



A Manulife Investment Management Company

## Timber and Agriculture Sustainability and Responsible Investing (SRI) Framework

Consistent with Manulife Investment Management's (Manulife IM) [Sustainable Investing Statement](#), Hancock Natural Resource Group (HNRG), a Manulife Investment Management Company, is committed to sustainable investing and sustainable management of our clients' assets. As a registered investment adviser and part of Manulife IM's Private Markets platform, our business activities, including management of our timberland and agricultural investments, are conducted in a manner that recognizes the need to preserve and enhance the quality of our environment and local communities.

HNRG exists to create value through the sustainable management of natural resource investments. Our guiding principle is that "good stewardship is good business." As managers of major forest and agricultural holdings throughout the world, we create value through our stewardship of people and the environment. We are stewards of our employees and their families, contractors with whom we work, and the communities in which we operate. We are also stewards of the environment – the water, soil, air, plants, and animals entrusted to our care, which we manage so as to maintain and enhance their ecological health and productivity well into the future.

As a registered investment advisor and fiduciary, HNRG has a duty to manage investments in the long-term best interests of our clients. This requires full consideration of all factors that may have material financial implications for those investments – including environmental, social, and governance (ESG) factors. ESG factors are particularly salient for land-based real asset investments, which is why, we believe, investing responsibly demands that sustainability be core to our investment strategy.

**Our business is built around five pillars of what we call Sustainability and Responsible Investing (SRI):**

1. **Climate Stability** – We seek to limit the impacts of climate change by responsibly using and managing land, creating carbon sequestration opportunities with our forests and farms, and mitigating climate change through investing in renewables and energy efficiency.
2. **Ecosystem Resiliency** – Healthy ecosystems provide immense value to the vitality of communities and economies. To ensure this for generations to come, we operate in a way that responsibly manages land and protects sensitive lands and biodiversity.
3. **Watershed Protection** – Protecting and improving watersheds is vital for the ecosystems and communities that depend on them. We do this by protecting sensitive lands, adhering to strict water and land management policies and best practices, and supporting forest growth.
4. **People Empowerment** – We value our people, employees, and contractors and work to ensure that we are offering not only safe and healthy working environments but the tools, training, and support they need to thrive.
5. **Community Prosperity** – We are committed to supporting and strengthening the local and Indigenous communities where we operate. We provide employment opportunities, public use of our land, engage with NGOs, and support local causes as part of our community stewardship.

SRI is fundamental to our business, and we embrace these five pillars as essential strategies to help maximize value through all aspects of both divisions of our timberland and agriculture businesses. Our businesses integrate SRI into their investment screening and underwriting by adhering to the International Finance Corporation (IFC) Equator Principles, conducting comprehensive environmental, biological and social reviews on all targets, and by considering priorities such as threatened and endangered species, water rights, land tenure, community relations, political sensitivity and workplace safety inspections, among others.

Our timberland and agriculture businesses also integrate sustainable practices into property management through implementation of stewardship principles aligned with third party certification standards in sustainable forestry and agriculture. These principles support the development, management, and operation of working lands for producing useful products with a commitment to conserve soil, air, and water quality; biological diversity; wildlife and aquatic habitats; recreational opportunities; and aesthetics. In addition to environmental factors, these stewardship principles also prioritize employee health, safety, training, and development, as well as positive engagement with local communities through practices such as promoting the rights and practices of indigenous populations, purchasing and contracting locally, conducting public outreach and volunteering, collaborating with neighbors, and participating in educational initiatives.

Our timberland business manages 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, and 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).

Our agriculture business recently helped lead the agricultural sector in developing a third-party certification for sustainable agriculture, and is committed to managing all eligible lands, regardless of location or agricultural products derived (permanent or annual crops), to meet sustainability standards set forth by credible standard-setting organizations. It also seeks independent third-party farmland certification to standards such as the Leading Harvest Farmland Management Standard, Global GAP, USDA GAP, and Lodi Rules, among others.