evidence

- LODI RULES Certification
- Energy Efficiency and Air Quality Policy

Auditor Notes

- Minimum or no-till practices reduce soil disturbances and reduce emissions.
- Sites that perform burns obtain required permits from the air board and notify the local fire department. Burnings typically consist of organic materials. Burning of plastic waste is only conducted in areas with no alternatives and are appropriately permitted.
- Trainings are held for machine operating safety twice per year.
- MIMTA monitors fuel used in work trucks, GPS systems are used to track routes and map the most efficient routes.
- Dust can be an issue on sites. Cover crops are planted to increase organic matter in soil and speed limits are posted to keep vehicles speeds low, all best management practices that reduce erosion and mitigate airborne dust. Additionally, some sites may water the road with trucks when high winds are forecasted, or conditions permit.
- Providing burn permits from sites demonstrates conformance.

Result: Opportunity for Improvement (OFI), In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

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

5.3 Climate-Smart Agriculture

Conformance Evidence

- Climate Smart Ag USDA Building Blocks
- Irrigation Pump Tests
- LODI RULES Certification
- HNRG Sustainability and Responsible Investing (SRI) Toolkit
- MIMTA Carbon Standards Working Group Webinar
- Regen Agriculture Programmatic Development

Auditor Notes

- Minimum till and no-till are considered best management practices due to economic savings and improved soil health outcomes.
- University of Florida's extension service provides agricultural management recommendations that are shared with MIMTA and may be implemented on a trial basis.
- Sample sites use pulse width modulation (PWM) systems on sprayers to reduce the risk of environmental contamination and increase pest management efficacy.
- Tier 4 engines and DEF is used on engines.
- Cover crops are planted in the off season and reincorporated into soil profiles during field preparation.
- Humic acid is applied to increase carbon and organic matter by stimulating microorganism activity.
- MIMTA receives a multi-unit discount with John Deere for using their equipment. Lessees are able to trade in equipment every six months. Equipment maintenance is provided by the dealership. This arrangement allows MIMTA sites to use equipment with optimum performance and efficiency.
- Sample sites use John Deere Operations Center to track and manage farm management data including GPS and variable rate applications.
- Heat is combatted by planting vines at an the angle that causes the sun to primarily hit the canopy instead of the vines during peak sun and heat hours.
- Cover crops regulate the ground temperature and facilitate airflow during a frost.
- Irrigation rates are adjusted to stay ahead of evapotranspiration rates on sites. Evapotranspiration and irrigation rates are tracked in Farm data app. Typical usage rates are 7+ gallons per acre.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 6: Waste and Material Management

6.1 Management of Waste and Other Materials

Conformance Evidence

- LODI RULES Certification
- Lease Language
- Agricultural Chemical Use Policy
- Hazardous Materials and Waste Management Policy

Auditor Notes

- Chemical containers are managed and disposed of in accordance with state regulations, which includes triple rinse, puncturing of container, and disposing either through existing recycling programs with vendor or municipality, or in FL, the burning of containers on site.
- Burnings are performed yearly with proper permits to control growth and burn green wastes, such as old vines or olive trees, and old pallets. Sites are contracted with the local fire department and prescriptive fires are conducted only on burn days.
- Plastics, oil, and metals are recycled through local vendors.
- Vegetative waste is composted on sample sites or left out on the field after harvest to increase organic matter and provide nutrients for cover crops and enhance soil health.
- Seasonal fertigation chemicals used on sample site are appropriately stored in compliance with state regulations. Fenced-off chemical storage area with recycled totes are present.
- Working with buyers and corporate consumer packaged goods (CPGs) on waste reduction initiatives to reduce waste via more efficient and recyclable packaging.
- Even if tripled rinsed, the burning of chemical containers potentially releases GHGs. MIMTA management could improve full conformance with the indicator by assisting in a search for alternative practices.

