Website Disclosure

Summary

Conservation Resources Farmland II, L.P. ('CRF II' or 'the Fund') seeks to provide qualified investors with the opportunity to invest in farmland properties and associated value chain assets with positive agricultural fundamentals, as determined by the Advisor at its discretion. Along with the financial returns typically associated with farmland investments, the Fund intends to pursue non-agricultural rights such as Ecosystem Services[1] and other non-agricultural rights and/or attributes associated with land such as Conservation Structures[2], or development rights, such as those for renewable energy, among others.

In summary, the Fund intends to integrate the disciplines of real asset investing as well as regenerative and organic agricultural practices, while capitalizing on emerging opportunities to monetize related conservation, water and similar non-agricultural values associated with the Fund's investments.

CRF II contributes to the environmental sustainable investment objective of Sustainable Land Use by investing in assets with sustainable land use while maintaining the ability to make limited investments in value-added businesses, technologies or other managed land that support the underlying goal of sustainable land use.

This Fund defines 'sustainable land use' as implementation of regenerative and/or organic farming practices, development of impact-oriented initiatives to support the Advisor's six Impact Areas (carbon sequestration, biodiversity, water conservation, land conservation, certification, community & economic), and other land use initiatives that enable the land to be operated in a sustainable manner for the long-term. Regenerative practices seek to improve soil health, and organic practices seek to avoid synthetic inputs. The Fund will pursue third-party certification of the sustainable land use farming practices.

The Fund will lease certain Properties or portions of Properties to third party operators and directly operate other Properties or certain portions of Properties. The Properties will be managed through the Advisor's staff and network of agricultural asset managers ('Regional Farm Managers').

The Properties will be located principally in the United States, but the Fund may also make selective investments in other regions of North America.

The following sustainability indicator will be used to measure the attainment of the sustainable investment objective of the financial product:

- Share of investments in assets with sustainable land/agriculture practices or policies.

All assets in CRF II are screened for this purpose and evaluated on their contribution to the sustainable investment objective during the due diligence stage and are monitored post-acquisition. To ensure data quality, the Fund diligently selects third-party certifiers, such as Regenified for regenerative certification, Bee Better for assessment of pollinator habitat, and the US Department of Agriculture for organic certification.

The Fund intends to make sustainable investments that do not cause any significant harm to other environmental or social objectives. In this respect, Principal Adverse Impact (PAI) indicators are employed to assess the potential negative impact that an asset's activity could have on ESG factors using an internal Sustainable Investment Framework for CRF II ('SI Framework').

14 mandatory PAI indicators and two voluntary PAI indicators are used, each equipped with pre-defined expectations and/or thresholds. Conservation Resources assesses potential sustainability impacts using the PAIs throughout the investment lifecycle of CRF II, including when screening potential assets/investee companies and conducting due diligence. When deemed appropriate based on these assessments, Conservation Resources proposes post-acquisition action plans to reduce the risk of adverse impacts materializing.

The 14 mandatory PAIs per Annex 1 in Regulation (EU) 2022/1288 of 6 April 2022 are considered for CRF II. The two voluntary PAIs used are:

- Environmental PAI- Share of investments in investee companies without sustainable land/agriculture practices or policies

[1] Ecosystem Services may include, but are not limited to: water quantity and water quality credits, species or habitat mitigation credits, wetland and stream mitigation credits, carbon sequestration credits, and greenhouse gas emission reduction and/or removal payments.

[2] Conservation Structures may take the form of conservation easements, other conservation restrictions, and/or acquisition structures that facilitate conservation outcomes that are consistent with the organizational goals of the conservation organizations involved.

- Social PAI- Share of investments in investee companies without a workplace accident prevention policy

CRF II also employs pre-defined expectations/thresholds defined in the SI Framework to screen and monitor each asset to ensure they meet their fundamental obligations in line with the OECD MNE Guidelines and the UN Guiding Principles on Business and Human Rights. In addition, CRF II monitors each acquired asset in the post-acquisition period for potential violations.

