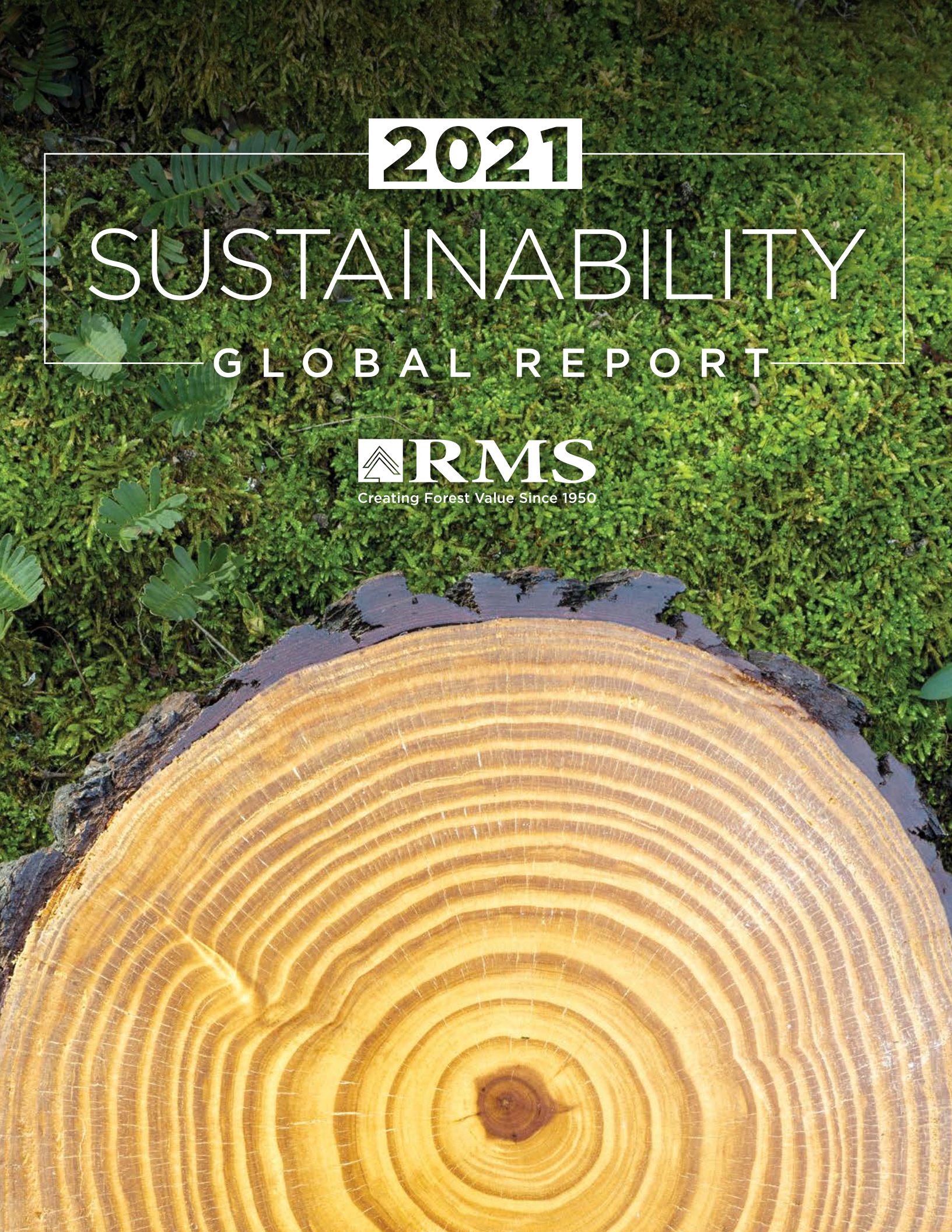
2021 SUSTAINABILITY GLOBAL REPORT

RMS

Creating Forest Value Since 1950





VISION

RMS exists to advance the practice of forestry and appreciation for the societal importance of privately-owned forests.

MISSION

RMS strives to be recognized as the premier creator of forest value.

The pandemic and our report's photos:
RMS follows all public health and safety guidelines in relation to the COVID-19 pandemic. The photographs that appear in this report showing RMS staff members, clients, customers, partners and stakeholders without face coverings were taken in open-air settings or otherwise under safe and socially distant conditions.

COVER PHOTO BY ART MERIPOL

CONTENTS

4 INTRODUCTION

4 Integrity: A Simple, Powerful Word

6 BUSINESS

8 RMS ESG Dashboard 2021
10 Affirming our ESG Commitments
13 ESG Integration

14 ENVIRONMENT

16 Environmental Engagement
17 Conserving Biodiversity
23 Forests and Climate
28 Managing Water Resources
29 Optimizing Forest Resources

32 SOCIAL

34 Social Engagement
35 Supporting our Team
39 Strengthening Our Community Roots
40 Building Homes & Futures
42 Cultivating Forest Leaders
44 Prioritizing Safety
44 Advocating for Working Lands & Strong Markets

46 GOVERNANCE

48 Governance Engagement
48 Deepening Independent Oversight
49 Focusing on Diversity, Equity & Inclusion
52 Promoting Internal Accountability & Sharing Best Practices

54 CLOSING THOUGHTS

54 On Integrity, Authenticity & Accountability

56 APPENDIX

Published on April 15, 2022

INTEGRITY: A Simple, Powerful Word

A MESSAGE FROM JIMMY BULLOCK

Senior Vice President, Forest Sustainability

Jackson's Gap Property,
RMS Central Region



INTEGRITY is a simple but impactful word and it means being true to who you are and what you do. It means keeping your word and being accountable for your actions.

Integrity has been at the core of RMS' culture for more than 70 years. It is the origin of our success and longevity as a company. It defines our approach to forest stewardship.

Our clients know we pursue our Mission to be the premier creator of forest value with integrity and purpose. We understand as fiduciaries, our clients entrust us to manage their forest assets sustainably and with a focus on producing financial benefits for those they serve. Our clients expect us to operate in ways that support their Environmental, Social and Governance (ESG) objectives. Consistently striking this balance is a challenge, but I believe it is one we meet every day.

In many ways, 2021 was a defining year for RMS. We continued to successfully navigate the challenges posed by the COVID-19 pandemic while exploring new ways to create forest value for our clients. We did this by entering new markets, and by demonstrating the value of sustainably-managed, working forests for the financial and nonfinancial benefits they provide, including as a natural climate solution and a mechanism for conserving at-risk species.

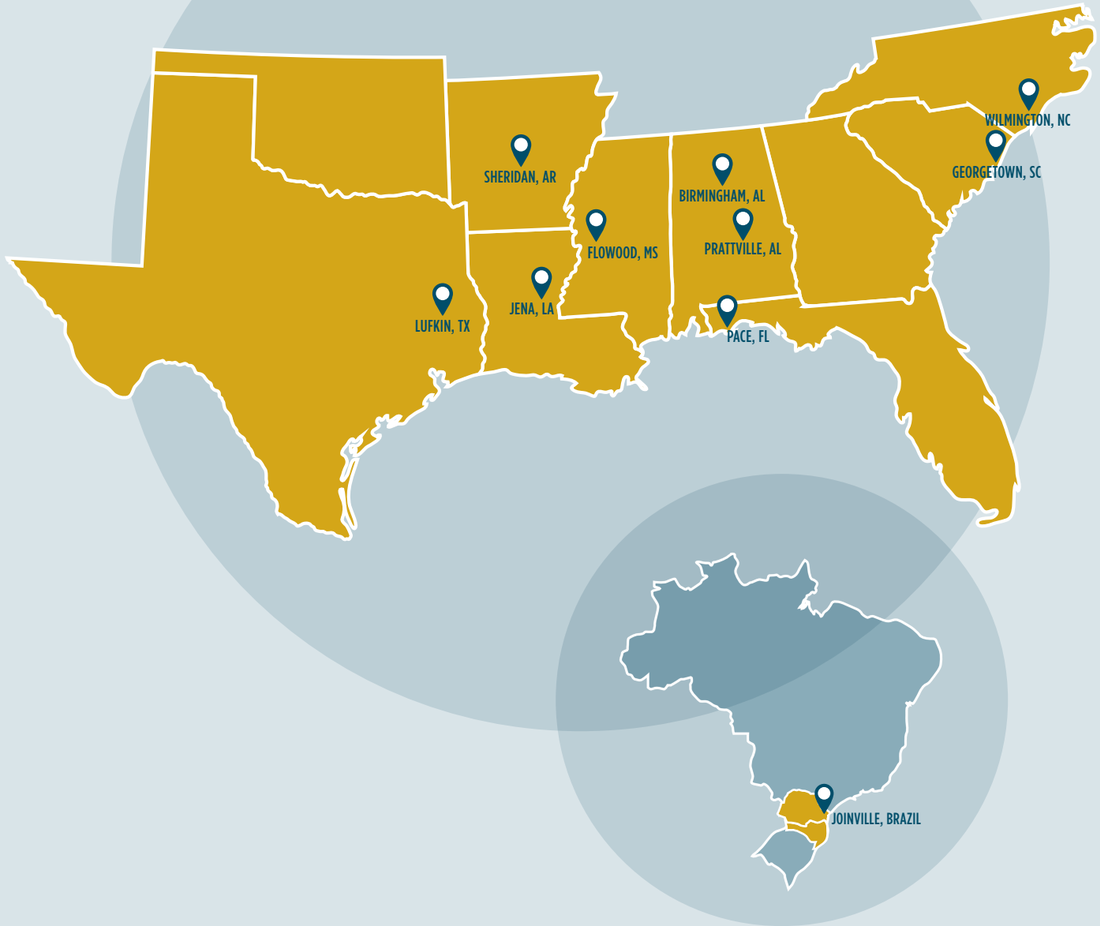
We were able to do these things because of the integrity and commitment of our people. Every RMS employee represents who we are and what we value – and as a group they are second to none. In 2021, we continued to enhance our human capital by adding former RMS Scholarship recipients and interns to our team – a very tangible return on important investments that we have made in our future. We also announced well-deserved promotions and added a total of 22 new hires – efforts that are infusing RMS with new ideas and perspectives. On October 1, we named Alex Hinson President and CEO. Alex succeeds Craig Blair, who moved into retirement as "a gentleman farmer from Ralph, Alabama" after a long and distinguished career. While Craig will continue to serve as Chair of our Board of Directors, we are excited to have Alex as our new leader because we are confident that he will continue to focus our efforts on meeting our clients' investment and ESG goals in 2022 and beyond.

