

Background

Overview1:

- <u>Conservation Resources</u> (CR) is a real asset investment firm located in Exeter, New Hampshire. Committed to sustainable land management, CR has raised and invested over \$1.2 billion in assets utilizing its differentiated strategies since its inception in 2004.
- CR has invested in 1,088,000 acres since its founding and currently manages 21 properties of timberland and farmland in Washington, California, Wisconsin, Maine, Massachusetts, New York, Pennsylvania, Tennessee, North Carolina, South Carolina, Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Virginia, and Texas.
- The firm has recently pledged to transition 100% of its managed lands to regenerative management
 practices, aligning with the 100 Million Acres Initiative, which seeks to transition 100 Million Acres of
 US crop and rangeland to regenerative practices by 2025.

Timeline of Transition:

- Over the last 20 years, CR has been recognizing trends related to environmental changes that shape economics, allowing it to frame impact land management strategies to create more resilient ecosystems while improving the values of those lands.
- The exploration of regenerative practices began in 2016 when CR initiated research into agricultural programs aligned with its impact strategies.
- As early as 2016 CR was emphasizing the need to mitigate unintended environmental consequences of agricultural activities through conservation solutions and regenerative management practices.
- CR's focus on soil health and biodiversity led to collaborations with experts and organizations in the regenerative agriculture space. CR appreciated that similar practices could be used in timber management to improve these lands.
- Regenified initiated the audit of CR lands to its 6-3-4™ Verification Standard in December 2023.
 The standard is designed to provide a framework that recognizes that regenerative practices are not a one-step process, but a regenerative journey.

¹ All figures as of 12/31/2023

Regenerative Practices in Forestry Management:

- CR's approach to regenerative forestry involves mimicking natural processes to improve soil health, biodiversity, water conservation, and ecosystem resilience.
- CR is replacing traditional intensive forest management practices with methods that reduce soil disturbance, enhance biodiversity above and below ground, and promote water health and efficiency.
- Strategies include reducing inputs such as fertilizers, introducing biodiversity at every planting, and utilizing natural enhancers such as mycorrhizal fungi and biochar.
- The focus on soil health aims to improve the forest ecosystems CR manages. The healthier the soil, the better the water absorption and efficiency, nutrient retention, and ultimately tree health; contributing to healthier ecosystems and timber quality over time.

Positive Outcomes and Implications:

- CR anticipates a range of positive outcomes from its transition to regenerative practices, including but not inclusive of: improved soil productivity, increased carbon sequestration, enhanced timber quality, and better financial returns.
- The long-term financial implications of regenerative forestry practices are expected to include reduced input costs, premium markets for regeneratively managed timber, and more resilient ecosystems in the face of extreme weather events with climate change, leading to an increase in the value of the lands CR manages.

About the 100 Million Acres Initiative:

- This initiative was developed after a decade of collaborative research involving scientists, journalists, and farmers.
- 'Acres in transition to regenerative agriculture' is the metric used to measure the initiative's success.
- The initiative recognizes three verification systems, including Regenified, which certify that farms and ranches are practicing regenerative agriculture.
- CR's commitment to transitioning all of its managed lands to regenerative practices is contributing to the broader goal of the 100 Million Acres Initiative.
- Strategies focused on soil health such as those used by Conservation Resources', play a crucial role in driving this transition by aligning financial returns with environmental and social impact objectives.
- As a thought leader, and the first real asset investment firm to commit to transition 100% of its managed lands to regenerative practices, CR sets a precedent that supports the Initiative's aim of scaling regenerative agriculture nationwide.

Media Contact:

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