



**Hancock  
Natural  
Resource  
Group**

*A Manulife Asset Management Company*

## Sustainability & Responsible Investing Statement



# Hancock Natural Resource Group

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## Sustainability & Responsible Investing

Hancock Natural Resource Group (HNRG) is committed to socially responsible investing and sustainable management of its client's assets, including the ongoing reduction of environmental impact, and improvement of sustainability and stewardship performance. HNRG, as a registered investment advisor and wholly owned subsidiary of Manulife Financial Corporation ("Manulife"), is committed to conducting all of its business activities, including its timberland, agricultural, and renewable energy investment businesses, in a manner which recognizes the need to preserve and enhance the quality of our environment.

In keeping with this commitment, in 2015, Manulife Asset Management (MAM), of which HNRG is a subsidiary, became a signatory to the United Nations Environment Program - Principles for Responsible Investment (PRI) ([www.unpri.org](http://www.unpri.org)). In addition, HNRG complies with Manulife's Environmental Risk Policy, which includes environmental, safety, and greenhouse gas emissions reporting requirements, and adheres to the International Finance Corporation (IFC) "Equator Principles" ([www.equator-principles.com](http://www.equator-principles.com)) during any potential acquisition due diligence.

Sustainability and stewardship are essential strategies to maximize value and we embrace them as core guiding principles. As a steward of major forest and agricultural holdings throughout the world, and an active member of the communities in which we live and operate, HNRG recognizes the importance of sustainable forest and farm management. We define sustainability as management of today's resources with full consideration and concern for the perpetual productivity and ecological health of natural resources and sustained yield into the future. As a manager of investments in renewable energy, HNRG recognizes that climate stressors are impacting the natural and developed infrastructure of the globe. We believe increased use of renewable energy sources; including solar, wind, hydropower, geothermal and biogenic energy creates opportunities to mitigate climate change impacts.

### Hancock Timber Resource Group

HNRG and its timberland division, Hancock Timber Resource Group (HTRG), strive to practice a land stewardship ethic that integrates the growing, managing, and harvesting of trees for useful products with the conservation of soil, air, water quality, biological diversity, wildlife habitat, aquatic habitat, recreation, and aesthetics. Forest stewardship in this manner allows us to actively manage and protect our clients' timberland investments in a way that maintains and enhances economic, community, and natural resource values.

HTRG manages its clients' timberland investments on a long-term sustainable basis while actively engaging in conservation transactions to protect sensitive lands through direct sale or conservation easements. As part of our ongoing efforts to manage our clients' assets sustainably, we will manage all eligible lands, regardless of location or forest products derived (e.g., saw logs, pulp wood, and biomass feedstocks) to meet sustainability standards set forth by credible standard-setting organizations. In addition, we seek independent third-party forest certification to standards such as the Sustainable Forestry Initiative® program, Forest Stewardship Council®, and standards endorsed by the Programme for Endorsement of Forest Certification (PEFC) (e.g., Australian Forestry Standard).



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HTRG's practices with regard to environmental, social and corporate governance (ESG) are embodied within the principles, policies, procedures, and practices associated with the HTRG Stewardship Program. HTRG's stewardship principles provide higher level philosophical guidance to all sectors of HTRG on matters relating to ESG across our worldwide timberland investments. More specific stewardship policies provide country-level detailed guidance. At local, regional, and national levels; stewardship procedures provide specific guidelines that facilitate on-the-ground implementation of HTRG's Stewardship Program.

### **Hancock Agricultural Investment Group**

HNRG and its agriculture division, Hancock Agricultural Investment Group (HAIG), manage its agriculture investments in a manner that integrates the development, management, and operation of agricultural lands for useful products with a commitment to conserve soil, air, and water quality; biological diversity; and wildlife habitats. HAIG also participates actively in vibrant, healthy communities in which we operate.

HAIG adheres to PRI's Guidance for Responsible Investment in Farmland and uses practical metrics to track, improve, and report sustainability performance of its agriculture investments. HAIG's practices with regard to ESG are embodied within the principles, policies, and best practices/procedures associated with the HAIG Stewardship Program. HAIG's stewardship principles provide higher level philosophical guidance on matters relating to ESG across our agricultural investments. Stewardship policies align with the principles and are intended to add value to client investments and HAIG's business by decreasing operational risk and creating efficiencies. At local, regional, and national levels; stewardship best practices and procedures provide specific guidelines that facilitate implementation of HAIG's Stewardship Program.

### **Hancock Renewable Energy Group**

HNRG's investments in renewable energy are managed by its renewable energy division, Hancock Renewable Energy Group (HREG), and are currently focused on conversion facilities and infrastructure that utilize various waste stream inputs to generate power and heat, and value added products such as solid fuels, bio-transportation fuels, and chemicals. HREG requires its production partners in these investments to implement sustainability standards consistent with those implemented in HNRG's directly managed assets (e.g., timber and agriculture). Production partners are expected to be audited by third-party, independently accredited certification bodies to verify ongoing conformance with all applicable standards.