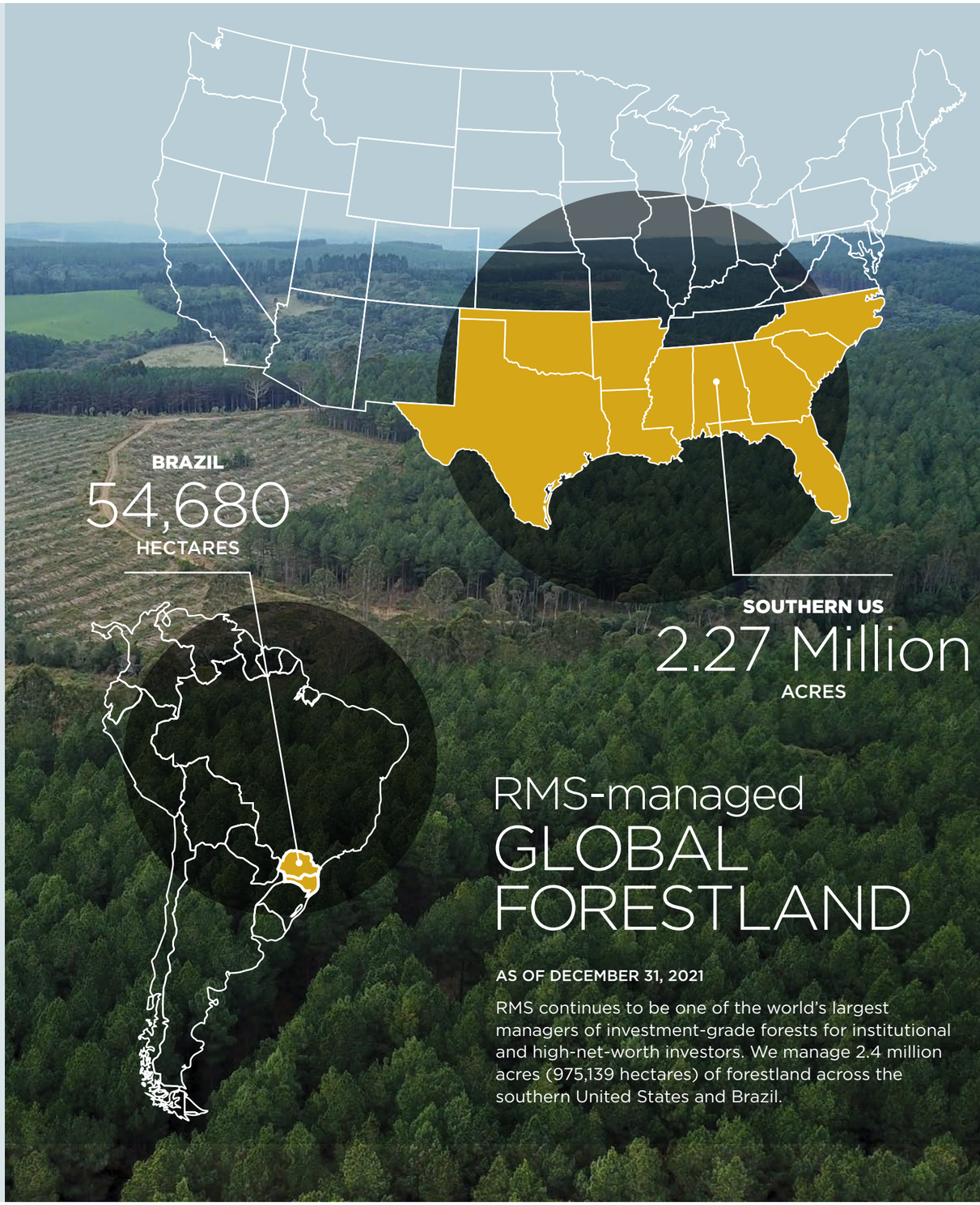
The whole RMS team works to advance the interests of our investors, and enhance the Environmental, Social and Governance values of the forestlands we manage – as well as the social and economic values of the communities where we operate. Our 2021 Sustainability Report provides insight into how we did these things. I hope you will take a few minutes to review the report and I welcome your feedback to hear what you think we are doing well and what we could be doing better.

Sincerely,

Jimmy Bullock
jbullock@resourcemgt.com

RMS OFFICE LOCATIONS





RMS-managed GLOBAL FORESTLAND

AS OF DECEMBER 31, 2021

RMS continues to be one of the world's largest managers of investment-grade forests for institutional and high-net-worth investors. We manage 2.4 million acres (975,139 hectares) of forestland across the southern United States and Brazil.

RMS 2021 ESG Dashboard

OUR BUSINESS & INVESTMENTS

71
YEARS
in Business

154
EMPLOYEES

$4.36 B
IN ASSETS
Under Management

2.4 M
ACRES*
Under Management

PRI GRADE OF
A

OUR ENVIRONMENTAL IMPACT

100%
ACRES
Under Third-Party Sustainable Certification

18
SPECIES
of Conservation Concern in U.S. Managed Forests

199.7 M
METRIC TONS*
Carbon Stored in Global Managed Forests



OUR COMMUNITY IMPACT

1,432
HOURS
Volunteered by Employees

15,800
JOBS*
Supported in the U.S.

$60 K
SCHOLARSHIP FUNDS
Disbursed



OUR EQUAL EMPLOYMENT OPPORTUNITY PROFILE

11%
WOMEN
of Field Operations

7%
WOMEN*
of Leadership

3%
BIPOC REPRESENTATION*
of Field Operations

4%
BIPOC REPRESENTATION*
of Leadership

19%
RMS EMPLOYEES
with Ownership Stake



NOTE: Statistics regarding BIPOC individuals as a percentage of the RMS workforce are available in the United States and Brazil, as is required by law. RMS adheres to all labor laws of the jurisdiction governing each operational region. This includes laws governing the reporting of employment statistics.

* Statistics as of December 31, 2021

* Acres under management includes all managed forestlands

* CO2E for RMS properties under management in the U.S. and Brazil include tree biomass, both above and below ground. This measure does not include non-tree biomass within the forest, including soil carbon. This metric only includes plantation areas and not natural areas.

* Data provided by National Alliance of Forest Owners.

* In the U.S., this metric includes plantation and natural areas. In Brazil, this only includes plantation areas.

• BIPOC includes Black, Indigenous, and people of color.



Affirming our ESG COMMITMENTS

Every acre of forestland that RMS manages for clients globally is third-party certified to one or more of the world's leading sustainable forest management standards. These include the Sustainable Forestry Initiative® (SFI®), the Forest Stewardship Council® (FSC®), and the Programme for the Endorsement of Forest Certification (PEFC™). We embrace these standards to help validate our commitment to sustainable forestry.

FSC www.fsc.org FSC® C173072 The mark of responsible forestry

SUSTAINABLE FORESTRY INITIATIVE SFI-00029

PEFC Certified This product is from sustainably managed forests and controlled sources PEFC PEFC/29-32-358 www.pefc.org

Forest certification is a tool we utilize to demonstrate our ESG commitments and our forest certification policies and procedures are integral to how we manage our clients' lands. RMS policy requires that all forests we manage to be certified to either a PEFC or FSC forest certification standard. We believe both frameworks advance the sustainable management of privately owned forests. Market opportunities and client objectives determine the standard or standards (some lands are dual certified) to which the forests we manage are third-party certified. Third party verified forest management certification supports our efforts to provide our clients with stronger investment performance by reducing operational risk, providing improved access to markets where FSC-certified timber is in demand, and supporting our efforts to partner with like-minded organizations on forestry and land conservation initiatives that have the potential to create new sources of value for our clients.

Third-party audited forest certification provides a valuable, external perspective on how we manage forests – one that helps us evaluate what we are doing well and what we could be doing better. We take learnings from both our internal audits and our external certification audits and incorporate them into our management activities. We also disclose all results of our third-party audits – including sharing information about our areas of needed improvement – with clients and other stakeholders. Internal rigor and external transparency improve environmental performance and social engagement, while advancing our commitment to continuous improvement.

The 54,680 hectares of forests that RMS manages for clients in Brazil have been certified to the FSC standard since their acquisition, and in 2021, we achieved FSC certification of nearly one million additional acres across the U.S. southeast. Of these nearly one million additional acres, 747,870 acres are now dual certified to both SFI and FSC.

54,680
HECTARES FSC CERTIFIED (BRAZIL)

888,380
ACRES FSC CERTIFIED (U.S.)

1.4 M
ACRES SFI CERTIFIED (U.S.)

747,870
ACRES NOW DUAL SFI & FSC CERTIFIED (U.S.)

To learn more about certification, view our 2021 SFI Report here, our 2021 US FSC Certificate Detail here, and our 2021 Brazil FSC information here.

2021 MATERIAL ESG HIGHLIGHTS

MATERIAL TOPIC	SUCCESSION PLANNING	BUSINESS MODEL RESILIENCE, INVESTOR ALIGNMENT	OCCUPATIONAL HEALTH & SAFETY
ACTION	Successful CEO transition from Craig Blair to Alex Hinson	Achieved FSC-certification on almost one million acres in the US	Implemented new online safety reporting form
IMPLICATION	No internal or external disruptions to business activities	Better market prices and alignment with client objectives	Allows for better data collection and oversight of contractor incidents

ESG ENGAGEMENT

RMS has been guided by a strong environmental stewardship ethic since its founding and this influences how we think about environmental and social outcomes and how we embed ESG principles in our investment strategies.

In 2019, we undertook a materiality assessment to identify the full range of ESG topics that our clients and other stakeholders view as essential priorities for both our business and our relationships with them. Since then, we have utilized the results of the assessment to identify our ESG goals and objectives.

In 2021, RMS acted upon its top material topics including succession planning, business model resilience, investor alignment, and occupational health and safety.

ESG INTEGRATION

We integrate ESG considerations into each aspect of our business and investment processes to ensure their rigorous application. We focus on transparency – communicating openly, creating avenues for questions, and listening to the feedback we receive. We leverage external governance tools, including the SFI and FSC forest certification programs, and the UN-supported Principles for Responsible Investment (PRI), to measure and enact continuous improvement throughout our organization.

SINCE BECOMING A PRI SIGNATORY IN 2016, RMS HAS RECEIVED AN "A" RATING FROM THE ORGANIZATION FOR OUR UTILIZATION OF THE PRINCIPLES IT PROMOTES.

PRI Principles for Responsible Investment

This schematic demonstrates how ESG integration occurs within RMS.

ENVIRONMENTAL SOCIAL GOVERNANCE INTEGRATION

RMS INVESTMENT PROCESS COMPONENT	ACQUISITION DUE DILIGENCE	ASSET VALUATION	SUSTAINABLE OPERATIONS	CONTINUAL IMPROVEMENT
TEAMS ENGAGING	Investment Management, Resource Planning, Operations, Sustainable Forestry	Investment Management	Operations, Resource Planning, Sustainable Forestry	Operations, Resource Planning, Sustainable Forestry

INVESTMENT COMMITTEE REVIEW

TOPICS	CLIMATE	BIODIVERSITY	WATER	ECONOMIC OPPORTUNITY	RESEARCH
CONSIDERATIONS	Climate change impacts (physical and transition risks), natural climate solutions	Sensitive ecosystems, conserved land, wildlife habitat, at-risk/ threatened and endangered species	Water quality protection, storm vulnerability assessments, drought risk evaluation	Employee and contractor safety training and outcomes, DEI, rural jobs, professional development	Support and engagement with basic and applied research to inform investment process and forest management
EXAMPLES	Policy work to expand opportunities for privately owned forests to contribute to climate mitigation	Stand and landscape level wildlife habitat management, collaboration with WCI and C w/o C	State BMP implementation	Scholarships and internships	Research Co-ops, NCASI



RMS ON INTEGRITY

“With almost 40 years as a forester, the important things are clearer now than when I was young. RMS has always focused on the important things. Good forestry and business aren’t just knowledge but character and relationships. As District Manager, I represent RMS and our clients to contractors, neighbors, hunt clubs and other contacts every day. Maintaining trusting relationships allows me to be good at my job. In my sustainability role, I see our folks do the same. My role is to train and prepare for our audits. The character of the RMS people is evident in that they are willing to learn, admit where they can improve and hide nothing. It’s not about the audit – it’s about our culture. Our auditors see that in every discussion and site visit we make. Integrity is what makes us different. People can depend upon our words and actions. We are consistent, we do what is right.”

BOB NAEGER, District Manager, Delta Region,
Member, RMS Forest Sustainability Team

ENVIRONMENT

“Integrity all comes down to our moral code. It is truth and honesty, and it is part of all our daily lives both personally and professionally. They cannot be separated, and they should come to us as naturally as breathing.”

MELISSA COOK, Controller, Birmingham



RMS Comfloresta Property

RMS works to manage healthy, productive, and biodiverse forests through our implementation of sustainable forestry practices. Our practices are designed to produce wood-based products, environmental benefits, and other ESG outcomes that are of value to society and generate investment performance consistent with our clients' needs and expectations.

