



CLIMATE TRANSPARENCY REPORT 2019

Conservation Resource Partners LLC

About the Climate-related Disclosure Indicators

Climate has been identified as a top priority for PRI signatories, with over 70% of asset owners reporting this as the most important long-term trend they are acting on.

The FSB Task Force's guidance on climate-related financial disclosure aim to create a single framework for disclosure on assessment and management of climate-related risk. The recommendations, supported by investors representing US\$22 trillion, identify four main disclosures, Governance, Strategy, Risk Management, Metrics and Targets, and include specific guidance for asset owners and managers.

As a result, the PRI introduced climate-related disclosure indicators that can be used to align with the TCFD recommendations in the 2019 PRI Reporting Framework.

About this report

This report is an export of only the climate-related indicators from the 2019 Reporting Framework response. The full Public Transparency Report is available here (https://reporting.unpri.org/surveys/PRI-reporting-framework-2019/-568036E2-3569-4E02-8C10-BE1E62ED714E/00000000-0000-0000-0000-000000000000/doc/2/-%7C%7C*complete*%7C*public*/Merged/). It shows the responses to all the completed climate indicators, even those you chose to keep private. It is designed for your internal review or – if you wish - to share with your stakeholders.

The PRI will not publish this report on its website if you have designated your 2019 climate reporting as “private”. Otherwise, you will be able to access the Climate Transparency Report of your organisation and that of other signatories on the [PRI website](#) and on the [Data Portal](#).

To easily locate information, there is a **Recommendation index** which summarises the indicators that signatories complete and disclose. The report presents information exactly as it was reported as per signatory preference. Where an indicator offers a response option that is multiple-choice, all options that were available to the signatory are presented in this report.

TCFD Recommendations Index

Strategy and Governance - CC			TCFD Recommendation			
Indicator	Reported	Disclosure	Governance	Strategy	Risk Management	Metrics & Targets
SG 01.1	✓	Public				
SG 01.2	✓	Public				
SG 01.3	✓	Public				
SG 01.4	✓	Public				
SG 01.5	✓	Public				
SG 01.6 CC	✓	Public				
SG 01.7 CC	✓	Public				
SG 01.8 CC	✓	Public				
SG 01.9 CC	✓	Public				
SG 01.10 CC	✓	Public				
SG 01.11 CC	✓	Public				
SG 01.12 CC	✓	Public				
SG 02.2	✓	Public				
SG 07.5 CC	✓	Public				
SG 07.6 CC	-	Public				
SG 07.7 CC	-	Public				
SG 07.8 CC	-	Public				
SG 13.1	✓	Public				
SG 13.2	-	Public				
SG 13.4 CC	-	Public				
SG 13.5 CC	-	Public				
SG 13.6 CC	-	Public				
SG 13.7 CC	-	Public				
SG 13.8 CC	-	Public				
SG 14.1	✓	Public				
SG 14.2	✓	Public				
SG 14.3	✓	Public				
SG 14.4	-	Public				
SG 14.5	✓	Public				
SG 14.6 CC	-	Public				
SG 14.7 CC	-	Public				
SG 14.8 CC	✓	Public				
SG 14.9 CC	-	Public				
SG 15.1	✓	Public				
SG 15.2	✓	Public				
SG 15.3	✓	Public				

Symbol	Status
✓	The signatory has completed this sub-indicator
-	The signatory did not complete this sub-indicator.
	This indicator is relevant to the named TCFD recommendation
Within the first column "Indicator", indicators marked in blue are mandatory to complete. Indicators marked in grey are voluntary to complete.	

ORGANISATIONAL OVERVIEW

This section provides an overview of your organisation. These characteristics are used to define your peer groups.

MAIN CHARACTERISTICS

Name	Conservation Resource Partners LLC
Signatory Category	Fund Management - Majority
Signatory Type	Investment Manager
Size	US\$ 0.1 - 0.99 billion AUM
Main Asset Class	>50% Forestry Internally Managed
Signed PRI Initiative	2012
Region	North America
Country	United States
Disclosure of Voluntary Indicators	55% from 38 Voluntary indicators

Conservation Resource Partners LLC

Reported Information

Public version

Strategy and Governance

PRI disclaimer

This document presents information reported directly by signatories. This information has not been audited by the PRI Secretariat or any other party acting on their behalf. While this information is believed to be reliable, no representations or warranties are made as to the accuracy of the information presented, and no responsibility or liability can be accepted for any error or omission.

