

EarthClaims LLC

Certification
Programs & Services

What We Offer:

- ▶ EarthClaims LLC & our partners offer certification services for producers and operations of all sizes.
- ▶ As a certifying agency, we conduct farm visits, determining compliance to value added programs standards.
- ▶ Programs allow producers to market livestock through various protein based markets at a consumer level.
 - ▶ Examples:
 - ▶ Whole Foods Grocery Stores
 - ▶ Potential for export market through verification.



Our Services & Programs:

- ▶ GAP (Global Animal Partnership)
- ▶ NHTC (Non-Hormone Treated Cattle)
- ▶ Source and Age Verification
- ▶ AGA Audits (American Grass-fed Association) Certification
- ▶ Customized Compliance Audits



Global Animal Partnership



Global Animal Partnership

Stakeholder-based Standards Organization

Develops species-specific standards using multi-stakeholder approach



Key difference between GAP and other welfare programs is the use of tiered standards for beef cattle, pigs, broiler chickens and turkeys, laying hens, small ruminants & bison



Seeks to improve farm animal welfare

By creating a structure for operations to be scored and rewarded for higher on-farm welfare practices

By substantiating compliance with the standards

Uses independent third-party verification service providers

Step Levels at a Glance:

THE BEEF LIFECYCLE

Ranchers often specialize in one of 3 general stages of production. GAP standards cover ALL stages of production.

1. COW-CALF

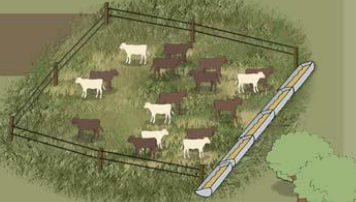
Calves are raised with their mothers from birth until weaning.



2. STOCKERS & BACKGROUNDERS

After calves are weaned from their mother's milk, they go to pastures to eat grass until ~14 months of age.

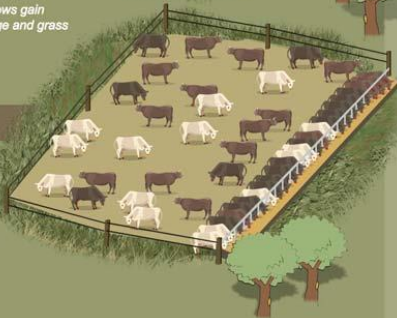
Note: "Stockers" and "Backgrounders" are farms and ranches where young cows gain weight and convert forage and grass into lean protein.



3. FEEDYARD

Cows spend ~4 months here being fed a balanced diet and receiving daily care.

Note: Feedyards are only permitted in GAP Step 1 & 2 beef.

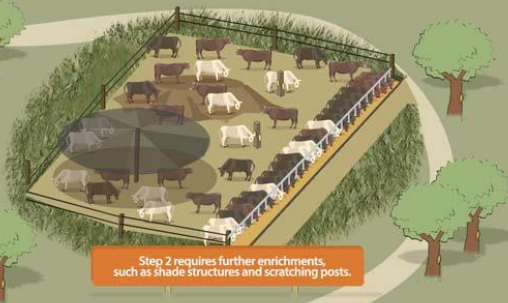


Step 1
NO CAGES, NO CRATES,
NO CROWDING



At Step 1 mounds in the pens provide cattle with a dry spot to lie.

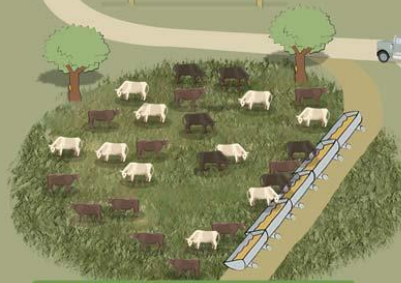
Step 2
ENRICHED ENVIRONMENT



Step 2 requires further enrichments, such as shade structures and scratching posts.

← NO STEP 3 RATING FOR BEEF →

Step 4
PASTURE CENTERED



Step 4 requires a pasture system. Some feed grain on pasture and others give cattle 100% grass - both are allowed.

Step 5
ANIMAL CENTERED



Steps 1, 2, 4 & 5 allow transportation to slaughter

Step 5+
ENTIRE LIFE ON THE FARM



Steps 5 & 5+ are animal centered systems with physical alterations prohibited. Step 5+ prohibits transport to slaughter, cattle spend their entire life on the farm.

ENTIRE LIFE ON SAME FARM!

Please note: these images are for illustrative purposes only, designed to demonstrate key elements and system requirements of the 5-Step® standards at each level. Images are not to scale. In order to be GAP 5-Step® rated, farms and ranches must meet over 100 technical standards per animal group.

