

LAMB SUPPLY PROGRAMME 2023



FARM SUSTAINABILITY AND REGENERATIVE AGRICULTURE



DISTURBANCE CROP DIVERSITY

SOIL COVERED

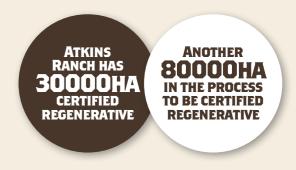
LIVING ROOT YEAR-ROUND LIVESTOCK

As part of our desire to have truly special and differentiated products in the market place Atkins Ranch has been investigating and monitoring our suppliers regenerative status since 2019. Early on we realised the importance of having 'in market presence' and a compelling network of like minded companies to grow with, as such the Savory Land to Market programme was chosen to support Atkins Ranch and its suppliers on this journey.

23 forward thinking suppliers willing to give Savory's Ecological Outcome Verification (EOV) a go, entered into a pilot in 2019 to see how our land and farming systems fit within the Savory's EOV model. EOV assesses key indicators of the effectiveness and health of ecosystem processes — criteria such as soil health, biodiversity and ecosystem function (water cycle, mineral cycle, energy flow and community dynamics).

The core belief of this system centres around continuous improvement and the desire to leave the land in a better state for future generations to come something that all our suppliers strive for.

Awareness of regenerative farming is building throughout the world and especially in North America, with enquiries being received for a variety of products and some premiums are available. Based on market sentiment and demand Atkins Ranch is in the process of expanding the number of farms participating in this accreditation. If you want further information on the programme, please feel free to contact Rhys Hellyer on 027 488 8807 or Karen Atkins on 027 444 1033



MARKET OPTIONS



OUR WHOLE FOODS MARKET PRODUCER GROUP IS FOCUSED ON SUPPLYING CHILLED LAMB TO OUR KEY CUSTOMERS IN THE USA. THE PRODUCER GROUP PROVIDES YOU WITH THE OPPORTUNITY TO 'EFFECTIVELY' BECOME THE EXPORTER WITH ASSOCIATED OWNERSHIP, RISK AND MARGINS AND BE REWARDED WITH AN END OF SEASON MARKET RELATED POOL PAYMENT (SUBJECT TO PERFORMANCE). THE SUPPLY PERIOD FOR THE PRODUCER GROUP "POOL" IS FROM 2ND JANUARY THROUGH TO 30TH DECEMBER 2023.



THIS PROGRAMME IS FOCUSED ON SUPPLYING THE US RETAIL READY MARKET. FURTHER PROCESSING OF THIS PRODUCT OCCURS AT ATKINS RANCH FREMONT BEFORE RETAIL DISTRIBUTION. THESE LAMBS ARE NOT REQUIRED TO BE ATKINS RANCH G.A.P STEP 4 CERTIFIED.

PROGRAMME CRITERIA



Atkins Ranch Quality Assured to a minimum of Global Animal Partnership Step 4.

Meet the Market Criteria (page 6).



Carcass Specification:

18.0-27.9KG 4-20MM GR Payment of IOO% of the weekly schedule price will be made when sales receipts are received (approximately 6-8 weeks after slaughter).

Share of the pool, paid by mid-February 2024.

PROGRAMME CRITERIA



All producers must be at a minimum NZFAP Quality Assured to the Progressive Meats Standards,

Meet the Market Criteria (page 6).

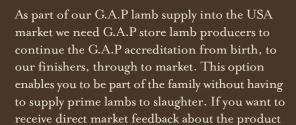


Carcass Specification:

16.0-23.9KG 4-20MM GR A competitive weekly schedule will be printed at the end of each week for the following weeks supply.

Payment in full is made I4 days after processing.

G.A.P STORE LAMB SUPPLY



you are producing and feel like you are involved in something bigger, this option could be for you. To assist our producers keeping store lambs in the family, we have developed a store lamb dashboard. This is a transparent listing platform for available and wanted G.A.P accredited ewes and lambs, sent out to the producer group twice a week. Talk to one of our livestock team to find out more.

FIXED PRICE CONTRACTS



Atkins Ranch may offer fixed price options at any point during the year. As we have strong relationships with our retail customers and the price we receive is set in advance, we are able to buy currency at any point in the year to offer you a set price for your supply.