The following practices serve as the foundation for our sustainable forest management approach:

SUSTAINABLE FOREST MANAGEMENT

- Protecting streams and riparian areas from siltation, erosion, and pollution
- Complying fully with all laws and regulations
- Leveraging research and technology at the timber stand and landscape levels
- Respecting the rights of Indigenous peoples
- Monitoring forest inventory to help meet clients' financial and ESG objectives
- Protecting areas with unique cultural or historical attributes
- Applying forest chemicals with caution and limiting their use to their lowest, effective rates to achieve our forest management objectives
- Enhancing wildlife habitat, conserving biodiversity, and protecting soil health



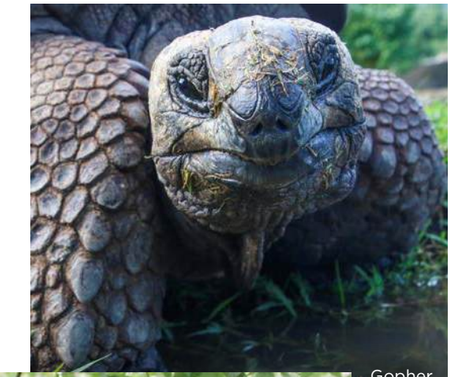
RMS Contractor, Imbuia Property, Brazil

PHOTO BY SILVIA ALCANTARA PHOTOGRAPHY

Conserving BIODIVERSITY

Promoting biodiversity on our clients' assets is a major environmental priority for RMS, and we approach the interrelated biodiversity and climate crises through interconnectedness. Internally, we are working to conserve biodiversity on our clients' lands by integrating biodiversity considerations into our management plans. To enable this conservation, we are working outside of our RMS team to change the culture of conservation and create better and lasting outcomes for stakeholders and species.

A more collaborative paradigm for conservation is developing from the international scale to the local scale, and we are actively contributing to its advancement. New collaborations between private forest owners, their land managers, and public agencies like the U.S. Fish & Wildlife Service (USFWS), are improving how endangered and at-risk species and their habitats are being conserved. While RMS' involvement in these efforts goes back many years, today we are focused on being a facilitator of collaborative conservation by continuously engaging with our peers in the private landownership community, with public agencies, and with conservation organizations, to help develop and sustain the necessary relationships. These initiatives are producing conservation solutions on an unprecedented scale. They also are generating significant benefits for our investors by reducing the political, social, and environmental risks associated with their status as significant forestland owners. You can read more about this in the following interview.



Gopher tortoise



Louisiana Black Bear

BUILDING TRUST
Between Regulators and Private Landowners on At-Risk Species

An Interview with Leo Miranda-Castro and Cindy Dohner, Current and Past Southeast Regional Directors for the U.S. Fish and Wildlife Service





LEO MIRANDA-CASTRO AND CINDY DOHNER have played key roles in helping to pioneer the new approach to at-risk species conservation that is breaking down walls of mistrust between regulators and the private landowner community. Here they share their thoughts on how this came about, what it has helped accomplish, and how it could influence our approach to at-risk species protection in the years to come.

Q: What motivated the USFWS to embrace the idea of collaborating with private landowners on endangered species issues?

CINDY: In 2010, when I was serving as Regional Director, we received a mega petition from the Center for Biological Diversity to examine the need to place more than 400 species on the U.S. endangered species list. A separate lawsuit filed around the same time increased that number to 450 species. When this happened, there were roughly 325 species federally listed in the region. The magnitude of the challenge was unprecedented.

LEO: This was a very difficult situation. We began talking about it as a potential "Tsunami of Listings."

Q: So how did you meet that challenge?

CINDY: We knew that 90 percent of the land on which these species were living was privately owned and that we needed to find a better way to extend protection than the traditional approach of listing. We connected with the state wildlife resource agencies to gather support for charting a different course. Once they were on board, we began looking for ways to build stronger connections with the private landowning community. However, we knew we faced a huge problem – a strong lack of trust in the regulatory community among private landowners. Fortunately, I had known Jimmy Bullock of RMS for about 30 years and he was one of the first people I called to strategize. Jimmy and I also had recently worked together on a successful effort to protect the Louisiana black bear.

Q: How did things progress from there?

CINDY: For the first couple of years, we partnered with Jimmy to reach other private landowners and public agencies. Then, in 2013, we had a breakthrough. Jimmy brought representatives from five major forest landowners and NCASI (the National Council for Air and Stream Improvement) to the USFWS, so we could explain the challenges we were facing. They included RMS, the Hancock Natural Resource Group, Weyerhaeuser, Plum Creek and Rayonier. These five collectively oversaw more than 12 million acres of private working forests in the U.S. South – just a huge expanse of land. Our friends at the state wildlife agencies told us these types of landowners would never talk to us, but the trust we worked to build enabled the group to explore options for working together. The first year these companies focused on research to examine and demonstrate how their approaches to sustainable active forest management were providing significant benefits for wildlife – including many of the at-risk species that were of concern to the federal and state agencies. In the second year, the agencies were invited to conduct surveys on the private forestland managed by these companies so we could see for ourselves. With the trust and working relationships growing, in year three, the companies committed to providing additional protections for at-risk species, complete with additional funding! This effective collaboration has launched further efforts as other private landowners have stepped up.

Q: What were the results?

LEO: By 2017 and 2018, we were seeing the results of these efforts and we were making policy decisions about listings based on the things we had learned from our research and from the new protection strategies that we were implementing. For instance, we were surprised to learn that the gopher tortoise, one of our at-risk species of concern, was actually doing better than we had anticipated because of the management practices being employed on many, privately-owned working forests. In the end, more than 300 species that were being considered for listing were precluded and several more were downlisted from endangered to threatened. This was a huge accomplishment for everyone involved! After all of this, we began to talk about this collaborative approach to at-risk species conservation as our "secret sauce."

Q: This worked in the South because so much of the regional land base is privately owned, but what about other regions of the country?

CINDY: We began to call this "Conservation Southern Style," but we soon realized it was bigger than that so we got the U.S. Fish & Wildlife Service's Northeast Region to embrace it too. The approach is now being used to help conserve and restore habitat for the New England Cottontail rabbit. It also is being used in the U.S. West, and in every other region of the country, too. It is what led to the establishment of "Conservation Without Conflict," the coalition that Lauren Ward heads up (See story on page 23) and it is influencing the National Alliance of Forest Owner's Wildlife Conservation Initiative, which is focused on protecting at-risk species on more than 46 million acres of private forestlands nationwide. Jimmy Bullock and RMS also were heavily involved in establishing and growing both of those efforts.

Q: How do you quantify that risk mitigation in investment terms?

LEO: I'm not an investment expert, but I can tell you that the capacity of the U.S. Fish & Wildlife Service to list a bunch of species represented a significant risk for private landowners because it would have dramatically changed what they could do on their lands to meet their commercial goals. The question really is, 'What is the value of operational certainty to a forestland owner, a farmer, or a rancher?' Investing is all about risk management and prior to this collaborative approach to conservation, the U.S. Fish & Wildlife Service was adding tons of uncertainty for landowners. A great deal of that has now been mitigated.

Q: Looking to the future, what do you see happening because of this work?

LEO: It is exciting, and we all need to celebrate our successes, but we can't let up. We have to keep the momentum going. What we are doing transcends political ideologies. We have to recognize that these are complex issues and that we all have different interests and motivations, but we have to figure out how to work together because it is in everyone's best interest. The only way we can do that is by continuing to collaborate, cooperate, and build mutual trust.



Louise Alves,
Forest Analyst,
Imbuia Property,
Brazil

PHOTO BY SILVIA ALCANTARA PHOTOGRAPHY

RMS Biodiversity-Related Efforts 2021

Conserving wildlife species and their habitats on our clients' lands is an important aspect of RMS' conservation efforts. We identify forest areas with known occurrences of rare, threatened, and endangered species as well as areas that have other, exceptional conservation values. We then manage these assets using tailored management plans. For timber stands that are being intensively managed for timber production, we implement a range of practices to ensure wildlife habitat attributes remain at the stand and landscape level, such as dispersed and clumped tree retention.

OUR BIODIVERSITY EFFORTS are anchored by partnerships with some of the world's leading wildlife conservation organizations, here are a few of our highlights from 2021:

OUR PARTNERS

NAFO WILDLIFE CONSERVATION INITIATIVE



NAFO, USFWS, STATE AGENCIES, NCASI

Multiple aquatic species' Endangered Species Act (ESA) listings incorporated 4(d) rules that affirmed adherence to state water quality BMPs to help conserve the species and forest certification provides certainty of practice.

RESEARCH ON HABITAT RELATIONSHIPS OF WHITE-NOSE SYNDROME (WNS) AFFECTED BAT SPECIES & WORKING FOREST LANDSCAPES



NCASI AND MEMBER COMPANIES, UNIVERSITY OF GEORGIA

RMS provided access to managed forests in South Carolina for researchers to conduct surveys to better understand forest bat communities in the southeastern U.S. during winter and habitat contributions from working forest landscapes. Surveys will continue in 2022 in Florida to support the Wildlife Conservation Initiative (WCI), and study results provide data on working forests for future bat species' Endangered Species Act listing determinations.

SWALLOW-TAILED KITE CONSERVATION



THE AMERICAN BIRD CONSERVANCY, THE AVIAN RESEARCH AND CONSERVATION INSTITUTE, WHITE OAK FOREST MANAGEMENT, INTERNATIONAL PAPER, FOREST INVESTMENT ASSOCIATES

RMS joined a consortium of forest owners, forest investment managers, conservation organizations, and paper and packaging companies to aid in ongoing conservation efforts in South Carolina for the swallow-tailed kite. We worked with USFWS and South Carolina Department of Natural Resources wildlife biologists to fit three birds with GPS transmitters to study their habitat needs. This was done to inform forest management practices and help expand the bird's range and population density.

PEARL RIVER WATERSHED CONSERVATION SALE



WILDLIFE MISSISSIPPI, NRCS

RMS sold 4,600 acres of sensitive, riparian forestland along the Pearl River in Mississippi, which helps provide clean drinking water to ~200,000 citizens in the capital city of Jackson. The Pearl River also provides habitat for two turtle species that are only found in the Pearl's watershed: the Ringed Sawback and Pearl River Map Turtles. See video here.

2ND ANNUAL SUMMIT — OFFICIAL CONSERVATION WITHOUT CONFLICT COALITION LAUNCH



CONSERVATION WITHOUT CONFLICT

RMS supported the launch of "Conservation without Conflict" as a functioning coalition with Dr. Lauren Ward as its first Executive Director. "Conservation without Conflict" seeks to be the preferred future approach to conservation in America through voluntary, collaborative partnerships among public and private members that conserve species and keep working lands working.

A NEW PARADIGM
for Conservation: The Essential Private Landowner

LAUREN WARD, J.D., PH.D., directs "Conservation Without Conflict," a conservation approach and coalition of public agencies, private landowners and conservation groups that are working to make voluntary collaboration the primary model for wildlife conservation on working lands. RMS was one of the first to join this coalition and we've been contributing to Conservation without Conflict since its inception. Here, Lauren discusses why private landowners are uniquely positioned to help produce conservation outcomes at scale.