The Fund maintains detailed records, including on-site inspections, and conducts ongoing assessments of the Fund's assets, focusing on the sustainability indicator used in measuring the attainment of the sustainable investment objective. Further, annual post-acquisition monitoring is conducted by staff, reviewed by the Chief Conservation Officer, presented to the Board, and posted on the website for the Fund.

The approach to managing limitations in the Fund's methodology is inherently linked to the use of third-party certifications, integral in validating the farming practices of the agricultural properties, ensuring they adhere to regenerative and/or organic management approaches. Audits are conducted by different individuals at the certifier's end, and it is possible that any given individual could interpret the standards differently. However, the random assignment of auditors by the certifier ensures that over time, the standard for certification is evenly applied. Independent of certifications, the Fund requires its operations team to monitor the management of the assets with frequent visits to review operations, compliance of contract terms, and identification of any issues that need to be addressed.

The Fund does not seek alignment with Regulation (EU) 2020/852 (EU Taxonomy). CRF II's investment assets will be located principally in the United States. Additionally, the implementation of EU Taxonomy does not provide tangible benefits on the local market in line with the Fund's investment strategy and objectives. Moreover, adherence to the EU Taxonomy is deemed economically impractical, given the associated costs and resource implications for the Fund. Consequently, none of the investments are classified under the 'Taxonomy-aligned' category.

No significant harm to the sustainable investment objective

(a) The Fund intends to make sustainable investments that do not cause any significant harm to other environmental or social objectives. In this respect, PAI indicators are employed to assess the potential negative impact that an asset's activity could have on ESG factors using an internal SI Framework for CRF II pre-defined expectations and/or thresholds.

14 mandatory PAIs per Annex 1 of Regulation (EU) 2022/1288 of 6 April 2022 and two voluntary PAI indicators are considered for CRF II. The two voluntary PAIs are:

1. Environmental PAI- Share of investments in investee companies without sustainable land/agriculture practices or policies
2. Social PAI- Share of investments in investee companies without a workplace accident prevention policy

Conservation Resources assesses potential sustainability impacts using the PAIs throughout the investment lifecycle of CRF II using the SI Framework as follows:

- Due Diligence: Conducting an initial screening to assess the suitability of investing in a potential asset, followed by a comprehensive assessment using specific PAIs, including criteria like emissions to water and impact on biodiversity to identify potential adverse environmental and social impacts that inform the investment decision.
- Investment: Integrating contingencies, mitigation measures or remediation plans in the contractual agreements and addressing any identified concerns during the due diligence stage.
- Post-acquisition: Establishing robust reporting processes and programs to:
    - Monitor the PAIs of the assets and track the performance of the PAIs relative to the due diligence status;
    - When deemed relevant, address any incidents related to relevant potential adverse impacts through a defined process involving senior leadership for the Fund (defined as the "Board")[3].

[3] 'Board' as defined in Commission Delegated Regulation (EU) 2022/1288 supplementing Regulation (EU) 2019/2088 means the administrative, management or supervisory body of a company.

- Annual post-acquisition monitoring is conducted by staff, reviewed by the Chief Conservation Officer, presented to the Board, and posted on the website for the Fund.

(b) The Fund uses the SI Framework with pre-defined expectations and/or thresholds to screen and monitor each asset to ensure they meet their fundamental obligations in line with the OECD MNE Guidelines and the UN Guiding Principles on Business and Human Rights. In addition, CRF II monitors each acquired asset in the post-acquisition period for potential violations.

CRF II falls outside the scope of a covered entity for purposes of the OECD Guidelines for Multinational Enterprises as it is not a multinational enterprise. Nevertheless, relevant questions from the Guidelines were incorporated in the due diligence process.