Page 2

PROGRAMME **FEATURES**



GROUP POOL PAYMENT

PROGRAMME SPECIFIC BONUS PAYMENTS 2023

Prices are based as at the schedule of the week when offer printed.							Market Premium
				DRAFTER REBATE			returned on completion
				WOOL NAD PELT		Variations September Example	of season
			CONTACT AND COMPLETE	Based on Weekly			
Meat \$/Kg x CCS Weight \$9.80	20Kg	\$196.00	Deliver	Schedule @0.5kg			
Less K&P Fee		\$10.05	confirmed	wool			
Less Procurement Charge		\$1.50	,				
Less Beef & Lamb Levy		\$0.70					
Less MPI Inspection Fee		\$2.15					
\$/Head		-\$14.40	\$0.50	-\$0.98	\$1.50	\$1.31	PLUS SHARE OF POOL
Nett \$/Head		\$181.60	\$182.10	\$181.12	\$182.62	\$183.93	
Nett \$/Kg		\$9.08	\$9.10	\$9.06	\$9.13	\$9.20	

COMMITMENT BONUS

\$/Head for month specified:

MONTH	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	ОСТ	NOV	DEC
AVERAGE RATE \$	1.05	0.59	0.50	0.50	0.55	1.05	1.60	1.72	1.31	0.80	1.72	1.60

\$ COMMITMENT BONUS

To be eligible for the commitment payment suppliers must commit lambs before the closing date(s) and supply at least the number committed. Payment will be weighted depending on supply week to reflect the annual supply curve. There is no Commitment Bonus paid on Mutton.

CONTACT & COMPLETION

To be eligible for this payment, producers must confirm bookings by Wednesday evening of the week prior to delivery and deliver 85% or more of their confirmed number. Achieving this producers will be rewarded \$0.50 per head.

\$/**#** DRAFTING PAYMENT OPTIONS

We believe in full transparency between producers, agents and ourselves. In line with these beliefs we offer options to suit all producers' livestock drafting preferences.

Stock Agent - By electing your chosen stock agent to be your drafter they will be responsible for drafting livestock, booking and confirming livestock on time, and organising trucking to the plant once delivery time is confirmed by Progressive Meats Ltd. The agent will undertake all communication with yourself and the booking office, and will receive \$1.50 per head.

Own Agent – All functions undertaken by a stock agent are completed by the producer. These include booking and confirming livestock, drafting livestock (including milk lambs) and organising trucking to plant once delivery time is confirmed by Progressive Meats Ltd. Producer will receive \$1.50 per head. It is important to note this can be a demanding role. Producers will be expected to operate at the same standards that we expect of our agent partners.

Self Drafter – The producer may decide to draft their own stock but utilise their agent for logistics and time coordination. This function allows the producer to share this payment with their agent at \$0.75 cents per head each.

To be eligible for either of the Own Agent or Self Drafter options the producer must complete two drafts where at least 90% of the lambs are in specification for the relevant supply programme. Prior to changing your current arrangement we expect that you will have had a discussion with your respective agent. The option you select needs to be indicated on your commitment form and will be confirmed for the season (a producer cannot swap between options during the season).

SEP 17

COMMITMENT REVIEW

There will be a mid-year review, which will be due on the 14th May 2023 and a final review for the season which is due on the 17th September 2023. Producers are able to review and increase their original committed tally at any point up until the final review on the 17th September 2023. At this point committed tallies are finalised for the season.

T SPACE ALLOCATION

The preferential booking system will be based on the following criteria to allocate space during peak periods. The Best Producer rankings will be used in conjunction with this to ensure our best performing producers secure their slaughter space requirements.

** PREFERENTIAL RANKING FOR BOOKING

- I. Whole Foods Market Producer Group Atkins Ranch (Heavy Lambs Ltd) shareholder.
- 2. Whole Foods Market Producer Group producer.
- 3. Retail Ready Programme Atkins Ranch (Heavy Lamb Ltd) shareholder.
- 4. Retail Ready Programme producer.



HEAVY LAMBS LIMITED

We encourage all suppliers to be shareholders to provide "ownership", focus and commitment to the satisfaction of our customer's needs to mutual benefit. Heavy Lambs Limited has a shareholding in Atkins Ranch and currently has shares available for suppliers to purchase. As a shareholder you get priority booking for peak season processing space and the shareholder dividend, when coupled with the Whole Foods Producer Group pool payment, makes the combined shareholder/supplier return very attractive.

If you are interested in purchasing Atkins Ranch shares, please make contact with Bryan Dew on 027 431 1634.



KILL SUMMARY

Your kill summary will be available the first working day after



Progressive Meats has adopted the MyOSPRI programme on plant which improves efficiencies on farm and at plant level. It is now a requirement that all farmers use MyOSPRI when sending lambs to Atkins Ranch. Failure to use MyOSPRI, without prior arrangement, may result in a 5c/kg penalty.



