

ATKINS RANCH™

The Lamb Nature Loves

LAMB SUPPLIER PROGRAMME 2024/2025



KEY DATES

Napier Supply Offer Meeting
Monday 26 August 2024
3.00pm | Napier Sailing Club
63 West Quay, Ahuriri

Waipukurau Supply Offer Meeting
Tuesday 27 August 2024
3.00pm | Leopard Hotel
4/10 Ruataniwha Street, Waipukurau

Masterton Supply Offer Meeting
Wednesday 28 August 2024
3.00pm | Copthorne Hotel & Resort
Solway Park, Masterton

Taihape Supply Offer Meeting
Tuesday 3 September 2024
10.00am | Moomaa Café
1813 State Highway 1, Marton

Gisborne Supply Offer Meeting
Monday 2 September 2024
1.30pm | The Works Restaurant
41 Esplanade, Gisborne

Producer of the Year Dinner
Thursday 21 November 2024
6.00pm | Meadowood
1769 Korokipo Road, Fern Hill

Mid-Year Review Due
Monday 12 May 2025



OUR STORY

When nature gives us the very best, we make sure to thank her.

Atkins Ranch lamb is raised by a community of family ranches in beautiful New Zealand – roaming free through lush pastures in some of the most perfect growing conditions on Earth.

But what sets Atkins Ranch apart is not just what nature gives us. It's what our ranchers give back, every day, in return. Working with the land we care for, to sequester carbon, improve water quality and biodiversity, enrich soils and leave natural systems stronger, healthier and more resilient than we found them.

We have the passion and innovation to find new ways, across our entire supply chain, or leaving nature even better and reducing waste – and sharing our knowledge with others to follow.

So when you choose Atkins Ranch, you can share in the flavour, and a future, you can love. Without reservation or compromise.

OUR PURPOSE

To Leave Nature Even Better

OUR VALUES

Be Exceptional

Everyone, in everything, every day.

Be Honest

Openness and transparency create great relationships.

Be Fair

To our ranchers, our customers and partners, everybody.

Leave Nature Even Better

From our ranches, right through to our customers' kitchens.

Respect Our Animals

At every step of the journey. We owe it to them.

Treat Others As Family

We need each other, and we can't do this alone.

HOW WE'RE LEAVING NATURE EVEN BETTER

'Performance' to us is enhancing both nature and returns back to ranchers and their communities. We are continuing a journey we began years ago, to always look ahead, to explore and create new ways of caring for our land and animals, to Leave Nature Even Better. Below are the core pillars of our strategy for achieving this as well as our highlights to date.

Core Pillars and Focus Areas



Leave Nature Even Better

There are three key areas we can have a significant impact – Climate, Land and Water, and Waste – which, like anything in nature, are all interconnected. Our ranchers are implementing agricultural practices to actively improve soils and biodiversity, ensuring we can sequester carbon right across the ranch land area and improve water management.

- Climate
- Land and Water
- Waste Reduction



Respect Our Animals

Our animals give us their all and they deserve our respect. To us that means ensuring two things. First, we uphold an extended standard of animal welfare through our Global Animal Partnership, Step 4 Pasture Raised Certification. And secondly, we 'Honor the Animal' by utilising and adding value to all of our precious lambs, so nothing is wasted and greater value is delivered back to ranchers.

- Animal Welfare
- Honor the Animal



Treat Others As Family

We need each other, and we can't do this alone. To help drive real change we need ideas, collaboration and support of others, and we need them to prosper also. So that's why we treat everyone we interact with as family. Not only caring for our teams' wellbeing, but our network of ranchers and their communities, wherever we operate.

- Our Team
- Our Ranchers
- Our Communities

Our History of Leadership, Innovation and Impact








OUR CUSTOMER PROMISE
 The Lamb Nature Loves
 Succulent, grass-fed New Zealand lamb, raised with the utmost care for nature. For a flavour, and a future, you can love.

2024 HIGHLIGHTS

Leave Nature Even Better


 **79%** of lamb supplied is Savory Land to Market Regenerative Agriculture Verified. Our ranchers are adopting best practices, to improve soil, carbon sequestration and biodiversity across their ranch land.

 **20%** reduction in electricity usage at our Fremont site through our 2024 energy conservation projects.

 **Launched** a packaging trial with PLANTIC™, a fully compostable and biodegradable bioplastic. The intention is to significantly reduce the use of non-recyclable plastics across our business.

Respect Our Animals

 **100%** of our ranchers are Global Animal Partnership, Step 4 Pasture Raised Certified (an enhanced grass-fed animal welfare program).

 **67%** of our regenerative skins have been upcycled into fashion footwear by a globally-recognised brand.





Atkins Ranch has 80,000 hectares
Certified Regenerative

FARM SUSTAINABILITY AND REGENERATIVE AGRICULTURE



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 it's suppliers on this journey.

23 forward thinking suppliers were willing to give Savory's Ecological Outcome Verification (EOV) a go, entering 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 the 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 would like further information on the Savory Land to Market programme, please feel free to contact Rhys Hellyer on 027 488 8807 or Karen Atkins on 027 444 1033.