Within the SI Framework, two PAIs 'Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises' and 'Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises' are utilized for this purpose. The assessment is conducted throughout the investment cycle by:

- Due diligence: Engaging with potential assets to gather information on their processes and compliance mechanisms related to the above standards;
- Investment: Incorporating contingencies, mitigation measures, and remediation plans in contractual agreements, where relevant, to ensure compliance with any concerns identified during the due diligence stage;
- Post-acquisition: Monitoring and implementing an ongoing assessment of the track record and any breaches by the assets post-acquisition.

Annual post-acquisition monitoring is conducted by staff, reviewed by the Chief Conservation Officer, presented to the Board, and posted on the website for the Fund.

Sustainable investment objective of the financial product

CRF II contributes to the environmental sustainable investment objective of Sustainable Land Use by investing in assets with sustainable land use while maintaining the ability to make limited investments in value-added businesses, technologies or other managed land that support the underlying goal of sustainable land use.

This Fund defines 'sustainable land use' as implementation of regenerative and/or organic farming practices, development of impact-oriented initiatives to support the Advisor's six Impact Areas (carbon sequestration, biodiversity, water conservation, land conservation, certification, community & economic), and other land use initiatives that enable the land to be operated in a sustainable manner for the long-term. Regenerative practices seek to improve soil health, and organic practices seek to avoid synthetic inputs. The Fund will pursue third-party certification of the sustainable land use farming practices.

Investment strategy

(a) The investment strategy of CRF II to attain the sustainable investment objective includes:

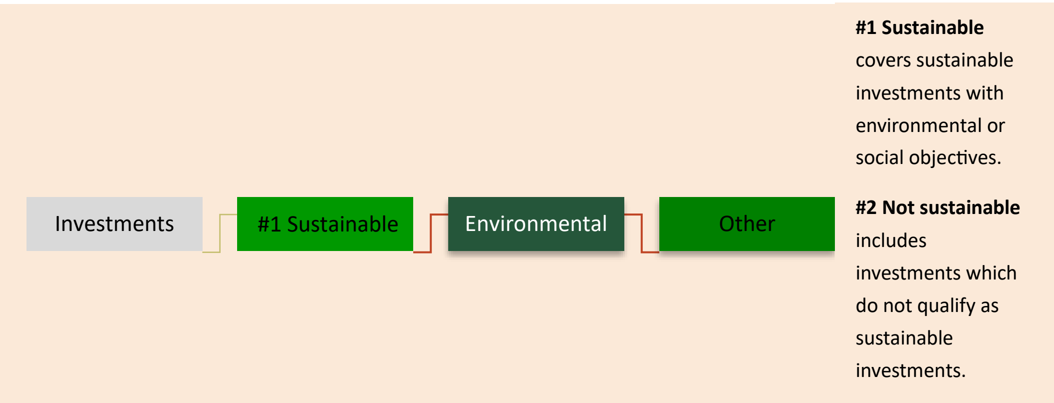
- Assessing potential sustainability risks of CRF II throughout the investment cycle;
- Contributing to the environmental sustainable investment objective Sustainable Land Use by investing in assets that meet the definition of Sustainable Land Use as specified in the section *'Sustainable investment objective of the financial product'*;
- Employing PAIs to evaluate the potential negative impact that the financial product may have on ESG factors throughout the investment cycle;
- Assessing good governance practices of assets and refraining from investing in those that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights;
- Monitoring assets post-acquisition to evaluate their continued alignment with the environmental sustainable investment objective Sustainable Land Use, tracking PAI performance and monitoring continued adherence to good governance requirements.

(b) For CRF II, the policy to assess good governance practices of the assets includes:

- The Fund evaluates all assets to determine their compliance with the good governance principles as outlined in Article 2(17) of the EU Regulation 2019/2088. These include sound management structures, employee relations, remuneration of staff and tax compliance. In addition, assets are screened for their adherence to the OECD MNE Guidelines and the UN Guiding Principles on Business and Human Rights.
- Through its due diligence of the assets, the Fund conducts a review of pertinent policies, risk assessment protocols, mitigation strategies, remediation actions and trainings for addressing any identified gaps, all while ensuring that rigorous reporting standards are upheld, amongst other measures.
- Annual post-acquisition monitoring is conducted by staff, reviewed by the Chief Conservation Officer, presented to the Board, and posted on the website for the Fund.