Investment policy

SG 01

Mandatory

Public

Core Assessed

General

New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 01.1

Indicate if you have an investment policy that covers your responsible investment approach.

Yes

SG 01.2

Indicate the components/types and coverage of your policy.

Select all that apply

Policy components/types	Coverage by AUM
<input checked="" type="checkbox"/> Policy setting out your overall approach <input checked="" type="checkbox"/> Formalised guidelines on environmental factors <input checked="" type="checkbox"/> Formalised guidelines on social factors <input checked="" type="checkbox"/> Formalised guidelines on corporate governance factors <input checked="" type="checkbox"/> Fiduciary (or equivalent) duties <input checked="" type="checkbox"/> Asset class-specific RI guidelines <input type="checkbox"/> Sector specific RI guidelines <input type="checkbox"/> Screening / exclusions policy <input type="checkbox"/> Other, specify (1) <input type="checkbox"/> Other, specify(2)	<input checked="" type="radio"/> Applicable policies cover all AUM <input type="radio"/> Applicable policies cover a majority of AUM <input type="radio"/> Applicable policies cover a minority of AUM

SG 01.3

Indicate if the investment policy covers any of the following

- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Active ownership approaches
- Reporting
- Climate change
- Understanding and incorporating client / beneficiary sustainability preferences
- Other RI considerations, specify (1)
- Other RI considerations, specify (2)

SG 01.4

Describe your organisation's investment principles and overall investment strategy, interpretation of fiduciary (or equivalent) duties, and how they consider ESG factors and real economy impact.

Conservation Resources is an investment organization that seeks to align private equity with conservation capital for the purpose of acquiring and managing a diverse portfolio of real asset properties.

Our strategy is focused on acquiring productive timberland and farm and pasture land with significant conservation and natural resource values. We do so in a manner that seeks to provide a competitive risk-adjusted rate of return for our investors while optimizing the conservation values of the land we manage.

Our 14 year track record of conservation impacts demonstrates our consideration of ESG factors and their real economy impact. Measurable achievements include habitat protection, water resource protection, protective easement transactions and reserve protection of natural landscapes. We support rural economies through direct and indirect job creation, as well as recreation opportunities.

We interpret our fiduciary duty as the requirement to put the interests of our clients and investors first, and we believe that the inclusion of risks and opportunities associated with ESG factors will make a material contribution to our returns for our investors.

SG 01.5

Provide a brief description of the key elements, any variations or exceptions to your investment policy that covers your responsible investment approach. [Optional]

Conservation Resources' responsible investment policy "ESG Policy: Principles for Responsible Investment" includes five key elements that reflect our ESG Goals. These include 1) a strategic commitment to incorporate conservation efforts into our investment program and pursue conservation and environmental outcomes from all of our investments; 2) a commitment to manage our timberland and farmland in an environmentally, economically, and socially responsible manner; 3) an approach to governance that is transparent, responsive to investor's requests, and focused on investor's interests; 4) creating a workplace in which employees are motivated to be productive and efficient, and in which all employees are treated fairly and with respect; and, 5) regularly reporting on its activities and progress toward achieving its goals and these principles.

Our timberland activities are governed by a separate Sustainable Forest Management policy that covers the specific policy issues regarding the management, long-term health, and productivity of timberlands. Conservation Resources believes that success results from a strategy of balancing conservation with sustainable timber management on properties we manage. Our goal is to provide a healthy and effective workplace environment for our employees and open and informative communications to our investors, both on financial and non-financial outcomes.

No

I confirm I have read and understood the Accountability tab for SG 01

I confirm I have read and understood the Accountability tab for SG 01

SG 01 CC	Voluntary	Public	Descriptive	General
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**SG 01.6
CC**

Indicate the climate-related risks and opportunities that have been identified and factored into the investment strategies and products, within the organisation's investment time horizon.

Climate change presents both risks and opportunities for Conservation Resources. In terms of opportunities, there cannot be a credible approach to climate change mitigation that does not involve land use, land conservation, and forestry. Conservation Resources currently manages over 550,000 acres of forestland that contain roughly 21 million metric tonnes of CO2 equivalent within the standing inventory of the merchantable forests alone. This presents a unique optionality for conservation through potential carbon sequestration in the future. In addition, credible long-term conservation strategies must incorporate refugia and corridors that allow for species and habitat movements as climates shift. This may create opportunities for further conservation sales that can enhance cash flow and optimize conservation outcomes for our partners.