Result: In Conformance, Opportunity for Improvement (OFI)

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 6: Waste and Material Management (Continued)

6.2 Food and Agricultural Waste Resource Recovery

Conformance Evidence

- Hazardous Materials and Waste Management Policy
- Regenerative Ag Principles Inventory
- Lease Language

Auditor Notes

- MIMTA tenants use MIMTA or self-owned storage facilities for peanut storage. Corn is stored in local elevators within 45 miles. Vegetable crops are field packed and shipped within the region.
- Sample site is three miles away from a seed mill, which provides an advantage to utilize various seeds for cover crops.
- Integrated livestock grazing controls waste and provides additional nutrient (manure) distribution.
- Frost and hail have caused excessive loss in previous years. Tenants are able to combat frost by delaying pruning and planting cover crops to keep cold air off the vines. Efficacy of cover crops to prevent frost damage will be determined by a row with no cover crop being compared to an area with a test cover crop strip planted.
- Weather stations are present on site to monitor for frost.
- Sample sites store Sudan grass in ag bags and silage for cattle fodder. Some crop residues are left standing and are used to graze cattle.
- Grazing livestock on cover crops is a practice that has been used in the past and may be used again when trucking costs are not prohibitive.
- Multiple types of manure are applied pre-season and as needed.
- Straw is harvested from other sites on the farm and spread on beds to prevent compaction and erosion.

Result: In Conformance

Objective 7: Conservation of Biodiversity

7.1 Species Protection

Conformance Evidence

- At-Risk Species Policy
- Biodiversity Policy
- Threatened & Endangered Species Identification Cards
- Element Occurrence Reviews
- Ecological Reviews

Auditor Notes

- Tenants are aware of endangered gopher tortoises are in the region, but none have been identified on farm.
- A wetland preserve is located near a site in the sample. Buffer areas are maintained around the field to provide wildlife refuge.
- MIMTA informs tenants of known threatened or endangered species during property acquisition.
- MIMTA conducts an at-risk audit and assessments prior to purchase of new property acquisitions. No land has been designated as native habitat on sites selected, but buffers of native vegetation strips are planted on select sites.
- The due diligence process that MIMTA performs includes a Phase 1 Environmental Site Assessment, ecological and biological reviews, and a Biodiversity Policy that employees follow.
- Best in class processes and documentation in place for biological assessments and status communication to staff and tenants.

Result: In Conformance, Notable Practice

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 7: Conservation of Biodiversity (Continued)

7.2 Wildlife Habitat Conservation

Conformance Evidence

- Riparian Site Management Policy
- At-Risk Species Policy
- Biodiversity Policy
- LODI RULES Certification
- MIMTA Contribution Summary Report
- Committee Tracking
- Threatened & Endangered Species Identification Cards
- Element Occurrence Reviews
- Regenerative Ag Principles Inventory
- Bird Box Photo

Auditor Notes

- Native forestland borders property on a sample site. Boundary lines are marked by where boundaries are difficult to distinguish.
- There are wetland delineations on sites in California and Washington that are actively avoided by tenants.
- Selected site in Washington is working with Ducks Unlimited to conserve and restore a wetland after conducting a biological assessment.
- PhD candidates use owl boxes located on select sites to conduct studies at UC Davis.
- Tenants of sample site are aware of natural areas managed by the State of Florida near farm.
- Tenants avoid wetlands on select site to avoid nutrient runoff and water quality issues.
- No threatened or endangered species were identified on sample site at that time.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 7: Conservation of Biodiversity (Continued)

7.3 Avoided Conversion

Conformance Evidence

- HNRG Sustainability and Responsible Investing (SRI) Toolkit
- Zero Deforestation Policy
- Arcadia Farmland Management Field Certification
- Crop Maps

Auditor Notes

- Wetlands are indicated on sites selected, and tenants avoid these ecologically important spaces.
- Site selected was converted from native timber and has been used to farm peanuts since 1997.
- MIMTA maintains a Zero Deforestation Policy that meets the requirements of the LH FMS. The policy states that MIMTA is committed to halting global deforestation and won't engage in deforestation or purchase land on which deforestation has occurred.