Proportion of investments

One-hundred percent (100%) of CRF II's investment assets that contribute to the environmental sustainable investment objective Sustainable Land Use are classified in the 'Other' category. The Fund does not seek alignment with Regulation (EU) 2020/852 (EU Taxonomy). CRF II's investment assets will be located principally in the United States. Additionally, the implementation of EU Taxonomy does not provide tangible benefits on the local market in line with the Fund's investment strategy and objectives. Moreover, adherence to the EU Taxonomy is deemed economically impractical, given the associated costs and resource implications for the Fund. Consequently, none of the investments are classified under the 'Taxonomy-aligned' category.



Monitoring of sustainable investment objective

The investment team conducts ongoing assessments of the Fund's assets, focusing on the sustainability indicator used in measuring the attainment of the sustainable investment objective. Conservation Resources maintains detailed records capturing farm management plans and sustainable land use practices in conjunction with the Regional Farm Managers. These records in part provide the data necessary to achieve third-party certification in line with the Fund's sustainable investment objective, alongside data collected during on-the-ground site visits. Third-party regenerative certification is conducted by Regenified, which we believe maintains the most rigorous assessment of soil health and sustainable land management practices, and third-party organic certification is conducted by the US Department of Agriculture (or a state agriculture department in cases where the state organic requirements are stricter than national ones). Additional certifications, such as Bee Better, may be employed where useful. These internal reviews with external checks ensure continuous adherence to sustainable land use practices. The team additionally undertakes a secondary level of controls to identify any potential breaches. Detected breaches are addressed promptly through investigations with swift implementation of solutions, where relevant, maintaining a proactive approach to risk management. Further, annual post-acquisition monitoring is conducted by staff, reviewed by the Chief Conservation Officer, presented to the Board, and posted on the website for the Fund.

Methodologies

CRF II has developed and adopted an internal SI Framework to assess the sustainability indicator used in measuring the attainment of the sustainable investment objective.

The sustainability indicator 'share of investments in assets with sustainable land/agriculture practices or policies' is evaluated as follows:

- Due diligence: Refer to the section *'Due Diligence'*.
- Investment: CRF II adopts a comprehensive strategy to ensure contribution to the sustainable investment objective of Sustainable Land Use. CRF II incorporates contractual contingencies by integrating specific provisions in contractual agreements that articulate sustainable land/agriculture practices or policies. In instances of identified gaps, finite timelines are established to ensure the achievement of the objective. Additionally, where required, the Fund includes mitigation measures in contracts to proactively manage and address any potential negative effects or risks that could impact the attainment of the sustainable investment objective. The Fund also incorporates remediation plans in contracts, where relevant, outlining specific actions to address deviations from sustainable land/agriculture practices. Clearly defined protocols for actions ensure a structured approach to rectifying any potential issues and ensuring ongoing alignment with the defined sustainability indicator.
- Post-acquisition: Refer to the section *'Monitoring of sustainable investment objective'*.

Data sources and processing

(a) The data sources used to achieve the sustainable investment objective of the financial product are derived from third-party certifications related to the Sustainable Land Use criteria (specified in the section *'Sustainable investment objective of the financial product'*) for the Fund's agricultural properties. Upon the selection of a certifier, these certifications become integral in validating the regenerative and/or organic farming practices of the agricultural properties.