"We are at a very interesting time for conservation. An organic movement is transitioning species protection from a primary strategy of regulation for protecting at-risk species towards a collaborative strategy of cooperation among those who have an interest in the issues. Private landowners' willingness to voluntarily work with regulatory agencies to help identify at-risk species and their habitats on their lands, and to cooperate with government officials by adapting their land management strategies to provide those species with added protection, is a game-changer. It is dramatically expanding the ability of organizations like the USFWS, and its state-level counterparts, to extend protection to species that may be on the verge of threatened or endangered status – and they are now doing this without having to go through the long and challenging process of species listings – something that normally takes a great deal of time and effort and results in dramatic changes to how private landowners can operate and work their lands. **This emerging dynamic is producing win-win outcomes – for at-risk species, for the regulatory and conservation communities, and for private landowners, who have almost universally wanted to do the right thing in the past, but often were disincentivized because of the costs and implications."**

FORESTS & CLIMATE

As a forest investment manager, RMS is responsible for managing dynamic natural systems and as climate conditions change, we carefully monitor the forests we oversee, and engage with researchers to clarify insights and achieve valuable outcomes for our clients. We do this by:

- **Implementing forest management activities that are appropriate for sustainable management of forest carbon pools**
- **Addressing climate risks and limiting impacts to forest ecosystems in our care**
- **Leveraging our scale and management expertise to create meaningful and scalable climate mitigation outcomes.**



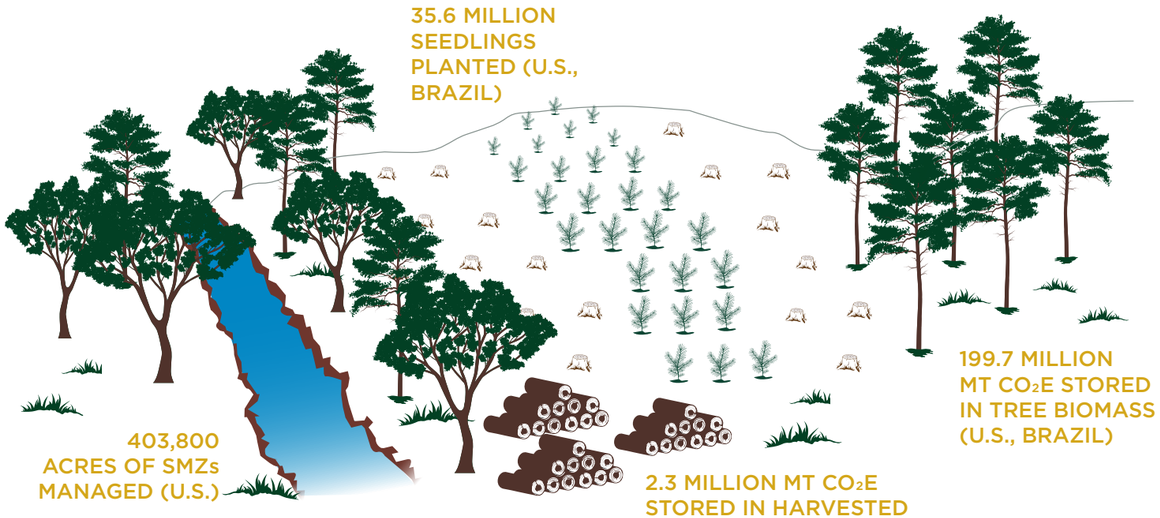
Marcos Galick, Supervisor, Braulio Milchesky, Harvest and Transport Contractor, RMS Brazil Region

INFORMED FOREST MANAGEMENT

Throughout RMS' 71 years of sustainable forest management, we have observed that active management is our most effective strategy for maintaining healthy forests and minimizing both traditional and novel risks.

To manage the risks of climate change, we combine our existing knowledge and in-house research with new perspectives and research from leading scientific research organizations like the Climate Smart Land Network, NCASI, and Manomet to better understand how we can adapt and evolve our silvicultural practices to manage climate-related risks. Managing to third-party certification standards, investing in research, and engaging with credible partners help us implement informed forest management activities that are appropriate for sustaining forest carbon pools. Here is a glimpse into how we manage them for a wide range of forest and climate benefits.

RMS AND FOREST CLIMATE BENEFITS



The schematic above shows the many ways RMS managed forestland contributes positively to climate change. Through a continuous cycle of planting, growth and harvesting, the working forests we manage act as large carbon sinks, capturing and converting CO_2 from the atmosphere and storing that carbon in trees and usable solid wood products. The chart below shows how carbon stored within U.S. managed properties have changed since 2020.

CHANGES IN CARBON STORED BY RMS MANAGED FORESTS (U.S.) (MT CO_2E)

2020 YEAR END	**188,600,000**
New Area Under Management	11,600,000
Harvest Removals	-13,400,000
Tons from Land Sales, Inventory Updates and Cruising	-4,000,000
Growth Tons	15,700,000
Other Adjustments	-1,300,000
2021 YEAR END	**197,100,000**

* Harvested wood products are 100-year storage estimates for wood harvested from U.S. properties only. Methodology is available upon request.

* CO2E for RMS properties under management in the U.S. and Brazil includes tree biomass, both above and below ground. This measure does not include non-tree biomass within the forest, including soil carbon. CO2E for RMS properties under management in Brazil is a plantation estimate only and does not incorporate natural areas.

MANAGING FOREST CARBON POOLS

SOIL CARBON

Soil carbon is the largest land-based carbon pool. Maintaining highly productive forests is crucial to the sequestration of carbon from the atmosphere back into the soil.

Minimizing disturbance during all operational activities helps retain soil carbon and ensures the integrity of soil ecosystems. Empowered with detailed soil maps for all RMS-managed assets in the U.S. and Brazil, our forestry staff, and trusted contractors tailor silvicultural solutions to minimize risks of potential soil degradation in areas where forest management activities are conducted.

TREES

Relative to older trees, younger trees sequester carbon more efficiently and their stored carbon lives on in harvested wood products such as wooden homes, buildings, and furniture. In return, this displaces more carbon-intensive materials like cement, steel, and plastic.

Our clients' forests are managed to optimize biological productivity and client returns. We manage an array of age classes distributed across a variety of landscapes, which include both managed softwood plantations and less intensively managed riparian forests. The pine plantations we manage have the greatest impact on carbon sequestration rates. Adjacent riparian forests not only protect water quality and provide important habitat corridors for species, but their rich species diversity and mature age-class distribution lends them to being significant long-term carbon sinks. The riparian forests are managed with limited and selective harvesting, ensuring that carbon is stored onsite for decades.

DEADWOOD

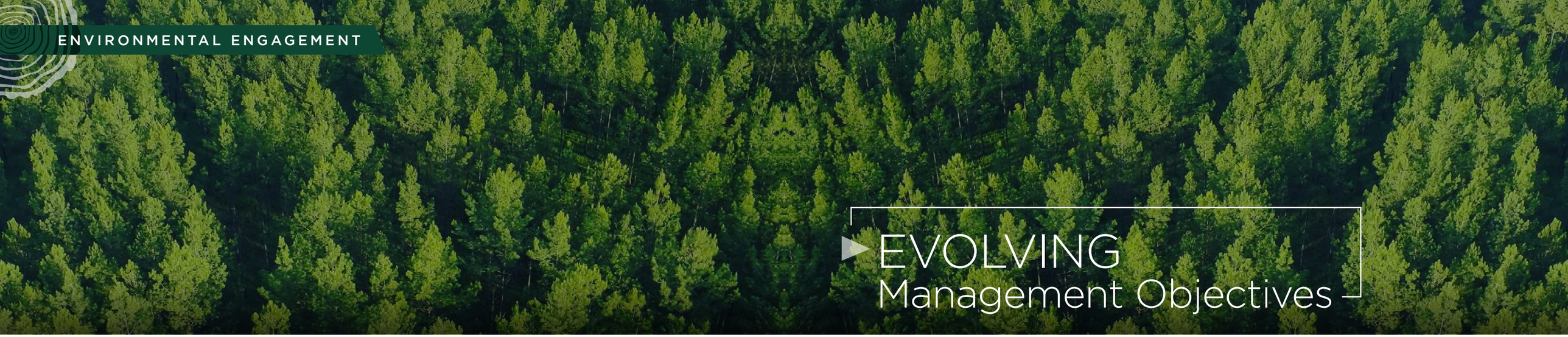
The speed of the decomposition of deadwood is dependent upon climate, fungi, and insects, and it plays a role in balancing forest and atmospheric carbon. It's also essential for maintaining biodiversity.

Deadwood is essential to a biologically diverse forest. We intentionally leave treetops and slash piles within our harvest sites to conserve carbon onsite and reincorporate into soil organic matter through decomposition. Deadwood materials left post-harvest also creates micro-habitats and food sources for many species.

FOREST FLOOR

The forest floor, which includes living and non-living plant biomass such as leaves and twigs that create the topmost soil horizon, is the smallest and most dynamic carbon pool. As an interface between aboveground plant biomass and below ground chemical and physical processes, it is a small carbon pool but is vital for nutrient cycling, regulating soil temperature, moisture, and other ecosystem functions.

Recently completed soil surveys on managed properties in Brazil gave RMS another tool for proactive forest management. A key discovery in these surveys was the identification of the Cambisolos series of soils in certain areas of the Brazil properties. Because Camibsolos' fertility is dependent upon healthy organic horizons, reducing equipment traffic during harvest was a practice that was immediately enacted to minimize site degradation and conserve natural site productivity.



EVOLVING Management Objectives

RMS Climate-Related Efforts 2021

RMS supports the National Alliance of Forest Owners (NAFO) CEO Climate Principles, which guide NAFO members, who oversee more than 46 million acres of forestland nationwide, on the steps we can take as large-scale forest owners and managers to help mitigate the impacts of climate change.

NAFO'S TOP CLIMATE PRIORITIES INCLUDE:

- **Compensating private forest owners for increased carbon benefits through market-based mechanisms.**
- **Rewarding the carbon storage and substitution benefits of forest products.**
- **Increasing research and development funding for existing federal research programs that focus on measuring and documenting forest carbon in forests and forest products.**

RMS is an active participant in the Forest Climate Working Group, a collection of business interests and conservation organizations that are working collaboratively on developing public policies that enable forest-based strategies for addressing climate change.

RMS is supporting state-level climate initiatives to enable public and private entities to effectively utilize forestry as a mechanism for supporting their transitions to carbon neutrality.

As individuals, companies, and countries try to lower their emissions and transition to net-zero economies, the value proposition of forests is rapidly expanding. Forest owners today have more opportunities for value creation beyond traditional income streams from timber sales and asset appreciation. A growing number of investors are interested in directing capital towards climate mitigation and adaptation objectives such as carbon sequestration, wetland and species banking, and renewable energy infrastructure.

At RMS, we are leveraging our core capabilities to manage the forests under our care for this widening range of objectives. Where our clients are interested, RMS creates carbon sequestration potential of their forestlands, and from the ecosystem services that the wetlands and streams of their forest assets provide. Our activities in 2021 focused on supporting the public policy frameworks that are necessary to enable our clients to access the evolving and expanding value proposition of their forestlands.



RMS AND SUPPORT FOR LOUISIANA'S CLIMATE AMBITIONS

In Louisiana, RMS Delta Region Manager, ROBBY TOOMBS, is working with other representatives from the forest management, agriculture, conservation, transportation, and waste management communities on the Louisiana Governor's Climate Task Force to help develop draft recommendations for the Louisiana Climate Action Plan, which is focused on providing the state with a road map for becoming climate neutral by 2050. The task force's final draft recommendations were published in February of 2022. Their recommendations include a call for measuring the carbon sequestration potential of the state's forests and farmlands based on the use of best management practices. Other recommendations of importance to the forestry sector include broader use of sustainable forest management strategies in the state and the increased use of forest products from trees grown in Louisiana.



Canoinhas property, Brazil

MANAGING Water Resources

Forests provide natural filtration, water storage, and water for wildlife, drinking, sanitation, and industrial manufacturing uses. According to the U.S. Forest Service, approximately 30 percent of the water that we drink every day is filtered by privately owned forest watersheds.

30%
U.S. DRINKING WATER FILTERED BY PRIVATE WORKING FORESTS*

RMS protects water quality and water quantity by implementing **state best management practices** (BMPs) on all the forestlands we manage for clients. Here are two examples from our 2021 forest management certification audits – one that acknowledges the water protection initiatives we undertook, and one that identifies practices that we can implement to **achieve continuous improvement:**

- SFI 2021 third-party audits affirmed water quality measures implemented along with **Streamside Management Zones (SMZs)** we manage, such as water bars, ditch turnouts and sediment traps were in place and were working to filter sediment from flowing water.
- While SFI 2021 third party audits noted RMS only **crossed streams when there were no viable alternatives,** both internal and external audit results noted we could both improve removal of debris from temporary crossings to better stabilize approaches to crossings and better document our rationale for leaving some natural fine filter debris in certain crossings.

* National Alliance of Forest Owners

OPTIMIZING FOREST RESOURCES

One of the most important ways we protect soils and water resources while increasing site productivity is through the careful and calibrated use of forest chemicals. Forest chemicals are essential to many forest management objectives, including tree productivity and control of invasive and competing plant and tree species and pests. All fertilizer, pesticide and herbicide application plans are prepared by RMS foresters who have completed rigorous training as prescribed by internal policy. In addition, all such applications are made by licensed contractors who have completed appropriate pesticide application training and state Best Management Practice (BMP) training.