Result: In Conformance

7.4 Crop Diversity

Conformance Evidence

- Arcadia Farmland Management Field Certification
- Crop Maps

Auditor Notes

- Crops rotations include peanuts, corn, and vegetable crops. Specialty crops include brown top millet, grasses, legumes, peas, and a variety of vegetable crops including potatoes, onions, and sweet corn.
- Sample site grows Virginia peanut variety each year. The Virginia peanut is larger peanut and has higher market premiums.
- Crop rotation doesn't occur frequently on vineyards, but when a new vineyard is planted the tenant considers market demands and uses rootstocks specific to the region and vine needs.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 8: Protection of Special Sites

8.1 Site Protection

Conformance Evidence

- HNRG Sustainability and Responsible Investing (SRI) Toolkit
- MIMTA Investment Management Due Diligence Findings
- Wetland Maps
- MIMTA Farmland Web App
- Hydrology Mapping
- Special-Status Species Assessment
- Element Occurrence Reviews
- Ecological Reviews

Auditor Notes

- There were no designated special sites on the properties visited this year.
- MIMTA has a thorough due diligence process that identifies special sites before purchase. The process includes Phase 1 ESA which would identify and such sites.
- MIMTA's SRI toolkit discusses the importance and provides a process for property acquisition.
- Along with the due diligence process, MIMTA performs an ecological review on sites to help identify special sites.
- Tenant staff are trained to avoid any designated areas by studying the site maps of the properties they work on.
- MIMTA has a Farmland Web App with each site uploaded with data layers and special site designations that employees can access through their phones.

Result: In Conformance

Objective 9: Local Communities

9.1 Economic Wellbeing

Conformance Evidence

- Tax Governance
- North America Business Units, Stewardship Partners Program, and Local Contributions: 2022
- LODI RULES Certification
- MIMTA Contribution Summary Report

Auditor Notes

- MIMTA and its tenants source their supplies and on-farm needs through local vendors as much as possible.
- MIMTA is current on all taxes paid at the federal and state level.

Result: In Conformance

9.2 Community Relations

Conformance Evidence

- North America Business Units, Stewardship Partners Program, and Local Contributions: 2022
- LODI RULES Certification
- MIMTA Contribution Summary Report

Auditor Notes

- MIMTA contributes money to several stewardship programs throughout the year such as the American Bird Conservancy, Pollinator Partnership and Michigan State University Forest Carbon and Climate Program.
- Tenant of site selected works with the Hungry Hollow subcommittee, which is a part of the larger water district area.
- MIMTA also contributes money to other universities, research institutions, environmental non-governmental organizations (NGOs), scholarships and more. In 2022, MIMTA's contributions exceeded \$337,500.
- Tenants monetarily support 4H and volunteer to help with 4H projects
- One tenant teaches crop pruning to a local high school to help students learn about agriculture and its practices.
- One tenant hosts a cover crop field day for UC Davis students to educate them on the benefits of cover crop.
- Tenants and MIMTA staff work with local wineries on common challenges annually and share information to better grow grapes.
- Tenants make donations anonymously to local projects such as soccer and baseball fields.
- MIMTA maintains a robust community outreach log.

Result: In Conformance

Objective 9: Local Communities (Continued)

9.3 Local Communities and Indigenous Peoples

Conformance Evidence

- Social Responsibility Policy
- MIMTA Investment Management Due Diligence Findings
- HNRG Sustainability and Responsible Investing (SRI) Toolkit

Auditor Notes

- MIMTA maintains a Social Responsibility Policy that employees must adhere to. The policy highlights the responsibility to provide a safe place to work, respect the rights of all employees, respect the rights of Indigenous People, and engage with local communities on social impacts related to farmland management.
- MIMTA policy requires that Indigenous People are treated fairly and in a manner consistent with relevant international conventions.
- MIMTA policy also highlights occupational health and safety programs.
- Sites visited in 2023 did not have any indigenous communities in the vicinity of production land.
- No signage was present on sites; tenants tend to be more private and don't want public to know who is operating. Neighbors tend to know who the operator is based on presence on the site and informal communication with neighbors.
- MIMTA commits to enhancing the social values of the communities in which it operates by opening communication with people and groups directly affected by their farmland operations.
- There is no formal process by which an external stakeholder could contact the farm or a designated representative, ways of contacting representatives vary by operator and site.