GAP Continued

The GAP program has a tiered approach to livestock production. They have defined farm animal welfare by three identified overlapping components critical to their wellbeing-improved health & productivity, a natural living environment and an environment that encourages natural behaviors of the animal.



These standards provide the basis of certification. Audits occur every 15 months to ensure that the standard is maintained.



Operations may target one of five step levels, each one providing higher and more demanding criteria for animal welfare.

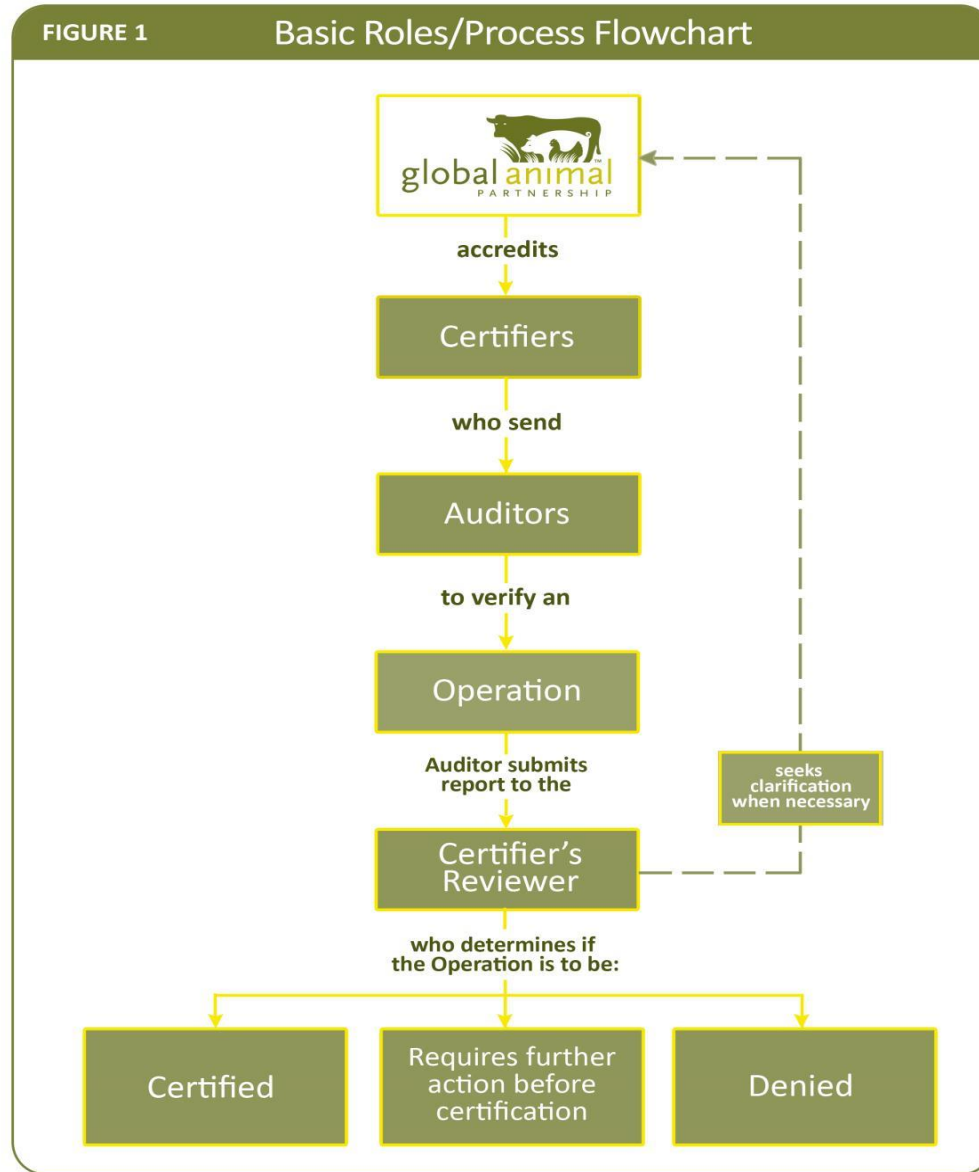
3rd Party Verification:

- ▶ GAP does not conduct audits or issue certification decisions
- ▶ GAP does require all relevant documents and policies of certifiers be approved via an accreditation process
- ▶ Farmers, consumers, and retailers can be confident that certification decisions are free of conflicts of interest