CUTTER GRADES

Cutters with minor carcass damage are not downgraded to the Out of Spec grade. These carcasses will be paid at the grade price into which they fall.



TRANSPORT

Suppliers pay for the transport of lambs to the plant and are paid a transport rebate on the kill sheet. This way the producer can utilise the carrier of their choice. Wherever possible loads will be co-ordinated for economic truck loads.



MUTTON

Atkins Ranch is provided mutton space through our close working relationship with Te Kuiti Meat Processors. Mutton space is available through Te Kuiti Meat Processors commitment programme with a portion of this mutton processed by Progressive Meats in Hastings. Space is allocated using the preferential booking system (in conjunction with the best producer ranking).

Page 4 Page 5

MARKET CRITERIA



AS A
MINIMUM
ALL LAMBS
SUPPLIED
MIIST RE-



100% GRASS FED

Never been fed grain.
Never been on a feedlot.
Never been fed any feed
containing animal by-products.



ANTIBIOTIC FREE

Never been administered antibiotics or artificial growth hormones.



NON-GMO PROJECT VERIFIED

Never ingested feed from genetically engineered grasses.



LIFETIME TRACEABILITY

All lambs must be supplied on an Atkins Ranch or PML ASD Form. Finishing lambs must have the Atkins Ranch antibiotic free status and IOO% grass fed declaration from the farm of origin kept on file.



THIRD PARTY VERIFIED

All producers must have on farm Quality Assurance to either the Atkins Ranch G.A.P Step 4 or Progressive Meats NZFAP certification.



IN LINE WITH OUR COMMITMENT TO BRING OUR PRODUCERS AND THE MARKETPLACE TOGETHER, ALL PRODUCERS ARE ELIGIBLE TO WIN A TRIP FOR TWO TO THE USA TO VIEW THE MARKET POSITIONING OF ATKINS RANCH LAMB WITHIN OUR KEY RETAILERS.

HOW TO WIN

The below criteria is used for the selection of our Atkins Ranch Producer of the Year. Please note the USA market trip can only be won once by the same producer within a four year cycle. The trip must be taken in the following calendar year at a mutually convenient time to the team in America and the Best Producer.

COMPONENT		WEIGHTING
YEAR ROUND SUPPLY	Jan – April @ 1% each month supplied, May – Oct @ 3% each month supplied, Nov & Dec @ 4% each month supplied.	30%
CERTAINTY OF SUPPLY	In-full & on-time – supply to commitment.	20%
TO SPECIFICATION	Schedule Carcass Specification Score.	20%
LOYALTY	3% per year supplied, over past 5 years.	15%
VOLUME	% in proportion to number of lambs supplied — to max of 5000 lambs.	15%
	TOTAL	100%

IN SPEC AWARD

This award is to celebrate an individual who is able to consistently draft lambs to our program specific carcass specification. It is awarded on the highest % of lambs drafted in spec over all lambs supplied in the 2023 season.

It will be awarded to the drafter on farm i.e. agent, farm manager, or shepherd. To be eligible for this award you must supply a minimum of 500 lambs over at least six months of the year.





WHO IS G.A.P?

GLOBAL ANIMAL PARTNERSHIP (G.A.P) IS ONE OF THE LARGEST **ANIMAL WELFARE FOOD LABELLING ORGANISATIONS GLOBALLY. WE BELIEVE THAT MEANINGFUL LABEL CLAIMS, VALIDATED BY THIRD-PARTY FARM AUDITS, ARE KEY TO INFLUENCING THE INDUSTRY, RAISING CONSUMER EXPECTATIONS, AND CREATING LONG LASTING CHANGE.**

WHAT DO THEY DO?

G.A.P develops comprehensive animal welfare standards that are based in science, and then uses independent third-party certifiers to audit each and every farm in the program. G.A.P feels that this level of transparency and integrity is important to consumers as they look for and purchase products with the G.A.P label.

ATKINS RANCH & GLOBAL ANIMAL PARTNERSHIP

Atkins Ranch are embracing this concept in its entirety. We have aligned with the G.A.P Pasture Raised standard by recognising this level of welfare is highly sought after by USA consumers and is aligned with New Zealand farming practices.

WHY TAKE PART

- Group and the ability to participate in the end of season market pool payment.
- The ability to sell your store lambs within 'the family'.

All costs of the auditing and certification of your properties will be covered by Atkins Ranch. For further information on the G.A.P programme please contact one of the supply team.