Result: In Conformance, Opportunity for Improvement (OFI)

9.4 Public Health

Conformance Evidence

- MFS Safety Principles
- Safe Work Environment Policy
- Social Responsibility Policy
- LODI RULES Certification

Auditor Notes

- Records of training meetings on safety are kept. Trainings vary from equipment handling, chemical applications, areas to avoid and respectful work environment.
- There are occasional issues with trespassers, mainly hunters who are told they cannot be on the farm when spotted. No problematic incidents have occurred.
- Tenants will inform brokers or outside parties to avoid the property. MIMTA management will contact the party as well, if needed, to tell them to avoid the land.

Result: In Conformance

Objective 10: Employees and Farm Labor

10.1 Safe and Respectful Working Environment

Conformance Evidence

- Equal Employment Opportunity (EEO) Policy Statement
- Global Hiring Policy
- Workplace posters
- Unconscious Bias Training
- US Employment and Health and Safety Notices
- Discrimination, Harassment and Workplace Violence Policy
- Diversity, Equity, and Inclusion (DEI) Commitment

Auditor Notes

- MIMTA maintains an EEO and Pay Transparency Non-Discrimination Statement. The statement outlines MIMTA's commitment to fair recruitment, hiring, retention, advancement, compensation, and access to training.
- MIMTA also maintains a Global Hiring Policy committing to the same standards above on all global entities.
- MIMTA requires all tenants to post safety, anti-discrimination and respectful work environment postings in shops in the respective states.
- MIMTA holds a Diversity, Equity and Inclusion Commitment to maintain an inclusive and diverse company that fosters a workplace where differences are recognized and valued.
- A policy handling discrimination, harassment and workplace violence is on-file, promoting a safe and healthy work environment that promotes respect, dignity, inclusion and acceptance.
- MIMTA policy states they will not tolerate discrimination, harassment, or violence in the workplace.

Result: In Conformance

10.2 Occupational Training

Conformance Evidence

- All Employee Training

Auditor Notes

- Tenant employees undergo several occupational safety trainings, ranging from chemical handling, equipment usage, and respectful work environment.
- Tenant employees also attend weekly "tailgate" meetings where safety topics and incidents are addressed.

Result: In Conformance

Objective 10: Employees and Farm Labor (Continued)

10.3 Supporting Capacity for Sustainability

Conformance Evidence

- MIMTA Stewardship Report
- Leading Harvest Commitment
- Introductory Stewardship Training
- Stewardship Training Records
- Roles and Responsibilities - Leading Harvest (Tenant Operations)

Auditor Notes

- A commitment to the LH FMS is present in MIMTA's Stewardship report and in their Sustainable Investing report.
- MIMTA central office staff will informally speak to Farm Labor Contractor (FLC) management staff on the LH FMS and how it relates to other standards they are adopting to help prepare them for LH FMS audits.
- For internal staff, there is a roles and responsibilities list that keeps records of the objectives and who is responsible for implementing the standard.
- New employees receive training on MIMTA goals which include LH FMS and why the standard matters.
- LH FMS is frequently mentioned during organically driven communication due to MIMTA's culture regarding sustainable farmland management.
- There is an annual manager's meeting and regular sustainability training for all managers.
- MIMTA holds stewardship trainings with sign in sheets for attendees.