FIGURE 1

Basic Roles/Process Flowchart



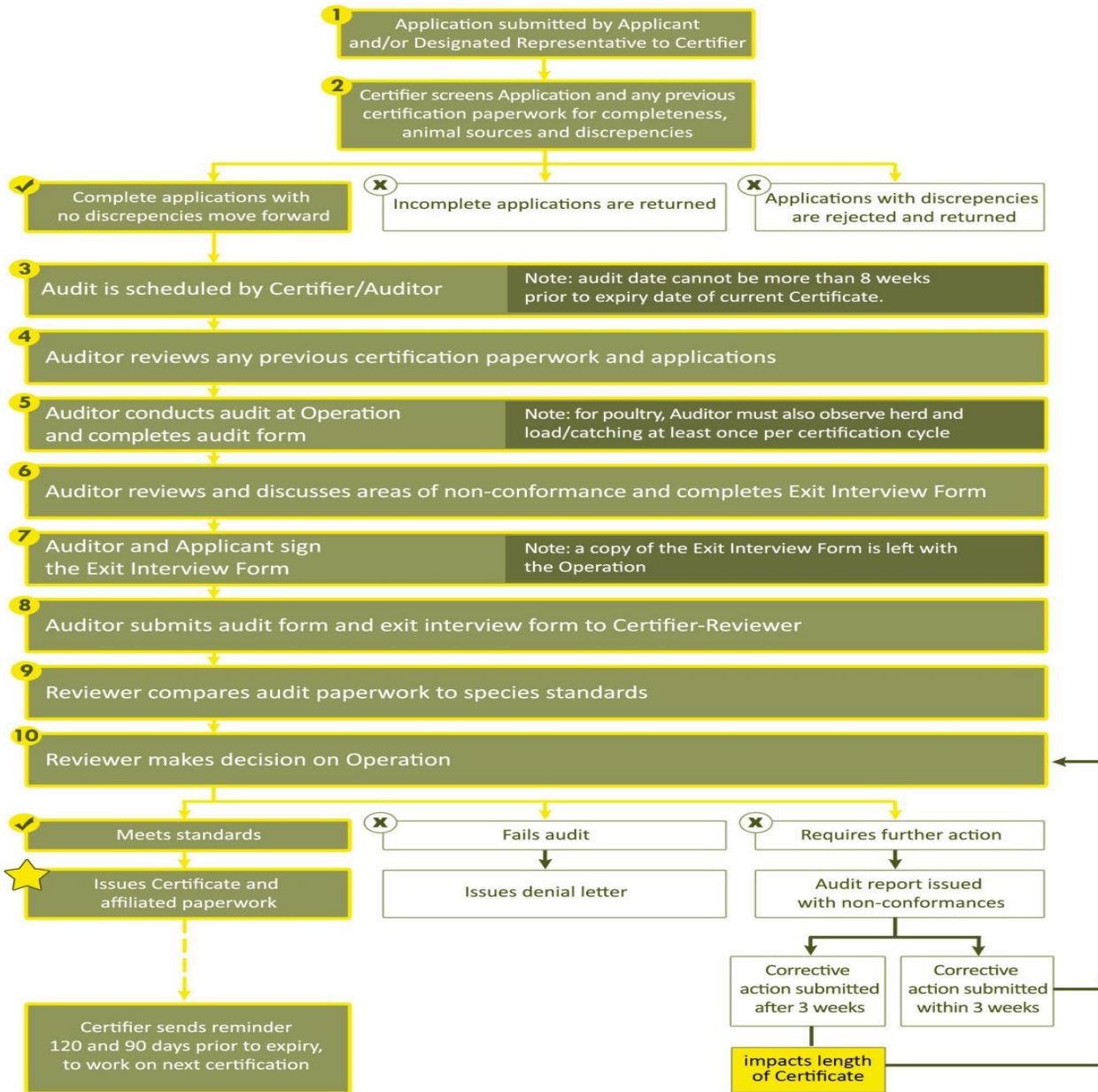
Our Role Explained:

- ▶ EarthClaims is a GAP accredited certification agency.
- ▶ GAP accredits Earthclaims to:
 - ▶ Conduct third-party on-site farm audits.
 - ▶ Verify that a program applicant can comply with the applicable standards on a continual basis.
 - ▶ Issue certificate decisions recognized by FSIS & GAP.
- ▶ We design and implement comprehensive supply chain oversight systems to verify compliance with quality standards and regulatory requirements.
- ▶ Earthclaims provides substantiated marketing claims, improved risk management, increased transparency and traceability.