RMS' chemical use policies are written to minimize risks to the environment and to the communities that surround our operations. We use aerial, ground, and hand application methods depending on site conditions and presence of sensitive features. All applications are made using the minimum rates necessary to achieve the management objectives of the application and at levels that are typically well below recommended maximums. Applications also are tailored to the vegetative characteristics of each location. When applying herbicides, care is taken to managed the risk of chemical drift into off-target areas.

Post chemical application monitoring is essential for ensuring that fertilizer and herbicide applications have achieved RMS' management goals without creating unwanted, off-site impacts. In 2021, RMS foresters conducted post-application inspections on 361 sites covering approximately 34,000 acres, and 98 percent of all applications were found to comply with both RMS policy and the chemical application plans. For the 6 sites found to be out of compliance, the following actions were taken to address the root causes of non-compliance:



Douglas Rollins, Western Region Resource Analyst, RMS Red River Region

- **Patterns of inconsistency were identified and additional training for contractors implemented.**
- **More thorough preflight reviews were encouraged to ensure contractors understand the planned application.**
- **Where merited, contractors are prohibited from doing future applications on RMS managed lands.**



Louise Alves, Forest Analyst, Brazil

PHOTO BY SILVIA ALCANTARA

MANAGING SEEDLING SURVIVAL FROM ABOVE

Accurate monitoring of reforested areas to ensure seedling survival after reforestation operations is a vital part of sustainable forest management. What previously required days of fieldwork, sometimes in challenging terrain, can now be done with advanced imagery analysis and unmanned aerial vehicles (UAVs or drones). Louise Alves, who previously worked as a summer intern for RMS, uses an unmanned aerial vehicle to evaluate seedling survival rates in Brazil. When she came to work for RMS as a full-time employee in August of 2020, Louise was the only person on our team in Brazil with experience operating UAVs. Now she is training some of her colleagues on the use of the technology, including Tony Mathias, who manages the Comfloresta property. Her work is helping others at RMS improve the efficiency of collecting helpful seedling survival data. Based on our successful use of UAV technology to track survival rates, we also are beginning to use it to enhance and monitor other aspects of our forest operations, including our ant control measures. Louise exemplifies our desire to create a work environment where all employees are empowered to explore new solutions and share best practices.

RMS 2021 Environmental Impact Metrics

UNITED STATES

BRAZIL

2.27 M ACRES	Total Area Managed	54,680 HECTARES
33.1 M TREES	Trees Planted	2.5 M TREES
11,760 MILES	Streams Within RMS-Managed Footprint	1,520 KILOMETERS
403 K ACRES	Streamside Management Zones (SMZs)	
	Protected Natural Areas	30,500 HECTARES
29,000 MILES	Edge Habitat with SMZs	
	Edge Habitat with Protected Natural Areas	5,300 KILOMETERS
13,690 MILES	Internal Forest Roads	2,580 KILOMETERS

1. CO2E for RMS properties under management in the U.S. and Brazil includes tree biomass, both above and below ground. This measure does not include non-tree biomass within the forest, including soil carbon. In the U.S., this metric includes plantation and natural areas. In Brazil, this only includes plantation areas.

2. Survey conducted in 2021 within the Permanent Preservation Areas of the largest forest property managed by RMS in Brazil.

Total Stored CO_2 Equivalents
199.7 M MT CO_2E[1]
(U.S. AND BRAZIL)

Important Ecological & Habitat Areas
16,700 ACRES
(U.S.)

Working Forest Conservation Easements
14,600 ACRES
(U.S.)

Plant Species Present
within surveyed preservation areas
299 SPECIES[2]
(BRAZIL)

Animal Species Present
within surveyed preservation areas
308 SPECIES[2]
(BRAZIL)


Chris Rosier, Eastern Regional Resource Analyst, RMS North Carolina Region

THE ROLES OF RESEARCH & TECHNICAL TRANSFER IN MANAGING HEALTHY FORESTS

RMS invests heavily in forest research and technical transfer. CHRIS ROSIER, our Eastern Regional Resource Analyst, offered his thoughts on how this influences our approach to resource planning and how this type of information is shared and utilized across the organization. Chris specializes in tree genetics and works closely with one of RMS' seedling providers, ArborGen, and with university forest research cooperatives. Here's what he had to say about these relationships and how they support RMS' forest management efforts.

"Based on scientific field trials of various genetics, we can match a stand's terrain, soil type, drainage characteristics, and nutrient levels with appropriate seedlings to increase the likelihood that the trees planted will experience strong and consistent growth rates. Through research co-ops, we get fast and full access to the results of their work, even access to new ideas they may have about how to boost timber growth rates. This gives us a huge competitive advantage because it enables us to put that knowledge to work quickly and efficiently."

> **One of the ways we utilize science-based knowledge is by matching the genetic characteristics of seedlings with climatic conditions. For instance, if we are planting in an area that historically has experienced high winds, we may choose to plant seedlings that are genetically pre-disposed to have tighter and narrower branching patterns. This reduces wind resistance and results in fewer trees being damaged by storm events. We can do the same thing with diseases and pests – choosing seedling families and varieties based on their capacity to resist common diseases and insect infestations. Ultimately, this makes for healthier and more productive forests."**

Chris and RMS' other regional resource analysts leverage their expertise to make more informed decisions.

"The research we do in-house and that we also obtain from ArborGen and the cooperatives enable us to make better cost-benefit decisions to maximize clients' near-and-long term investment performance."



Integrity means doing the right thing - when people are watching and when people aren't watching. It means operating as an investment fiduciary with fairness and transparency. It means having difficult conversations and being accountable for decisions. Every investment relationship we have sits on the foundation of trust, and our partners have every right to expect that RMS is doing the right things from the right motivation."

CHRIS NICHOLSON, Vice President, Investments, Birmingham

SOCIAL

To me, integrity means having the character and competence to adhere to an appropriate set of moral and ethical values. In our space (timberland investment management), whether it be with clients, service providers, customers, or employee relations, trust is critical and is earned over time. Trust is the foundation to successful business and personal relationships. In my opinion, integrity is essential and likely the key ingredient to acquiring and preserving trust. Without both, long-term, value-added relationships will not last."

MATT EZEKIEL, Region Manager, Central Region



RMS Habitat for Humanity Build, Brookhaven, MS

SOCIAL Engagement

RMS operates under the belief that as a company, and as individuals, we have a responsibility to practice forestry and manage our business affairs in ways that consider and reflect the needs and interests of the communities in which we operate – and of society, in general.

These considerations are multi-faceted, and they apply to how we hire, train, and support our employees, and to how we engage with other stakeholders, including our neighbors and the communities that host our operations.

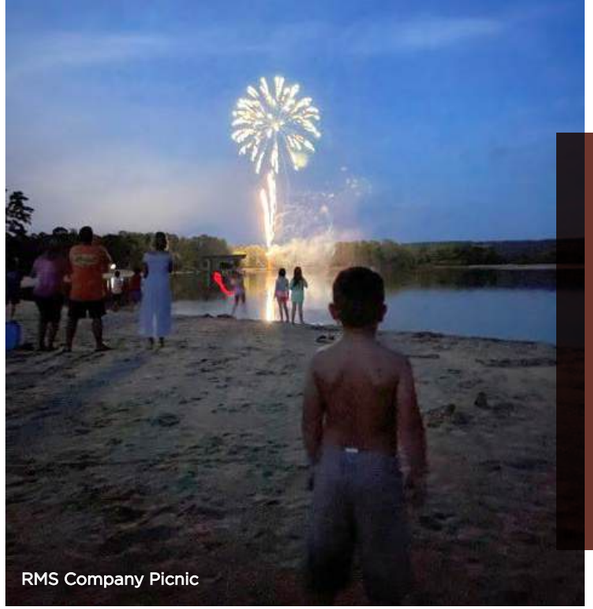
WE FULFILL THESE OBLIGATIONS BY:

- **Observing stringent health and safety guidelines.**
- **Sharing our forestry and forest investment expertise to help educate stakeholders and contribute to our professions.**
- **Supporting endeavors that enhance the quality of life our neighbors and communities enjoy.**

Doing these things helps us manage business risk and meet our clients' investment goals while making the communities where we live and work stronger and more resilient.

In 2021, RMS continued to face persistent operational challenges as a result of the continuing global pandemic including the need to adapt our work procedures to ensure the safety of our employees, contractors, and partners, and the need to demonstrate flexibility in the face of labor shortages, which impacted everything from the execution of planned silvicultural and harvest operations to our capacity to haul logs from our clients' properties to processing facilities run by our wood-buying customers.


RMS Red River Region


RMS Company Picnic

SUPPORTING OUR TEAM

Our people fuel our entrepreneurial culture and enable us to create value for our clients. RMS strives to create a work environment that is challenging, rewarding, and inclusive. To equip our people to do their best work, RMS invests in our team and the metrics below quantify how we are engaging with RMS teammates.

KARL HANSEN, 2021 SOCIETY OF AMERICAN FORESTERS FELLOW

KARL HANSEN, Senior Forest Planner, was awarded the Society of American Foresters (SAF) Fellow Award. He is the second RMS employee to receive this prestigious national award, which requires the recipient to be nominated by his or her peers. During Karl's 40+ year career, he has served in numerous leadership roles on behalf of SAF, including state division chair in Arkansas as well as other positions of responsibility at the division and chapter levels. Moreover, Karl has been a mentor to hundreds of forestry students and young professionals and has donated countless hours to SAF Student Chapter Conclaves. This achievement and honor recognize Karl's long-term engagement and commitment to the advancement of forestry.



RMS 2021 Team Engagement

Dollars Spent on Employee Training and Development

$189 K

Days of Parental Leave Provided

(Regardless of Gender and Including for Adoptive Parents)

4

WEEKS

Days of Unpaid Family Leave Provided

(Parental, family member care, medical leave)

12

WEEKS

CASE STUDY

RMS' Cierra Ward on "Being a Woman in Forestry"



CIERRA WARD is RMS' White Oak District Manager in North Carolina. In 2021, she was asked by the Forest Resource Association (FRA) to reflect on her experience as a woman in forestry for the organization's blog. The thoughts and sentiments Cierra shared and expressed in her blog post, which appears below, reflect RMS' hopes and expectations for creating a more diverse and supportive forestry profession for all those who pursue it.





TOP: Cierra Ward, District Manager, BOTTOM: Josh Lea, District Manager, RMS NC Region

When I sat down to write this blog for FRA, I thought about all the experiences I've had and all the roles I've filled in my +15 years in the Forest Industry. I've been a Landowner Assistance Intern, a Development Candidate, a Harvesting Administrator, a Silviculture Forester, a Harvest Planner, a Wood Flow Manager, and now a District Manager. But while my titles have changed over the years, a few things have remained constant: I am a Forester, and I am a woman. Perhaps notable, I have remained a "dirt forester" all this time, lacing up my Chippewa's every day and heading to the woods to supervise contractors and make silvicultural prescriptions. Turns out, not all women foresters do that. In fact, most do not. Allow me to digress… When I was a student at the University of Florida, our small Forestry program was made up of about 60% women and 40% men. We were wildly popular at Conclave because "we brought all the women!" Now, of course, I knew at the time that Forestry was a male-dominated field, but it didn't really feel that way because my class was mostly women. Then, as a young forester starting out in my career, the organization I worked for had recently embarked on what today we'd probably call a "DEI Campaign," hiring mostly women and minorities. So, in my first several years of employment, I was surrounded by a team made up of about 50% women. I was, in no way, "special" just because I was a woman. The expectations placed upon me were the same as those placed upon everyone else.

I worked with a few incredible lady foresters through those years, women I'd put up against anyone in terms of their ability to assess a stand of timber, set an errant contractor straight, or know just exactly how to address an issue with a neighboring landowner.