Result: In Conformance

10.4 Compensation

Conformance Evidence

- Living Wage Table

Auditor Notes

- MIMTA completes a living wage survey every year to determine and research living wage in each area it directly operates and sets compensation accordingly.
- Human Resources conducts surveys for fair compensation levels determined on roles, location and responsibilities.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 10: Employees and Farm Labor (Continued)

10.5 Farm Labor

Conformance Evidence

Auditor Notes

- MIMTA's compliance team performs an annual audit where documentation is reviewed to make sure FLCs comply with MIMTA standards. Documents such as training records, safety records and others are required to be submitted.
- MIMTA has influence on FLCs when it comes to management of the sites, safety involved and general management practices. MIMTA does not have influence on the labor that they hire or management of the labor, besides the annual FLC audit and review.
- MIMTA managers are in communication with FLC foremen on sites weekly, and visit the sites at minimum once a quarter.

Result: *In Conformance*

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 11: Legal and Regulatory Compliance

11.1 Legal Compliance

Conformance Evidence

- Flash Reports

Auditor Notes

- MIMTA has a risk and compliance team that handles safety aspects of on-farm practices.
- Safety consultants are hired who will inform MIMTA on new regulations.
- MIMTA's water team is tasked with water compliance, especially in California, where they meet and discuss topics such as water quality and quantity regulations and requirements.
- MIMTA employees work with university extension offices to stay current with issues that can plague the sites in respective states.
- One tenant manager has an extensive background working with university extensions on programs. The manager worked in a research center for an extension and would work on projects on current MIMTA sites.
- Portions of annual harassment trainings relate to legal compliance.
- Safety trainings related to personal protective equipment (PPE) and handling chemicals are updated with new legal compliance issues.
- Constant communication is in place with the compliance team to communicate new or upcoming changes with staff in the appropriate areas.
- Monthly risk and compliance reports are produced and issued.
- OSHA posters are posted on-site in English and Spanish for employees to review and be aware of safety procedures.
- MIMTA has postings in each state that they operate in with legal language to adhere to the state's applicable laws.

Result: In Conformance

Objective 11: Legal and Regulatory Compliance (Continued)

11.2 Legal Compliance Policies

Conformance Evidence

- Social Responsibility Policy
- Quiet Enjoyment Support Document

Auditor Notes

- MIMTA maintains a Social Responsibility Policy that employees must adhere to.
- MIMTA's Social Responsibility Policy explicitly states that MIMTA and its employees shall comply with all applicable international, federal, provincial, state and local laws regarding occupational health and safety and shall strive to operate in a manner consistent with relevant United Nations (UN) conventions that have been ratified by countries in which MIMTA operates.
- MIMTA allows tenants "quiet enjoyment"; to operate as they wish in accordance with the lease requirements on sustainability performance.
- Managers are able to assist, inform, or support tenants where they see fit.
- Tenant practices show differences due to regional requirements and personal preference, and are controlled via manager reviews and farm visits.
- Tenants on site visits explicitly mentioned their ability to engage in "quiet enjoyment".

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 12: Management Review and Continual Improvement

12.1 Farm Review and Continual Improvement

Conformance Evidence

- Continual Improvement Process
- Management System Description
- Flash Reports
- Sustainable Agriculture Program Annual Management Review
- Environmental and Social Management System

Auditor Notes

- MIMTA follows a continual improvement process for employee's performance evaluation.
- MIMTA employees set goals at the start of the year with their manager. Mid-year, these goals are formally reviewed and analyzed. At the end of the year, the goals are reviewed in totality and the review directly ties into employee bonuses.
- There are metrics related to safety, sustainability, goal setting and project performance that go into the bonus score.
- MIMTA explicitly states their steps for monitoring performance related to the LH FMS in their Continual Improvement Process document.
- The process is informed by LH FMS audits and the findings that are generated after the audit is conducted.
- MIMTA consults with a highly recognized peanut expert.
- One tenant is currently involved in 3 pilot projects including controlled release fertilizer, grazed cover crop trial, irrigation automation tests.
- MIMTA employees attend agriculture-related conferences throughout the year.
- OFI's are recorded internally and logged into a register that MIMTA's central office looks at throughout the year, and formally in a management review meeting held annually.
- MIMTA holds an annual management review driven by the LH FMS audit that occurred that year. The review speaks to the audit's findings and how to implement and improve based on the judgements by auditors.
- The continual improvement process directly addresses and refers to findings and objectives from the LH FMS.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 12: Management Review and Continual Improvement (Continued)