On the risk side, changing climate patterns are shifting species ranges further north in the United States, and

they may be affecting the rainfall, hydrology, and fire patterns of the landscapes in which we operate. Our analysis of potential investments includes assessments of acquisitions that may incur increased risk due to these factors. As one example, we have assessed increased fire risk in certain geographies that may be increased by warmer temperatures and lower rainfall, and we have chosen not to pursue acquisitions in those places. As another example, we review potential acquisitions against climate refugia and corridor mapping done by our conservation partners to determine the potential interest from conservation partners in any given property.

SG 01.7 CC	Indicate whether the organisation has assessed the likelihood and impact of these climate risks?
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Yes

SG 01.8 CC	Indicate the associated timescales linked to these risks and opportunities.
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Our business strategy is inherently linked to conservation efforts by our partners, and it depends on the underlying health of the forests and farms in which we operate. As a land-based investment fund dependent on the growth of commodity crops and timber, potential climate change has the capacity for significant impact on our investment performance. Changes to weather patterns, hydrology and fire risk are short and medium term risks that we assess for every given investment. Shifting habitats and biomes are risks that will occur over decades, but these may impact our investments where acquisitions are made on the edge of existing habitat geographies. As an example, the geographic belt for growing pine in the U.S. extends into central Florida. A warming climate could push the limit for pine management further north over time and might impact the returns for a pine property purchased in central Florida. These shifting habitat zones could affect returns within the timeline of our investment horizon of 10-15 years.

No

SG 01.9 CC	Indicate whether the organisation publicly supports the TCFD?
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Yes

No

SG 01.10 CC	Indicate whether there is an organisation-wide strategy in place to identify and manage material climate-related risks and opportunities.
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Yes

No

SG 01.11 CC	Describe how and over what time frame the organisation will implement an organisation-wide strategy that manages climate-related risks and opportunities.
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Conservation Resources expects to implement an organization-wide review and strategy of climate related issues in time for its 2019 Annual Report, due out in early 2020.

SG 1.12 CC	Indicate the documents and/or communications the organisation uses to publish TCFD disclosures.
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- Public PRI Climate Transparency Report
- Annual financial filings
- Regular client reporting
- Member communications
- Other

SG 02	Mandatory	Public	Core Assessed	PRI 6
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New selection options have been added to this indicator. Please review your prefilled responses carefully.

SG 02.1	Indicate which of your investment policy documents (if any) are publicly available. Provide a URL and an attachment of the document.
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- Policy setting out your overall approach
- Formalised guidelines on environmental factors
- Formalised guidelines on social factors
- Formalised guidelines on corporate governance factors
- Fiduciary (or equivalent) duties
- Asset class-specific RI guidelines
- We do not publicly disclose our investment policy documents

SG 02.2	Indicate if any of your investment policy components are publicly available. Provide URL and an attachment of the document.
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- Your organisation's definition of ESG and/or responsible investment and it's relation to investments
- Your investment objectives that take ESG factors/real economy influence into account
- Time horizon of your investment
- Governance structure of organisational ESG responsibilities
- ESG incorporation approaches
- Reporting
- Climate change
- We do not publicly disclose any investment policy components

SG 02.3	Additional information [Optional].
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While we do not include our policy documents on a public website, our website does include a short description of our strategy of aligning private equity and conservation capital for the purpose of acquiring and managing a diverse portfolio of real asset properties: <http://www.conservationresources.net/home.html>

In addition, we provide all of the policy and results information to our investors. It is not provided publicly because our approach to ESG is integral to our business strategy.

Governance and human resources

SG 07 CC	Voluntary	Public	Descriptive	General
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SG 07.5 CC	Indicate the roles in the organisation that have oversight, accountability and/or management responsibilities for climate-related issues.
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	Other Chief-level staff or head of department
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

	External managers or service providers
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- Oversight/accountability for climate-related issues
- Assessment and management of climate-related issues
- No responsibility for climate-related issues

ESG issues in asset allocation

SG 13	Mandatory	Public	Descriptive	PRI 1
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SG 13.1	Indicate whether the organisation undertakes scenario analysis and/or modelling and provide a description of the scenario analysis (by asset class, sector, strategic asset allocation, etc.).
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- Yes, to assess future ESG factors
- Yes, to assess future climate-related risks and opportunities
- No, not to assess future ESG/climate-related issues

SG 13.3	Additional information. [OPTIONAL]
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We allocate between geographic markets and product sectors based upon potential conservation opportunities.