They didn't do those things well because they were women, they did them well because they were good foresters; smart, experienced, and well-rounded. I learned a good deal of what I know about logging, harvest planning, and procurement from high-performing women who were my predecessors and mentors. And at the time, I didn't give much thought to the fact that they were women. Fast forward ten or so years, and I change employers, joining a team of all men. For the first time in my forestry-life, I was the token female. At first, my team was noticeably cautious around me, perhaps afraid to offend me or say the wrong thing. They always respected my abilities and experience, but now that they know me well and are confident that my language and sense of humor are every bit as spicy as theirs, they're comfortable with me. They treat me as an equal, which is all I ask. In that way, perhaps I've paved the way for more women to join our team. Of that 60% of my college class that was made up of women, I am the sole female graduate that has made a career in the Forest Industry. Others have found their calling in an Environmental field, with an NGO (non-governmental organization – conservation group), or in government forestry, but most landed in completely unrelated fields like insurance, real estate, medicine, and art. Why? What makes me so different from the rest of the women in my class? Is it simply my persistent personality, or have I been presented with a different set of opportunities than the other ladies I graduated with? Probably a bit of both. While I likely owe my career to the fact that my first employer hired me because I'm a woman, the thought of hiring someone because they're a woman is maddening! I'm certain I'm not alone in wrestling with this conundrum. As we as an industry embark on the mission of continuing to improve our DEI, know that there is no magic bullet to building a diverse workforce. It'll take time, patience, some uncomfortable moments, and above all else, the right, brave, persistent people. It'll take good role models and folks willing to participate in outreach efforts to demonstrate that Forest Industry is an incredible career path. My efforts towards this goal are numerous, from being the absolute best dirt forester I can be to speaking at Career Day at my daughter's elementary school. The last time I explained my job to a group of 3rd graders, a little girl raised her hand and exclaimed, "You mean girls can work in the woods?!" I hope my legacy is one of having created an environment where anyone who wants to work with us in the forest industry will pursue it.

CONNECTING to Communities



Butterfly kit donation to LaSalle Parish Elementary, LaSalle, LA

The forests we manage are more than just collections of trees managed as financial assets. We recognize that they are integral to the thriving rural communities where we conduct business – because of the jobs and economic opportunities they provide; the clean water and air they produce; and the many ways in which they serve as cultural, recreational, and spiritual anchors to our neighbors.

We practice it holistically and with an appreciation for the broader values our clients' forests represent to our employees, to the communities where we operate, and to society as a whole.

We contribute to our communities in a vast number of ways. Some of our most impactful efforts include engaging with elementary, secondary, and university students through forest tours, classroom presentation, and student workshops to help educate them about the role foresters play in managing complex ecosystems to produce products and services that are of value to society.

RMS 2021 Educational Outreach

College Interns Hosted
19
INTERNS

Educational Lectures & Presentations Given
25
EVENTS

College Interns Hired
(As full-time employees)
4
INTERNS

RMS 2021 Impact on Communities

Employee Volunteer Hours Committed
1,432
HOURS

Forest Tours Hosted & Led
10
TOURS

Community Events Sponsored & Attended
14
EVENTS

STRENGTHENING Our Community Roots

The RMS' Community Roots program was established to support our employees in their efforts to engage in outreach in the communities where they live. Each year, members of our Team devote hundreds of volunteer hours to educational, philanthropic and community-based efforts focusing on promoting forest sustainability and forestry as a profession. RMS provides employees with one paid volunteer day per year and encourage their engagement in their communities.



Habitat for Humanity Dedication Ceremony, Prattville, AL

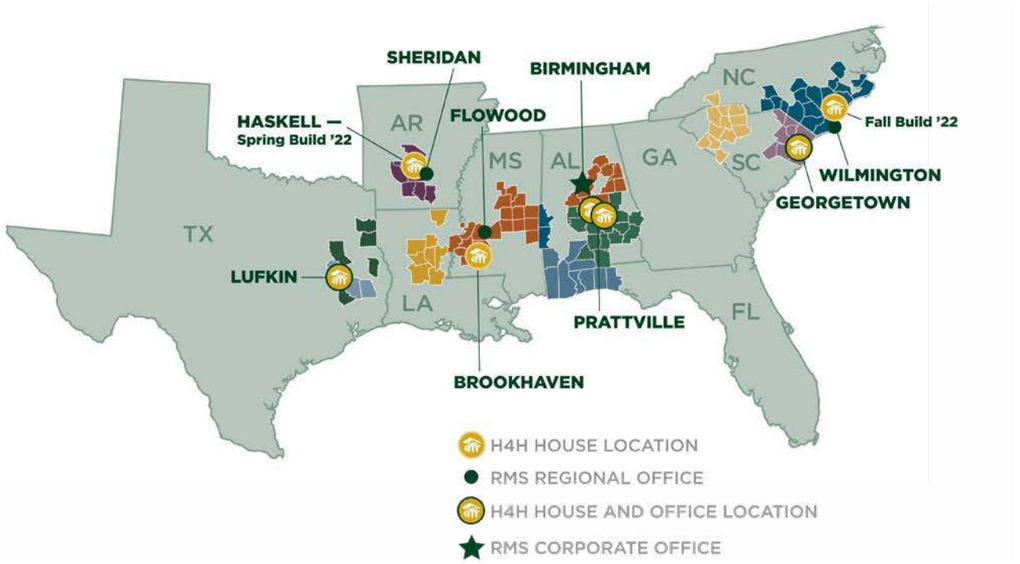
RMS® COMMUNITY ROOTS

BUILDING
Homes & Futures

RMS began working as a partner with Habitat for Humanity (H4H) in 2018, and since then we have helped the organization build five homes for families in five of the communities where we operate.

Our goal is to build at least one new home for a family in each of our operating regions, including Brazil, and to complete a total of two home-building projects each year. As with other aspects of our work, we use the power of partnerships to leverage our impact. In 2021, RMS took the initiative to reach out to other industry partners to multiply our impact. By working with 25 industry partners, we were able to collectively raise collectively raise over $85,000 from RMS and forest industry partners to build two homes—one in Brookhaven, Mississippi, and one in Lufkin, Texas.

Each family that is chosen by H4H to live in the homes we build also works side-by-side with us during the planning and construction phases. After construction, RMS and our employees provide additional support by donating household goods and materials to help the family settle in to their new home. All in all, each H4H home build is a team effort. RMS is privileged to help be an organizer and facilitator of these efforts and we look forward to continuing our partnership with H4H.





Habitat for Humanity
Build, Brookhaven, MS





TOP: Anderson family, Lufkin, TX
BOTTOM: Sanders family, Brookhaven, MS

Habitat for Humanity Homes Built
2 HOMES

Percentage of RMS U.S. Employees Participating in Home Builds
26% PARTICIPATION

Employee Hours Volunteered for Home Builds
545 HOURS

Direct Financial Contributions from RMS for Home Builds
$50K

Total Number of Forestry & Forest Industry Partners Involved
25 PARTNERS

CULTIVATING FOREST LEADERS
RMS Scholarships



To increase diversity in the forestry sector, RMS has taken several initiatives to expand the pipeline of talent from underrepresented populations in the forestry profession, including students of color and women.

Our three scholarship programs - the RMS Forestry Scholarship Program, RMS Forester of the Future Fund, and the RMS – Society of American Foresters (SAF) Scholarship - provide financial and career support to undergraduate students studying forestry or a forestry-related field. Along with financial assistance, the scholarships provide full-time, paid summer internships with RMS. Scholarship recipients are also paired with RMS employee mentors.

RMS SOCIETY OF AMERICAN FORESTERS (SAF) SCHOLARSHIP

In 2021, the RMS – SAF Scholarship was a new scholarship that was developed to acknowledge the two organizations' longstanding support for each other and the forestry profession and broadens RMS' efforts to increase diversity in the forestry sector beyond our existing university partnerships and the U.S. South. Each scholarship awarded will be $10,000 annually to be paid in the fall and spring semester for up to two years. The scholarship can be used by the recipient to cover costs associated with tuition, books, room, and board. Recipients will also receive a comped registration to the SAF annual convention each year. RMS will provide a paid, full-time summer internship each year.

RMS FORESTRY SCHOLARSHIP PARTNERS

EST. 2016

LA TECH
NC STATE UNIVERSITY
STATE

$230,000
DISBURSED TO DATE

15
RECIPIENTS

RMS FORESTER OF THE FUTURE FUND PARTNER

EST. 2018

NC STATE UNIVERSITY

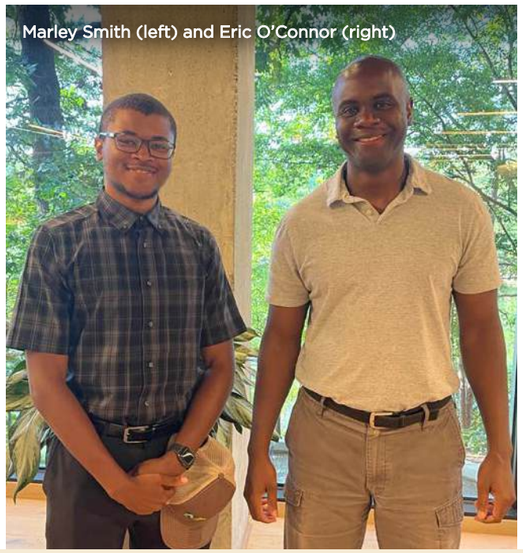
$40,000
DISBURSED TO DATE

2
RECIPIENTS

RMS FORESTER OF THE FUTURE & MENTOR PROGRAM
Spotlight Marley Smith and Eric O'Connor

"Having a mentor has been a valuable and enriching experience, not only to have someone to answer questions along the way but to learn as much as possible from those who have been in my shoes before. Speaking with Eric has allowed me to absorb what goes into different forest operations and how to manage different areas of forest acres."

– Marley Smith, RMS Intern and Forester of the Future Fund Recipient


Marley Smith (left) and Eric O'Connor (right)

"Marley had a goal of becoming exposed to as much of the forestry business as possible, and he didn't shy away from any of the tasks to which he was assigned. He seems driven to continue his personal and professional growth and to expand his knowledge about forestry. I think he is certainly poised to achieve success in this profession if he continues along this path."

– Eric O'Connor, RMS Manager, Forestry Operations

RMS 2021 Safety Performance

RMS 2021 Employee Safety Performance

3 INCIDENTS (U.S.)

0 INCIDENTS (BRAZIL)

RMS 2021 Third-Party Contractor Safety Performance

33 INCIDENTS (U.S.)

4 INCIDENTS (BRAZIL)

Days Lost Due to Safety Incidents

11 LOST DAYS (U.S.)

161 LOST DAYS (BRAZIL)



Prioritizing SAFETY

The safety of our employees and contractors is of paramount interest to how RMS conducts business. Our ESG Materiality Assessment highlighted the on-the-job health and safety of our employees and contractors as an issue of material importance to our clients and other stakeholders. A culture that emphasizes safe workplace behavior helps reduce costs and the risks associated with all aspects of the forestry supply chain – including those relating to RMS' forest management activities.

Due to the global pandemic, the health and safety of our workforce – both those directly employed by RMS and those RMS engages on a contractual basis – has been a particularly acute consideration. Balancing the need to provide a healthy and safe work environment with the need to work productively on behalf of our clients and customers has been challenging. By following appropriate guidance and exercising caution, we were able to maintain our focus on health and safety under these challenging conditions. However, we have identified a need to work more closely in 2022 with contractors and safety experts to identify the root causes of lost-time incidents and implement actions to improve safety performance.

ADVOCATING for Working Lands & Strong Markets

RMS is a leading voice in the communities where we operate in advocating for the societal value of privately owned working forest landscapes. Among other ways, we do this through our outreach efforts with public policymakers. Tax policies, environmental policies, and labor policies can have a huge and lasting influence on the capacity of forest owners to operate sustainably.

In 2021, RMS worked closely with other private forest landowners and managers through our affiliations with the National Alliance of Forest Owners (NAFO) and the Forest Landowners Association (FLA) and Forest Resources Association (FRA) on a broad range of legislative issues, which are summarized in the table below.