FUTURE OPPORTUNITY

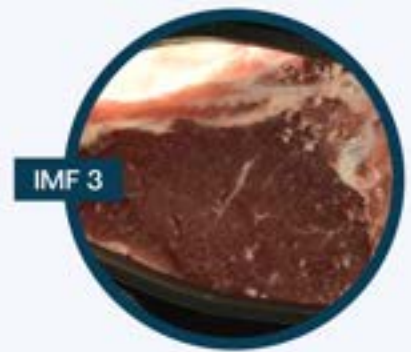
Intramuscular Fat

A superior eating experience for consumers needs to be at the forefront of minds when assessing lamb quality. Intramuscular Fat (IMF) is a key contributor towards eating experience, improving mouth feel and tenderness to the bite. IMF also has the added benefit of being visible to the eye once it reaches a certain level – American consumers are well trained with beef grading – it isn't a reach to assume well marbled lamb can achieve a premium in the US.

In order to improve we must first measure to know where we stand, then look to make improvements throughout genetics, farming/ feeding and processing/ presentation. This all begins with measurement and feedback to farmers.

The installation of the MEQ probe at Progressive Meats is the first step. We are beginning to measure and trying to work out where we stand. We can learn a lot from beef, who have had a version of grading for a number of years and distinctive pricing for cuts within those grades.

Our focus at Atkins Ranch remains on extracting increased premiums for our farmers – we see IMF as an example of an opportunity to unlock further value in our lambs.



MARKET CRITERIA

As a minimum all lambs supplied must be:



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.



Third Party Verified

All producers must be Global Animal Partnership Step 4 verified.



Lifetime Traceability

All lambs must be supplied with a eASD or an Atkins Ranch ASD form.
Finishing lambs must have the Atkins Ranch antibiotic free status and 100% grass-fed declaration from the farm of origin kept on file.

MARKET OPTIONS

ATKINS RANCH WHOLE FOODS MARKET PRODUCER GROUP



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 the season market related pool payment (subject to performance). The supply period for the producer group "pool" is from 5 October 2024 through to 30 September 2025.

Programme Criteria



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

Meet the Market Criteria.



Carcass Specification

18.0 - 27.9kg
4 - 20mm GR

Payment of 100% 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-December 2025.

G.A.P. Store Lamb Supply

As part of our G.A.P. lamb supply into the USA market we need G.A.P. store lamb producers to continue the G.A.P. accreditation from birth, to our finishers, through to market. This option enables you to be part of the family without having to supply prime lambs to slaughter. If you want to receive direct market feedback about the product 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 a member of the Atkins Ranch team to find out more.



ATKINS RANCH RETAIL READY SUPPLY PROGRAMME

This programme is focused on supplying the USA retail ready market. Further processing of this product occurs at Atkins Ranch in Fremont before retail distribution.

Programme Criteria



Atkins Ranch Quality Assured to a minimum of Global Animal Partnership Step 4.
Meet the Market Criteria.



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 14 days after processing.

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.





PROGRAMME FEATURES

Programme Specific Bonus Payments 2024/2025

Prices are based on an example schedule, not at current weekly price.

			Wool	Pelt	Contact & Complete	Commitment Bonus	Whole Foods Producer Group Pool Payment
Meat \$/kg x 20kg	\$7.80	\$156.00	@ 0.6kg Wool Pull	Per Pelt \$1.38	Deliver ≥85% of confirmed tally	Monthly Variations (September example)	Market Premium returned on completion of season
Kill & Processing		-\$10.99					
Procurement Fee		-\$1.50					
Beef & Lamb Levy		-75c					
MPI Inspection Fee		-\$2.50					
\$/Head		-\$15.74	-\$1.14	-\$2.17	50c	\$1.31	Plus Share of Pool
Net \$/Head		\$140.26	\$139.12	\$136.95	\$137.45	\$138.76	
Net \$/kg		\$7.01	\$6.96	\$6.85	\$6.87	\$6.94	

Commitment Bonus

\$/Head for month specified.

Month	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Average Rate	80c	\$1.72	\$1.60	\$1.05	59c	50c	50c	55c	\$1.05	\$1.60	\$1.72	\$1.31

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 50 cents 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 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).

Commitment Review

There will be a mid-year review, which will be due on Monday 12 May 2025.

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.

Kill Summary

Your kill summary will be available the first working day after kill via email.

Preferential Ranking for Booking

1. 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 Ltd

We encourage all suppliers to be shareholders to provide "ownership", focus and commitment to the satisfaction of our customers' needs to mutual benefit. Heavy Lambs Ltd has a shareholding in Atkins Ranch. 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 talk to a member of the Atkins Ranch team.

Electronic Animal Status Declaration (MyOSPRI)

Progressive Meats has adopted the MyOSPRI programme on plant which improves efficiencies on farm and at plant level. It is 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 coordinated 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).

PRODUCER OF THE YEAR

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	October @ 3% this month supplied, November - December @ 4% each month supplied, January - April @ 1% each month supplied, May - September @ 3% 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 5,000 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 2024/2025 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.

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.





JOIN OUR FAMILY

If you would like to join us raising lamb as nature intended - 100% grass-fed and free to roam on pasture in fresh air and sunshine - we would love to talk. Contact us to have a chat and find out more.

COMPANY CONTACTS

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