



Forest Investment Associates Launches Climate-Smart Forestry Program to Support Investor Net Zero Climate Objectives

ATLANTA – 4 NOVEMBER 2022 – Forest Investment Associates (FIA) is pleased to announce the launch of its climate-smart forestry program in response to rising demand for solutions toward net-zero investment targets. The first mandate in the new strategy is managed on behalf of Pension Forsikringsaktieselskab (PFA), a leading pension provider serving more than 1.3 million customers across Denmark. FIA aims to invest in a diversified forestry portfolio while pursuing a dual-purpose mandate that targets both financial and carbon outcomes from responsibly managed forests in the United States.

FIA is an Atlanta-headquartered investment manager providing advisory services to institutional investors in acquiring and managing sustainable forestry assets for long-term value. The mandate leverages FIA's core expertise in developing customized portfolios for sophisticated investment clients and builds upon the company's fourth decade of managing high-quality, working forests that generate significant economic and environmental benefits. Through an innovative investment agreement, a new investment vehicle will be managed to achieve a target level of net carbon sequestration annually that supports PFA in meeting its portfolio decarbonization objectives.

"The long-term nature of sustainable forestry investment provides opportunity for PFA and FIA to produce important, positive environmental outcomes for many years to come," explained Marc Walley, President of FIA. "We are proud to have been selected by PFA and to partner with them to create an investment program and supporting reporting protocols to deliver on the carbon removals they need for their net zero objective. We worked in concert with PFA to understand their broader financial and ESG requirements to form a strategy that fits their specific portfolio needs and sustainability objectives."

"It has been important for PFA to conclude an agreement with an experienced and competent forest steward. We selected FIA based on its experience with managing tailored investment mandates, its historical returns from previous investments and its clear focus on ESG," says Kasper A. Lorenzen, Group CIO at PFA.

"We are delighted to work with investors like PFA who believe in the important near-term role that nature-based solutions must play in global decarbonization efforts alongside cross-sector action to reduce emissions," explains Mike Cerchiaro, Senior VP and Director of Investment Management for FIA. "Our team has combined our forestry skills and carbon accounting expertise to create an investment solution that we believe is a leader in a new generation of sustainable forestry investment."

The ability of climate-smart forestry activities to facilitate the neutralization of portfolio emissions at scale is anticipated to be an important driver for new timberland allocations. FIA has developed a set of Carbon Measurement and Reporting Principles aligned to the best practice guidance of the Intergovernmental Panel on Climate Change as well as the United States Forest Service, with application at the investment or property level. The mandate includes a net carbon sequestration target, and the

measurement and reporting of forest carbon will be audited annually to provide assurance and transparency of outcomes for PFA and its customers.

“As we look forward to deploying capital on behalf of PFA, we also hope that this approach furthers the important conversation about the role of private working forests in meeting society’s need for climate change mitigation and resilience,” explained MaryKate Bullen, Director of Sustainability and ESG for FIA. “Along with the climate targets of this mandate, we will certify all PFA properties under third-party forest management certification programs and provide additional ESG and impact management, monitoring, and reporting. Our team’s commitment to operational excellence in sustainable forestry is an important foundation for our commitment to PFA and their customers in meeting high standards for responsible investment and climate action.”

About Forest Investment Associates

Forest Investment Associates (FIA) is a specialist investment manager, leveraging more than 36 years of timberland investment experience to help clients around the world grow value through investing in sustainable forestry. The firm’s mission is to provide high-quality, sustainable forestry investments that deliver superior investment performance while cultivating client relationships based on mutual trust and exceptional service. FIA is majority employee-owned and manages more than 2 million acres of certified timberland in the United States, Brazil, and Chile. Learn more at www.forestinvest.com.