SG 14	Mandatory to Report Voluntary to Disclose	Public	Additional Assessed	PRI 1
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SG 14.1	Some investment risks and opportunities arise as a result of long term trends. Indicate which of the following are considered.
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- Changing demographics
- Climate change
- Resource scarcity
- Technological developments
- Other, specify(1)
- Other, specify(2)
- None of the above

SG 14.2

Indicate which of the following activities you have undertaken to respond to climate change risk and opportunity

- Established a climate change sensitive or climate change integrated asset allocation strategy
- Targeted low carbon or climate resilient investments

Specify the AUM invested in low carbon and climate resilient portfolios, funds, strategies or asset classes.

	trillions	billions	millions	thousands	hundreds
Total AUM			755	000	000
Currency	USD				
Assets in USD			755	000	000

Specify the framework or taxonomy used.

Land investments and sustainably managed forests are one of the most productive carbon sinks. Any viable climate mitigation strategy must include forests and land conservation as a solution. Our approach to land investment has permanently sequestered over 17 million metric tonnes of CO2 equivalent. We have an additional 20 million MTCO2e in our standing inventory of forests. We consider all of our forest and land investments to support carbon mitigation approaches.

- Phase out your investments in your fossil fuel holdings
- Reduced portfolio exposure to emissions intensive or fossil fuel holdings
- Used emissions data or analysis to inform investment decision making
- Sought climate change integration by companies
- Sought climate supportive policy from governments
- Other, specify

other description

Conservation Forestry analyses the climate resiliency of each of its investments, using a web-based GIS tool developed by the Nature Conservancy.

- None of the above

SG 14.3 Indicate which of the following tools the organisation uses to manage climate-related risks and opportunities.

- Scenario analysis
- Disclosures on emissions risks to clients/trustees/management/beneficiaries
- Climate-related targets
- Encouraging internal and/or external portfolio managers to monitor emissions risks
- Emissions-risk monitoring and reporting are formalised into contracts when appointing managers
- Weighted average carbon intensity
- Carbon footprint (scope 1 and 2)
- Portfolio carbon footprint
- Total carbon emissions
- Carbon intensity
- Exposure to carbon-related assets
- Other emissions metrics
- Other, specify
- None of the above

Please explain why not

We manage timberland properties, which are inherently carbon sinks and/or considered carbon neutral.

SG 14.5 Additional information [Optional]

Through our conservation efforts, and our sustainable management practices, we are able to protect long-term resources such as soil, water and animal habitats. Working with conservation organizations, we are also often able to identify and protect specific sensitive and scarce natural resources with high conservation value.

SG 14 CC	Voluntary	Public	General
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SG 14.8 CC Indicate whether climate-related risks are integrated into overall risk management and explain the risks management processes for identifying, assessing, and managing climate-related risks.

- Process for climate-related risks is integrated into overall risk management

Please describe

As described in a previous section, we focus on two particular aspects of climate risk with regard to our portfolio investments. The first is the geography, timber types, and underlying species ranges of the forests we acquire. Risk is increased where properties are located at the margins of viable species ranges or where a change to expected rainfall or fire risk may threaten forest growth. Second, we analyze long-term projected corridors and refugia to determine if properties we acquire have the potential for long-term mitigation in terms of species migration over longer time frames. This may create opportunities for additional conservation efforts in future.

- Process for climate-related risks is not integrated into our overall risk management

SG 15	Mandatory to Report Voluntary to Disclose	Public	Descriptive	PRI 1
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SG 15.1 Indicate if your organisation allocates assets to, or manages, funds based on specific environmental and social themed areas.

Yes

SG 15.2 Indicate the percentage of your total AUM invested in environmental and social themed areas.

%

100

SG 15.3 Specify which thematic area(s) you invest in, indicate the percentage of your AUM in the particular asset class and provide a brief description.

Area

- Energy efficiency / Clean technology
- Renewable energy
- Green buildings
- Sustainable forestry

Asset class invested

Forestry

% of AUM

100

Brief description and measures of investment

CRP invests in sustainably managed, working timberland assets through its Conservation Forestry unit.

Sustainable agriculture

Asset class invested

Forestry

% of AUM

100

Brief description and measures of investment

Conservation Resources seeks to identify conservation related investment opportunities in row crops, pasture, and permanent crops within the United States

- Microfinance
- SME financing
- Social enterprise / community investing
- Affordable housing
- Education
- Global health
- Water

Asset class invested

- Forestry

% of AUM

100

Brief description and measures of investment

Potential to manage forests for water quality and quantity.

- Other area, specify
- No