(b) The measures taken to ensure data quality start with a deliberate process in selecting third-party certifiers. We conducted a comprehensive review of certification bodies to assess their governance structures, level of rigor, emphasis on outcomes over outputs, emphasis on quantitatively-backed measurement inputs, inclusion of physical on-the-ground sampling, and commitment to continuous improvement. This review resulted in selecting Regenified for our regenerative certification, which we believe maintains the most rigorous assessment of soil health and sustainable land management practices, and the US Department of Agriculture (or a state agriculture department in cases where the state organic requirements are stricter than national ones) for organic certification. Data submission to achieve these certifications involves precise records demonstrating the fertilizer and pesticide inputs applied to the properties, the land management practices undertaken (such as addition of cover crops and reduction of tillage), and planting and harvest records, among others. Additional data is procured from on-site visits by certification inspectors, such as soil sampling to assess infiltration rate, dry aggregate stability, compaction, water holding capacity and other factors, as well as assessments of biodiversity and validation of written management records. Governance oversight is handled through the Fund's Director of Agriculture Operations as well as the Regional Farm Managers. The Managers are responsible for the recordkeeping and submission of certification requirements, with oversight from the Director of Agriculture Operations. Further, under the Regenified certification, producers must attend a multi-day regenerative agriculture educational workshop in order to comply with its standard.

(c) Upon receiving the third-party certification for the assets, the Fund files the certification reports in a secure internal database and maintains the underlying submission data in conjunction with its property managers. Further, the Fund has implemented reporting processes for its assets at the earliest possible point in time and no later than 12 months post-acquisition to ensure ongoing monitoring of the assets.

(d) Proportion of data that are estimated: 100% of the results reported are based on data. 0% is based on estimates.

Limitations to methodologies and data

The approach to managing limitations in the Fund's methodology is inherently linked to the use of third-party certifications, integral in validating the farming practices of the agricultural properties, ensuring they adhere to regenerative and/or organic management approaches. Audits are conducted by different individuals at the certifier's end, and it is possible that any given individual could interpret the standards differently. However, the random assignment of auditors by the certifier ensures that over time, the standard for certification is evenly applied.

Independent of certifications, the Fund requires its operations team to monitor management of the properties with frequent visits to review operations, monitor compliance of contract terms, and identify issues that need to be addressed. This is a first line of defense, and certification audits becomes an independent check for the Fund.

Due diligence

CRF II adopts a comprehensive due diligence process for all of its assets. Due diligence for every property includes the following:

- The process begins with screening to determine if the property can be managed in a way that meets the definition of Sustainable Land Use. This may involve significant changes to the operations of the property after purchase, such as adopting no-till management practices, reducing chemical fertilization, and requiring workplace accident prevention policies amongst other measures.
- A detailed assessment of financial feasibility, which includes due diligence on items like water quality and quantity, threatened and endangered species issues, a third party assessment of hazardous waste issues (Phase 1), and review of all contracts and market issues.
- Every property is reviewed to assess the potential negative impact that the financial product may have on ESG factors throughout the investment cycle based on 14 mandatory PAIs and two voluntary PAIs.
- Screening assets for their adherence to good governance practices and refraining from investing in those that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights.

For each of the above due diligence questions, CRF II has established pre-defined thresholds and/or expectation values using the SI Framework to ensure compliance.

Engagement policies

The Fund invests directly in land. It does not invest in listed equities or public companies, and the Fund does not expect any situations where engagement in proxy voting or similar issues will arise. The primary engagement policy of the Fund is a restriction on the Fund from engaging in or paying for lobbying, nor can the Fund provide funding to groups that engage in lobbying as defined by the US Internal Revenue Service. Because the Fund's policy is a prohibition on "Engagement," no Principle Adverse Impacts are linked to Engagement.

Regarding land acquisition, CRF II completes screenings prior to acquisition to review assets for their adherence to good governance practices. The Fund refrains from investing in assets that do not meet their fundamental obligations in line with the OECD Guidelines and the UN Guiding Principles on Business and Human Rights. Further, the Fund engages with potential stakeholders, such as current tenants, conservation partners, local communities, and/or property managers to ensure a transparent land transfer process that follows all legal procedures.

Attainment of the sustainable investment objective

No reference benchmark including a EU Climate Transition Benchmark or a EU Paris-aligned Benchmark in accordance with Regulation (EU) 2016/1011 has been designated for this financial product, in line with the Fund's primary objective of biodiversity conservation.