FIGURE 2

The Process for Getting Certified



Non-Hormone Treated Cattle (NHTC) :

► Overview:

- No hormonal growth promotants (HGP) may be used.
- HGP's include Implants, MGA, Zilmax and Optiflex.
- If HGP's are present, inventory control records must be used showing purchases, uses and physical inventory. If inventory control records are not in place, the calves will automatically be disqualified.
- Feed records including pasture dates are required to be maintained and audited during reevaluation.

NHTC Continued:

- ▶ There are three principal components of this Program:
 1. Cattle are to be grown in approved farms/feedlots and delivered to the slaughter establishment with shipping documentation that includes the statement "Cattle Meet EV Program Requirements for the EU" and clearly identifies the animals and the quantity.
 2. Non-Hormone treated cattle and beef are segregated at the slaughter establishment and handled in a fashion that ensures that they are not commingled with other animals or meat.
 3. Tissue samples from non-hormone treated cattle are collected at slaughter and analyzed in order for FSIS to provide export certification for this product



Source & Age Verification:

- ▶ **Source:**
 - ▶ Only calves born on your ranch are eligible.
 - ▶ Calves must be program tagged prior to leaving the ranch of origin to guarantee eligibility. If the calves are shipped prior to program tagging, then the calves must move directly to the feedyard and must be identified by a ranch tag, brand or tattoo.
 - ▶ Calves not born on your ranch must be identified and recorded prior to commingling.
- ▶ **Age:**
 - ▶ Group or individual birth dates are acceptable.
 - ▶ A written birth record documenting the first born date must be provided and kept on file for three years. This record may be on a calendar, calving book, diary or other approved document.
 - ▶ An alternative birth record for those who do not check births on a daily basis is to document a "no calves born to date" record.

American Grassfed Association (AGA)

- ▶ The AGA standards require that ruminants are fed 100% forage diet from weaning to slaughter, live their lives on pasture, are not administered antibiotics or hormones and are born & raised on U.S. family farms.
- ▶ AGA audits are conducted every 15 months and can be bundled with GAP services to reduce producer audit fatigue

Who fits in these programs?

- ▶ EarthClaims has a variety of farms and ranches that attain certification.
- ▶ Independent operations:
 - ▶ These are operations that acquire certification independently from marketing organizations.
 - ▶ They're free to market their livestock in any capacity they see fit.
- ▶ Producer Group Model:
 - ▶ EarthClaims classifies a “Producer Group” as an organization who has multiple supplier farms that target the same premiums.
 - ▶ Similar to the co-op model.
 - ▶ Producer group retains rights to certified cattle markets typically



Reoccurring Themes One:

- ▶ Each Program discussed, has some consistent, reoccurring themes.
- ▶ Record Documentation:
 - 1) Records are an integral part of any verification program. Documentation lends credibility to label claims.
 - 2) Label claims are only as valuable as the supporting documentation.
 - 3) A strong set of data and documented records can be used to gain certification in each of these programs.
 - 4) Many producers are already keeping this information. Things such as calving windows, weaning age, and processing dates are being recorded anyway. Use them to your advantage.

Reoccurring Themes Two:

► Traceability:

- 1) Traceability is the backbone of certification. The “story” of any operations work cannot be verified without transparency and traceability.
- 2) Being able to trace cattle from birth to processing is not only required, but required in order to succeed in programs such as these.
- 3) Tagging solutions are offered through EC and our Process Verified Partners. Program Compliant Tags (PCT,) Electronic ID (EID), (Radio Frequency ID) RFID are all offered through certification.

Reoccurring Themes Three:

▶ Producer Input:


- 1) These programs require inputs from owners and managers at all phases of production.
- 2) These certification programs are hinged on operation ownerships ability to demonstrate compliance towards set standards.
- 3) These programs only work when management makes them work.

Why Certify?

- ▶ Consumer demand has created a booming market for program verified beef.
 - ▶ Animal welfare has become a deciding factor in purchasing for consumers and retailers.
- ▶ Consumers make purchasing decisions on what they feel is right.
 - ▶ With the supply of beef in these programs limited the demand is ever increasing.
 - ▶ A clearly labeled welfare claim quickly lends buyer confidence
- ▶ Producers have the opportunity to share their ranches story through market label claims discussed today.
- ▶ Consumers are paying more attention to where their food is being sourced.
 - ▶ In a survey commissioned by the U.S. Farmers and Ranchers Alliance. 70% of consumers said their purchasing decisions are influenced by how food is grown or raised.
- ▶ Certification lends credibility to buyer perception on retail shelves.

What's this going to cost?

GAP certification is \$1,650.00 per operation. Bundled audit service pricing is based on programs requested.



Larger producer groups may receive a lower rate or flat fee depending on scope, species, geographic distribution and other considerations

Thank You!

For further information, please contact:

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