LEGISLATIVE ISSUES

TOPIC	PARTNERS	PROGRESS
Maintaining access to labor for reforestation and other critical forestry-related work	NAFO, FLA, FRA	Increased number of H2B visas for seasonal workers for tree planting
Capital gains treatment for timber income	NAFO, FLA	Maintained favorable capital gains treatment for timber income, which is important to forest owners and some forest investors because it influences their capacity to generate competitive financial returns from their forest assets
Infrastructure Investment and Jobs Act (IIJA)	NAFO, FRA, FLA, state forestry associations	Passage of this law in Congress provides the largest investment in climate-smart forestry in U.S. history on private and public lands and key workforce and infrastructure advances including: ► Addresses issues with vehicle weight limits on state roads for trucks carrying logs and forest products ► Authorizes a pilot program for attracting young truck drivers and increasing representation of women ► Provisions for workforce development in the transportation sector ► $2.1BN in efficient manufacturing assistance

Our advocacy efforts are expected to produce benefits for RMS' clients in the years ahead by minimizing risks within our operational environments. Advocacy efforts further create value for our clients' forest investments by promoting diverse and deeper markets for wood-based products, increasing workforce capacity, and helping reduce costs. By extension, this makes for more stable private forest ownership trends, and ultimately provide significant downstream benefits for the communities in which RMS operates.

In many of the communities we operate in, timber is the local economy. RMS managed forests supported rural and local economies in the following ways in 2021:

RMS 2021 Economic Impact

Payroll Supported in the US
$653 M*

Sales & Manufacturing Driven Economic Activity
$1.9 B*

No. of Jobs Supported
15,800*
JOBS

No. of Contracting Firms
265
CONTRACTORS

Available Area for Hunting & Outdoor Recreational Opportunities in the US
97%
AREA

*Data provided by the National Alliance of Forest Owners.



“My work involves collecting, analyzing, and communicating complex data to teammates and clients. I strive to present data not as a black box, but rather in a transparent, easy-to-understand way that aligns with our values and empowers decision-makers to make the right choice. This transparency allows us to communicate when we see something that could be improved.”

YENIE TRAN, PH.D., Senior Economic Analyst, Birmingham

GOVERNANCE

“Integrity is of the utmost importance in life, especially for our business here at RMS. When we make integrity a priority, we enhance our reputation, collaborate with co-workers to build a better team dynamic, and develop a better understanding of the philosophies our founders believed. In my role as Accounting/ Administrative Specialist, I think it is significant to follow our moral and ethical principles. We follow a set of Standard Operating Procedures that create guidelines for us to maintain high standards within our company. These policies and procedures ensure our client’s assets are managed efficiently.”



HALEY STEAKIN, Accounting, and Administrative Specialist, Central Region

Pinhoti National Recreation Trail


RMS Corporate Headquarters, Birmingham, AL

Deepening Independent OVERSIGHT

In 2021, RMS' two new, external board directors — Rick Dahl, retired Chief Investment Officer of the Missouri State Employees' Retirement System (MOSERS) and Deborah Spalding, Co-Chief Investment Officer of Commonfund Asset Management – began their terms with existing member, Tom Lamberth, President and CEO of Russell Lands, to provide independent oversight. In 2022, Rick, Deborah, and Tom also will be joined by former RMS President and CEO, Craig Blair, who will serve as chair of the board. Craig, who spent 34 years of his career with RMS in various positions of ever-increasing responsibility, will play a key role in helping to build a bridge from the firm's past to its future.

In discussing the impact the newly constituted board had on RMS in 2021, Craig said, "The independent board members played a key role in my succession decision and our transition to Alex as president and CEO. This was the key goal for the organization, and I found them very helpful to me as I navigated the complexities of the process. Deborah, Rick and Tom also provided additional comfort and support to RMS leadership, to our employees, and to our clients in relation to the transition. Through all of this, I think the new members worked well with RMS' internal board members to develop the type of chemistry that is needed to form an effective governing team."

RMS Tenets for Good Governance

PRINCIPLES & ACTIONS

ETHICAL BUSINESS CULTURE

We strive to maintain an ethical business culture – one that emphasizes adherence to our fiduciary responsibilities and embraces transparency, which we believe is essential for sustaining strong relationships with our investors, employees, partners, and stakeholders.

COMPLIANCE

We strive to adhere to all laws and regulations of the jurisdictions within which we are active and adhere to the requirements of our sustainable forestry certifications and responsible investment affiliations.

IMPROVEMENT

We strive to make continuous improvement in all that we do – employing strategies for enhancing our human capital and for recruiting and retaining employees with an emphasis on diversity, equity, and inclusion.

RESPECT

We develop relationships with external partners based on mutual respect – working collaboratively to achieve greater recognition of the importance of forests and forestry for achieving ambitious societal outcomes.

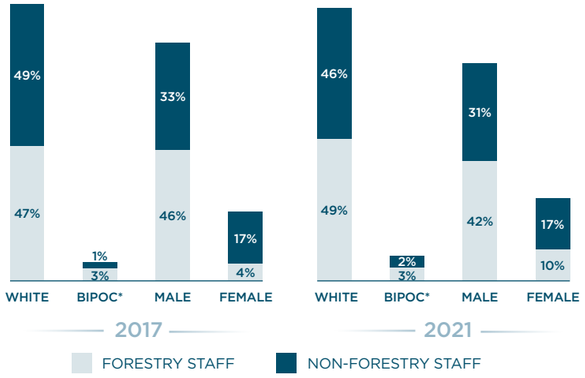
FOCUSING on Diversity, Equity & Inclusion


Sam Seamon, Resource Forester, RMS Red River Region

RMS is committed to increasing diversity, and we recognize that those efforts fall short without intentionally embedding equity and inclusion. We strive to have an organization that celebrates the diversity of people and perspectives, and our scholarship programs have been an area of emphasis to encourage gender, racial, and ethnic diversity in our workforce. The charts below demonstrate some of the impacts these programs have had at RMS.

GENDER AND RACIAL/ETHNIC DIVERSITY

(% OF TOTAL EMPLOYEES)



*BIPOC includes black, indigenous, and people of color. (U.S. employees only)

NOTE: Statistics regarding Black, Indigenous, and people of color as percentage of RMS workforce are available only in the United States. RMS adheres to all labor laws of the jurisdiction(s) governing each operational region, including laws governing reporting of employment statistics.

RMS GOVERNING BOARD



CRAIG BLAIR
Chairman
RMS Board of Managers

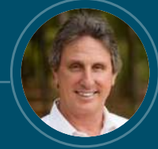
INTERNAL BOARD MEMBERS



ALEX HINSON
President and CEO



CHARLIE CORNISH
Executive Vice President, Operations



DENNIS DUBOSE
Executive Vice President, Chief Financial Officer & Chief Compliance Officer

EXTERNAL INDEPENDENT BOARD MEMBERS



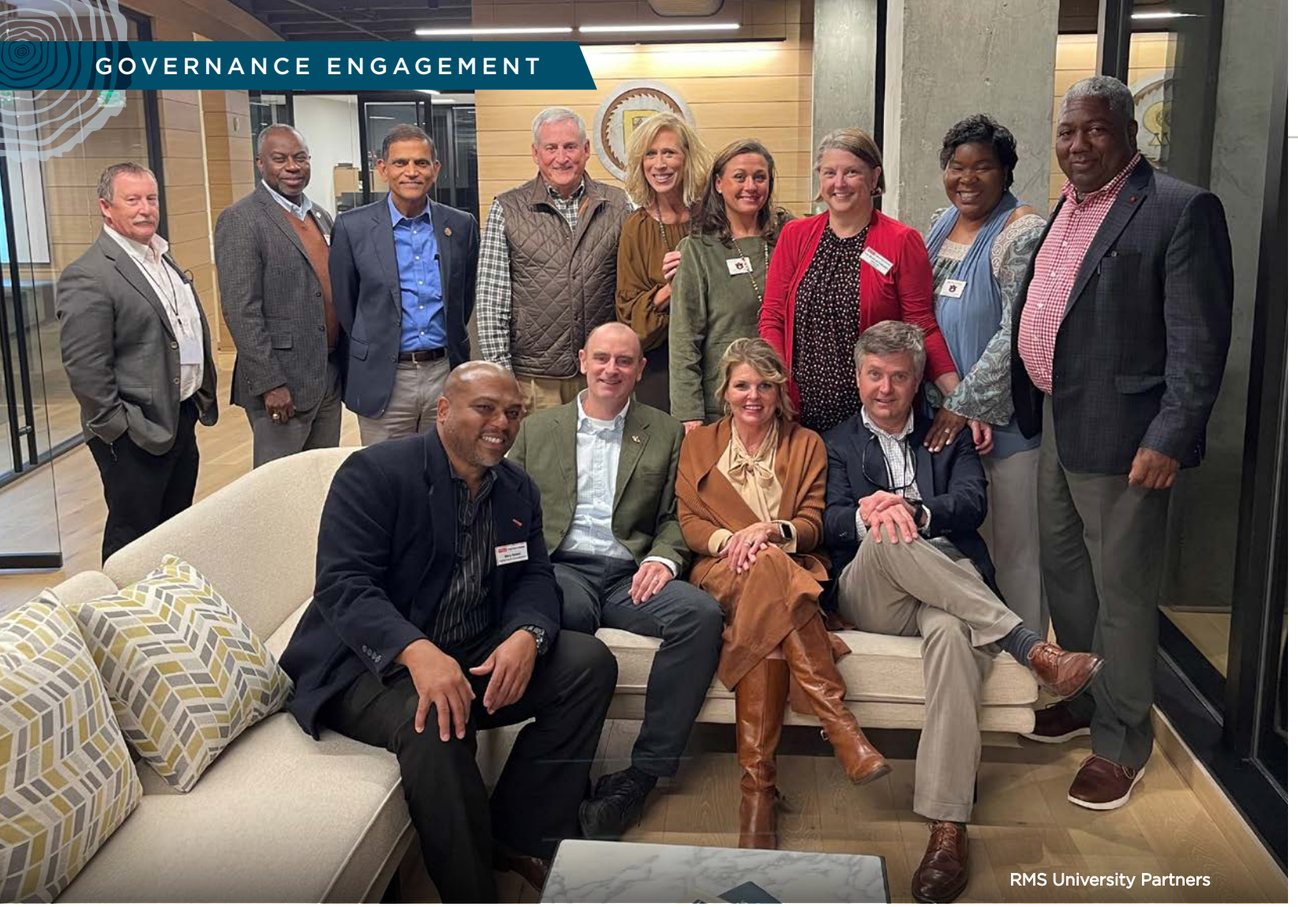
RICK DAHL
Retired Chief Investment Officer, MOSERS



DEBORAH SPALDING
Co-Chief Investment Officer, Commonfund Asset Management



THOMAS LAMBERTH
President and CEO, Russell Lands



RMS University Partners

CASE STUDY

RMS University Partners Summit:
Addressing DEI Issues in Forestry in the U.S. South and Beyond

In November of 2021, RMS convened a two-day summit at our headquarters in Birmingham, Alabama to which we invited representatives of the four colleges with which we collaborate in offering the RMS Forestry Scholarships. The near-term goal of these efforts is to increase the pipeline of forestry candidates with diverse backgrounds entering the profession.

According to MARY KAY GREER, RMS Senior Vice President of Corporate Communications, who is responsible for directing the scholarship program, the purpose of the summit was to discuss ways in which RMS and the schools – North Carolina State University, Auburn University, Mississippi State University, and Louisiana Tech University – could work more closely together to improve diversity, equity and inclusion (DEI) within the forestry profession – and specifically within their undergraduate and graduate forestry programs.

One of RMS' major objectives for hosting the summit was to identify and share best practices for achieving greater gender and demographic diversity so they can be scaled across academia and the private and public forestry sectors.

"At the summit, we discussed a study conducted by Michigan Tech that looked at diversity within various degree programs at 56 universities in the United States," said Greer. "When forestry programs were isolated from the others, they fell to the absolute bottom of the list on matters of gender and racial diversity."