12.2 Support for Sustainable Agriculture

Conformance Evidence

- Support for Sustainable Agriculture
- Committee Tracking

Auditor Notes

- Tenants conduct research & test plots with extension offices. Trials are currently operating on MIMTA land for biologics and nematicide usage.
- Work with UC Davis on owl Boxes and offered cover crop education and training.
- Unilever sustainability audit is conducted on select sites in the sample.
- Cool Farm Alliance and Cool Farm Tool usage records were provided for conformance evidence..

Result: In Conformance

Objective 13: Tenant-Operated Operations

13.1 Leased-Land Management

Conformance Evidence

- Performance Measure Surveys
- Property Inspection Reports
- Readiness Review
- Lease Language
- Lease Addendum for Sustainability

Auditor Notes

- Tenants are open to discussing best management practices for the area with MIMTA management.
- MIMTA helps tenants maintain roadsides and non-farm areas. Economic and environmental benefits are shared.
- Quarterly inspections are held between tenants and the MIMTA manager assigned to the region.
- Records for each crop year are provided to MIMTA.
- Lease language explicitly states that the lessee shall use due diligence and farming practices, consistent with the highest-quality farming practices in the County and refers to LH FMS for specified objectives.
- Sustainable agriculture principles are included as addendums to leases.
- Lease language states it is the tenant's responsibility to provide a safe and respectful working environment and to contribute to the economy and well-being of their respective community and requires tenants to comply with all local, state, and federal laws and regulations. LH FMS objectives are present in lease terminology.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Objective 13: Tenant-Operated Operations (Continued)

13.2 Leased-Land Monitoring

Conformance Evidence

- Property Inspection Reports
- Flash Reports

Auditor Notes

- Tenants are typically monitored through quarterly inspections that cover LH FMS objectives. Each area is given a rating of good, fair, or poor along with comments on anything the managers need to note.
- Regular, informal meetings and phone calls are also held throughout the year. An open line of communication is available to tenants.
- Tenant evaluations are used to identify areas for improvement on sites for potential capital allocations.
- LH FMS audits are also used to help identify areas for improvement on certain sites or in regions.
- The quarterly inspections feed into bi-weekly reporting performed by MIMTA.
- Annual and periodic reviews of components of the monitoring system allow for improvements to be identified and communicated.
- Tenants will communicate with MIMTA managers regarding practice changes, required repairs, and capital improvement projects.

Result: In Conformance

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

KEY FINDINGS

Previous Non-Conformances: N/A There were no previous non-conformances identified in previous audits.

Major Non-Conformances: Zero (0) No major non-conformances were identified during the examination.

Minor Non-Conformances: Zero (0) No minor non-conformances were identified during the examination.

Opportunities for Improvement (OFI): Three (3) opportunities for improvement were identified during the audit.

1. 5.2.1 Air Emissions

- a. While tenants demonstrated compliance with relevant legal regulations regarding appropriate permitting for waste burning, and comments from tenants were corroborated by management, providing burn permits from sites will assist in demonstrating full conformance.

2. 6.1.1 Waste Disposal

- a. Even when tripled rinsed, the burning of chemical containers potentially release harmful emissions and GHGs. MIMTA management could further improve their full conformance with the indicator by assisting in a search for alternative practices or creative solutions to this practice.

3. 9.3.3 Local Communities and Indigenous Peoples' Inquiries

- a. MIMTA's Social Responsibility Policy states the intent to ensure the fair treatment of Indigenous Peoples and effective engagement with local communities. MIMTA's existing full conformance to the LH FMS standard could be further supported by creating a standardized procedure by which an external stakeholder could contact a farm tenant (or a designated representative) to demonstrate activity related to MIMTA's Social Responsibility Policy.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Notable Practices: Eight (8) notable practice were identified during the audit.