G.A.P CERTIFIED G.A.P CERTIFIED

CARRYING G.A.P CERTIFIED PRODUCTS G.A.P CERTIFIED

AVAILABLE ARE



LAMB COMMITMENT FORM

Please complete and return by Sunday 6th November 2022

		WC	WC	WC	WC	WC	
PRODUCER / MANAGER NAME:		2 Jan	9 Jan	16 Jan	23 Jan	30 Jan	TOTAL
	JAN						
Trade Name:		6 Feb	13 Feb	20 Feb	27 Feb		TOTAL
	FEB	0100	13 100	20100	27 100		
Address:	FEB						
		6 Mar	13 Mar	20 Mar	27 Mar		TOTAL
	MAR						
		3 Apr	10 Apr	17 Apr	24 Apr		TOTAL
	APR						
Phone Number:		1 May	8 May	15 May	22 May	29 May	TOTAL
	MAY						
E 1411		5 T	12.7	10.1	261		TOTAL
Email Address:		5 Jun	12 Jun	19 Jun	26 Jun		IUIAL
	JUN						
Transport Company:		3 Jul	10 Jul	17 Jul	24 Jul	31 Jul	TOTAL
	JUL						
Drafting Rebates:		7 Aug	14 Aug	21 Aug	28 Aug		TOTAL
(please circle your preferred option)	AUG						
STOCK OWN SELF		4 Sep	11 Sep	18 Sep	25 Sep		TOTAL
AGENT AGENT DRAFTER	CED	4 Sep	Поер	16 Зер	23 Sep		IOIAL
Agent's Name:	SEP						
		2 Oct	9 Oct	16 Oct	23 Oct	30 Oct	TOTAL
	OCT						
Sign: Date:		6 Nov	13 Nov	20 Nov	27 Nov		TOTAL
	NOV						
Please circle supply programme:		4 Dec	11 Dec	18 Dec			TOTAL
rease circle supply programme:	DEC	Tocc	TIDEC	10 Dec			IVINE
REALINS RANGE QUESTIVE TOP	DEC						
WHOLE FOODS RETAIL READY		TOTAL SUPPLY					

Page 10 Page 11

CONDITIONS OF SLAUGHTER

DELIVERY OF STOCK

- · All stock arriving at Progressive Meats must be accompanied with a pre-sent electronic ANIMAL STATUS DECLARATION form.
- · Trucking delivery times must be adhered to. If a problem does occur we would appreciate if the plant is advised as soon as possible to minimise disruptions.
- · Additional stock arriving over and above the number confirmed must have plant approval. Excess numbers that cannot be accommodated will be returned to the producer at their own cost.
- · No stock with excessive dags, dirty bellies, muddy purse etc will be accepted for slaughter and will be returned to the producer at their own cost.
- · No lambs which have been treated for Johnes Disease will be accepted for slaughter.
- · No horned animals will be accepted for slaughter.
- · No merinos will be accepted for slaughter without prior approval.

TRANSPORTATION OF STOCK

- · Stock must be fit to travel and must not be lame. A sheep is deemed lame if the animal is not weight bearing on one or more limbs when moving or standing; or the animal has difficulty walking and holds its head below its backline almost continuously.
- · Stock must be emptied out for a minimum of four hours prior to trucking or, depending on the season and feed conditions, the same time as required for penning up for shearing.
- · Refer to the Fit for Transport App by MPI if you are unsure about transporting stock.

INFORMATION USE

• The information you have supplied will be seen by others in an abridged form and used in the scheduling and planning of the daily slaughter requirements of the plant.

RETURN ADDRESS

Supply Office PO Box 36 Hastings 4156 0508 887 788



Keep Connected! Follow us on Facebook and Instagram by searching 'Thetoppaddock"





OUR PARTNERS



BY CHOOSING TO SUPPLY ATKINS **RANCH YOU DIRECTLY BENEFIT THROUGH OUR PARTNERSHIPS** WITH INDUSTRY SPECIALISTS. **WE ARE PROUD OF THE PARTNERSHIPS WE HAVE BUILT OVER** THE YEARS AND ARE CONSTANTLY **LOOKING FOR NEW OPPORTUNITIES** TO PROVIDE THE HIGHEST RETURNS TO YOU - OUR SUPPLIER.

We regularly offer the opportunity for our suppliers to join us on a one day excursion to visit our local partners. This allows you to have full transparency in the processing of your animals and their by-products post the farm gate. From this you gain an insight to the true additional value our partners are delivering to you. Interested in joining us? Let the Livestock team know.