> **"This is an issue because many other research studies show that organizations with strong diversity profiles perform better," she continued. "They enjoy better levels of engagement among their employees because there is a stronger sense of belonging and commitment. They make more informed decisions, receive higher marks from employees for the culture of their workplaces, and they have an easier time recruiting and retaining talent. And finally, they are better able to navigate the complexities of the increasingly diverse global business environment by developing better working relationships with their partners, clients, customers and investors. In short, organizations that promote diversity, equity and inclusion are more resilient and durable. That is why the work we are doing with our university partners is so important to RMS."**
>
> **— MARY KAY GREER,** RMS Senior VP of Corporate Communications

ISSUES DISCUSSED AT THE SUMMIT:

- The need to improve levels of diversity within the faculties of university forestry programs.
- The strategies that are working to support improved student recruitment, retention, and job placement, the approaches that have proven unsuccessful, and what has been learned by both these successes and failures.
- The efforts that can be undertaken at the elementary and secondary schools levels to build a steady pipeline of prospective forestry students by more effectively promoting the discipline as a profession among a more diverse population of students from broader collection of backgrounds.
- The roles forest investment firms, like RMS, can play, beyond providing scholarships and internships, to support the university forestry programs as they pursue their DEI-related goals.
- And, how all interested parties can better collaborate on these issues.

PROMOTING Internal Accountability & Sharing Best Practices

To promote transparency and organizational accountability, RMS utilizes a series of internal audit procedures to track performance on a range of governance-related topics. This includes both internal audits for accounting financials and forestry operations.



Internal Forest Operations Audit, RMS Central Region

INTERNAL ACCOUNTING AUDITING

RMS' internal auditing process focuses on ensuring the accuracy and transparency of our financial accounting and investment reporting methods. These processes are essential for maintaining the trust of our clients, investors, and the regulatory bodies that oversee our business.

Engaging a third-party timber security firm and field office inspections are among the ways we use internal accounting audits as a robust governance tool. The timber-security firm helps detect any fraud in forestry-related activities while the field office inspection, which is conducted by members from other regions at RMS, helps us evaluate the operating effectiveness of accounting processes such as cash receipt and expense transactions. This not only reduces operational risk, but it is also a time where regions can come together to share best practices and continually improve.

INTERNAL FOREST OPERATIONS AUDITING

RMS implements a robust internal forest certification audit program that focuses on promoting transparency and the sharing of best practices across the organization on matters about our forest operations. In addition to ensuring the use of uniform standards for RMS forest management activities, this element of our internal audit process also supports our forest certification activities.

INTERNAL FOREST OPERATING AUDIT PROCESS

AUDIT PREP

Select sites that exhibit a diversity of silviculture and harvest activities (e.g., SMZ crossing, clearcut)

Conduct annual training (if needed)

FIELD AUDIT

Region auditing teams travel to auditee regions

Assess field operations that were planned and executed on selected sites

Build collective understanding of challenges and solutions, cross pollinate ideas and share best practices

CONTINUOUS IMPROVEMENT

Conduct closing meeting and create action plan for improvement

Audit findings presented to Management and reviewed by Senior Leadership

Prepare for external FSC and SFI audits



Gopher Property, RMS South Carolina Region

On Integrity, Authenticity & ACCOUNTABILITY

A CLOSING MESSAGE FROM ALEX HINSON

President and CEO



As one of the world's largest forest investment managers, we at RMS understand that our actions and behaviors are carefully scrutinized by our investors because we have significant fiduciary obligations to them. We also recognize that what we have responsibilities to our other stakeholders. These include our neighbors, those who live in the communities where we operate and whose livelihoods and quality of life often depend on how we conduct our business. They include the general public, which is concerned about how privately owned working forests are managed because of their capacity to mitigate climate change, provide clean water and air, support biodiversity, and offer open space and public recreational opportunities. They include members of the conservation public with whom we frequently partner on impactful land and wildlife conservation initiatives. Finally, our stakeholders include the public agencies with which we collaborate on a range of investment and environmental activities. Here at RMS, we believe it is important that we be recognized by all of these stakeholders, and many others, as an organization that is defined by its integrity and its commitment to being authentic and accountable. To a large degree, this depends on how well we manage the various tensions that are inherent to our business.

► How do we balance our clients' short-term yield requirements with their long-term asset appreciation objectives?

► How we develop and implement forestry prescriptions that optimize the biological growth potential of clients' forests while also protecting and enhancing their biodiversity?

► How do we comply with the forest certification standards in which we participate while also maintaining the operational autonomy we need to meet our clients' investment expectations?

I like to think that the culture of RMS dictates that in such situations we always strive to choose the high integrity outcome.

I hope that as you have read this report, you have recognized that it is an effort by RMS to hold ourselves accountable for operating in accordance with our Defining Attributes and Operating Principles. These statements reflect our desire to be recognized as a leader in the forest investment sector – one that is committed to advancing the role private forests play as engines for global commerce and as contributors to the health and sustainability of the planet.

Thank you for your time, your attention, and your interest in RMS.

Sincerely,



Alex Hinson

APPENDIX

SECTION	METRIC (ALL 2021 ACTIVITIES)	RMS GLOBAL	RMS U.S.	RMS BRAZIL
OUR BUSINESS + INVESTMENTS	Years in Business	71		
	No. of Employees	154		
	$ in AUM	$4.36 M		
	PRI Rating	A		
ENVIRONMENTAL	Percentage of Forest Managed under Third-Party Sustainable Certification (%)	100%	100%	100%
	Area Under Third-Party Sustainable Certification (US Acres; BR Hectares)	2.4M	2.27 M	54,680
	Species of Concern Managed (No. of Species)		18	
	Plant species present within surveyed preservation areas			299
	Animal species present within surveyed preservation areas			308
	Carbon Stored (metric tons CO2 equivalents)	200M	197 M	2.61M
	Carbon Stored in Harvested Wood Products (100-year estimate)		2.38 M	
	Harvest activities - Final Harvests		65,000	1,600
	Harvest activities - Intermediate Harvests		64,900	460
	Trees Planted		33.1 M	2.5M
	Chemical application inspections - stands inspected		361	
	Chemical application inspections - application area		34,000	
	Chemical application inspections - % inspection sites in compliance		98%	
	Chemical application inspections - # instances of non-compliance		6	
	Stream length (US mi; BR km)		11,760	1,500
	Length of internal property roads (US mi; BR km)		13,690	2,580
	Acres in working forest conservation easements		14,600	
	Important Ecological and Habitat Areas		16,700	
	Acres of SMZs		403,800	
	Hectares of protected natural areas			30,500
	Length of edge habitat with SMZs or protected natural areas (US mi; BR km)		29,000	5,300
	Special Sites Areas (US ac; BR ha) (HCVF included)		11,280	4553
SOCIAL	$ Spent on Employee Training and Development	$189,000		
	Days of Parental Leave Provided (paid)	4 weeks		
	Days of Family Leave Provided (unpaid) (parental, family member care, medical leave)	12 weeks		
	Number of employees participating in 2021 Habitat for Humanity activities	41		
	Number of hours contributed by RMS employees to 2021 Habitat for Humanity activities	545		
	Number of Hours Volunteered by Employees in 2021 to all events	1432		
	Number of Community Events Hosted	14		
	Number of Forest Tours Hosted	10		
	Number of Educational Lectures and Presentations Given	11		
	Number of College Interns Hosted	19		

SECTION	METRIC (ALL 2021 ACTIVITIES)	RMS GLOBAL	RMS U.S.	RMS BRAZIL
SOCIAL (continued)	RMS Forestry Scholarships Disbursed 2021		$40,000	
	RMS Forester of the Future Program Disbursed 2021		$20,000	
	RMS Forestry Scholarships Disbursed to Date		$230,000	
	RMS Forester of the Future Program Disbursed to Date		$40,000	
	Number of RMS Forestry Scholarship Recipients to Date		15	
	Number of Forester of the Future Scholarship Recipients to Date		2	
	Payroll Supported through Forest Management Activities and Supply Chain[1]		653 M	
	Sales and Manufacturing Driven Economic Activity[1]		1.9 B	
	Jobs Supported through Forest Management Activities and Supply Chain[1]		15,800	
	Number of external contractor firms		169	96
	Available Area for Hunting and Outdoor Recreational Opportunities		97%	
	2021 RMS Employee Safety: Accidents		3	0
	2021 RMS Employee Safety: Lost Time Incidents		0	0
	2021 Contractor Safety - Incidents (all kinds)	37	33	4
GOVERNANCE	2021: Women as % of field operations	11%		
	2021: Women as % of leadership	7%		
	2021: Women as % of executive team	11%		
	2021: Women as % of Board of Directors	13%		
	2021: BIPOC employees as % of field operations[2 3]		3%	
	2021: BIPOC employees as % of leadership[2 3]		4%	
	2021: BIPOC employees as % of executive team[2 3]		0%	
	2021: BIPOC employees as % of Board of Directors[2 3]		0%	
	RMS Employees with Ownership Stake	19%		
	Company equity held by employees	78%		
	Turnover as % of Full Time Equivalents	7%		
	Ratio of compensation of top executive base salary to median base salary	4.94		

RMS is one of the world's largest and most experienced providers of timberland investment management services. We are committed to being a leader in environmentally and socially responsible (ESG) investing and in practicing sustainable forest management on our clients' forestlands. As a company founded, owned, and managed by professional foresters, RMS has long been guided by a strong stewardship ethic. Exercising good stewardship through responsible management of all forest resources meets the needs of our clients, customers, employees, society, and future generations. Sustainably managed forests provide climate change mitigation, clean air and water, wildlife habitat, biodiversity, outdoor recreational opportunities and jobs and other economic benefits in the communities in which we operate. RMS also has a longstanding commitment to promoting forestry as a profession. We do this by demonstrating and communicating the important role foresters play in managing and protecting our forest ecosystems and by supporting measures to enhance diversity, equity and inclusion within the profession. Ultimately, RMS exists to advance the practice of forestry and appreciation for the societal importance of privately-owned forests and our goal is to be recognized as the premier creator of forest value. Headquartered in Birmingham, Alabama, we are a Registered Investment Adviser with $4.2 billion of timberland assets under management in the United States and Brazil. For more information, please visit us at: **resourcemgt.com.**

1. Data provided by National Alliance of Forest Owners 2. BIPOC includes Black, Indigenous, and people of color
3. Statistics regarding people of color as a percentage of the RMS workforce are available in the United States and Brazil, as is required by law. RMS adheres to all labor laws of the jurisdiction governing each operational region. This includes laws governing the reporting of employment statistics.

RMS

Creating Forest Value Since 1950

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resourcemgt.com

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The Report may contain forward-looking statements, projections, targets, forecasts and estimates (collectively, "Projections"). Projections are hypothetical and are for illustrative purposes only, and no assumptions or comparisons should be made based upon this information. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the Projections may not materialize and/or that actual events and consequences may vary significantly from the assumptions upon which projections contained herein have been based. RMS cautions that it is very difficult to predict the impact of known factors, and, of course, it is impossible for RMS to anticipate all factors that could affect our actual results. Future events may differ and hypothetical projections are subject to inherent limitations. The inclusion of Projections should not be regarded as a representation, warranty, prediction or guarantee by RMS or any RMS person regarding the reliability, accuracy or completeness of the information contained herein, or the performance of any particular investment made by RMS. RMS is under no obligation to update or keep current such information.

RMS is committed to robust governance structures that promote accountability, screening prospective and existing investments for ESG risks, managing forests with a focus on sustainability, and completing third party verification of our ESG performance for all investments. We actively forge collaborative relationships with government agencies, research organizations, industry associations, and conservation organizations to manage ESG risks and create opportunities for increased sustainability. Our policies and procedures for evaluating sustainability risks are described in greater detail in RMS' PRI Transparency Reports and RMS Global Sustainability Report, both available publicly.

The result of RMS's sustainability assessment identifies the likely impacts of sustainability risks on the returns of the products we advise. Sustainability risks identified include: changes in foreign or U.S. policy could adversely affect operating results; forestry regulations restrict timber harvesting and may restrict RMS's ability to conduct its business; changes in government regulations and restrictions could adversely affect operating results; and losses of timber from the physical risks associated with climate change such as fire, insect infestation, changing weather patterns and storm frequency and intensity, and other causes beyond the control of RMS may affect operating results.