1. 1.1.1 Farmland Stewardship Commitment
 - a. MIMTA maintains a written Commitment to Sustainable Agricultural Stewardship, containing five stewardship principals and twelve stewardship policies. The policies closely align with LH FMS objectives and continues to set the standard for conforming stewardship commitments.
2. 1.1.2 Farmland Stewardship
 - a. Critical Factors are considered additional to default risks requiring control in the Due Diligence / SRI tool kit. Status of risks and opportunities in agriculture and the importance of sustainably managed agriculture are communicated across the entire company in all employee meetings in an open and transparent manner.
3. 3.1.2 Regional Water Conservation
 - a. MIMTA maintains a large-scale water supply station and partners with neighbors to provide irrigation needs and prevent the installation of additional surface water withdrawal points.
4. 4.1.1 Pest Monitoring
 - a. Select tenants were noted as exercising notable caution for pollinator health and preferences for non-chemical pest control practices. Refer to summary report for details.
5. 5.1.2 Renewable Energy
 - a. Tenant site visited has a 4-acre solar farm on the property. Energy generated is returned to the energy grid to offset current electric bills and reduce net energy needs.
 - b. MIMTA is the tenant of a hydrogen plant that will be online in 2027.
6. 7.1.1 Threatened and Endangered Species
7. 7.1.2 At-Risk Species
 - a. MIMTA maintains best in class processes and documentation in place for biological assessments and status communication to staff and tenants.
8. 9.2.1 Community Engagement
 - a. MIMTA maintains a community outreach log recording investments, donations, and assistance provided to myriad community facing efforts. The extent of community outreach is notable in its scale and support.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Leading Harvest Logo Usage: Program users in good standing who are enrolled in the Leading Harvest Farmland Management Program 2020 for all, or a portion of their operations, may use the Leading Harvest logo. Any express or implied claim that a program user is in conformance with the Leading Harvest Farmland Management Standard 2020 must be substantiated by a current, valid certification by a certification body recognized by Leading Harvest.

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

Review of Previous Audit Cycle: 2023 marks a recertification year for MIMTA and initiates a new certification cycle. MIMTA has demonstrated their conformance, been certified, and has remained in good standing with the LH FMS continuously since their initial certification in 2020. MIMTA successfully completed surveillance audits in 2021 and 2022.

CONCLUSIONS

Results of the audit indicate that MIMTA has implemented a management system that meets the requirements of, and is in conformance with, the Leading Harvest Farmland Management Standard 2020. MIMTA's enrolled acreage is recommended for certification to the Leading Harvest Farmland Management Standard 2020.

MANULIFE INVESTMENT MANAGEMENT TIMBERLAND AND AGRICULTURE

LH FMS AUDIT SUMMARY REPORT: TENANT OPERATED PROPERTIES

June 22, 2023

Summary of Audit Findings	
Program User	MIMTA Investment Management Timberland and Agriculture
Audit Dates	April 21, 2023 – June 22, 2023
Non-Conformances Raised (NCR):	<i>Major</i> <i>Minor</i>
	0 0
Follow-Up Visit Needed?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <i>Date(s)</i>
Follow-Up Visit Remarks	N/A
Team Leader Recommendations	
Corrective Action Plan(s) Accepted	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> 2023/06/22
Proceed to/Continue Certification	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> 2023/06/22
All NCR Closed	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/> 2023/06/22
Standard(s) Audited Against	
Leading Harvest Farmland Management Standard 2020 (Objectives 1 through 13)	
Audit Team Leader	Audit Team Members
Matt Armstrong	Linnea Rash Andrew Zetterburg Ethan Smith Kyle Rusten
Scope of Audit	
Management of production farmland on direct and tenant operated properties.	
Accreditations	Approval by Leading Harvest to provide certification audits
Number of Certificates	1
Certificate Number	AVERUM-LHFMS-2023-0006
Proposed Date for Next Audit Event	TBD
Audit Report Distribution	Attn: Natasha Wise, NLWise@manulife.com