



# ESG POLICY

## PRINCIPLES FOR RESPONSIBLE INVESTMENT

Implemented in 2013

Updated in 2015, 2018, 2023

# Five Principles that Reflect our ESG Goals

## Introduction

Conservation Resources (“CR”) is an impact timberland and farmland investment manager founded in 2004. The firm is focused on offering portfolios of natural resources with investments in complementary opportunities along the value chain of the assets we manage. We do so in a manner that seeks to provide above-market rates of return for our investors while optimizing environmental impact values.

Success comes in part from our strategy of balancing the conservation and environmental elements of our timberlands and agricultural lands with sustainable timber and farm management plans on our properties, all in an open and transparent manner. Our goal is to provide a healthy and effective workplace environment for our employees, and open and informative communications with our investors, both on financial and non-financial outcomes.

In order to achieve our overall mission, we incorporate Environmental, Social, and Governance (“ESG”) goals and objectives in our investment strategy and operations. The following principles were established in line with the United Nations-sponsored Principles for Responsible Investment (“PRI”), of which CR has been a signatory since 2012, as well as the Global Impact Investing Network IRIS+ metrics system.

## Principle 1

**CR will remain true to its strategy and pursue impact and environmental outcomes on its timberland and farmland investments, including:**

- Explicit identification of impact opportunities as part of the investment process due diligence;
- Consideration of environmental risk factors that could lead to suboptimal results;
- Technical support and flexibility to allow our non-governmental and agency partners to complete desired transactions; and
- Participation and/or assistance in efforts to build impact funding or capacity.

## Principle 2

**CR will manage timberland, farmland, and other natural resources in an economically, environmentally, and socially responsible manner by:**

- Adhering to the principles of our Policy on Sustainable Forestry;
- Certifying our farmland and timberland to appropriate third-party standards, such as Forest Stewardship Council (FSC) Sustainable Forest Initiative (SFI), Regenified, or United States Department of Agriculture (USDA) Organic;
- Complying with applicable laws and best management practices for the jurisdictions in which we operate; and
- Identifying and incorporating threatened and endangered species and High Conservation Value Forests (HCVF) in our management planning.

## Principle 3

**CR will maintain an approach to governance that is transparent, responsive to investors' requests, and focused foremost on investors' interests through:**

- Registration as an investment advisor under the U.S. Securities and Exchange Commission Investment Advisor Act of 1940;
- Implementation of a Compliance Policy and Code of Ethics, and the ongoing monitoring of the company's systems and controls;
- Consideration of our ethical obligations throughout our business operations (anti-corruption, reputational due diligence, and anti-money laundering); and
- Oversight of ESG policy integration by a managing member of the firm.

## Principle 4

**CR will create a workplace in which employees are motivated to be productive and efficient, and in which all employees are treated fairly and with respect by:**

- Maintaining a climate of trust, responsibility and accountability;
- Ensuring equal opportunity across staff irrespective of gender, race, age, religion, or sexual orientation;
- Providing competitive compensation and benefits that support employees and their families; and
- Offering bonus structures for full-time employees that reward hard work, results, and the success of the firm in achieving its goals and objectives.

## Principle 5

**CR will regularly report on its activities and progress toward achieving its goals and these principles through:**

- Timely delivery of operational and financial information on a quarterly basis;
- A set of metrics for the non-financial components of natural resource management, and periodically reviewing and updating them as necessary;
- Regular investor communications about the non-financial impacts on its real asset investments, particularly in the area of impact outcomes; and
- Participation in the PRI program, and the annual assessments which are required of a signatory.

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