



TIMBERLAND
INVESTMENT RESOURCES_{LLP}

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Sustainable Forestry & Natural Capital Fund II

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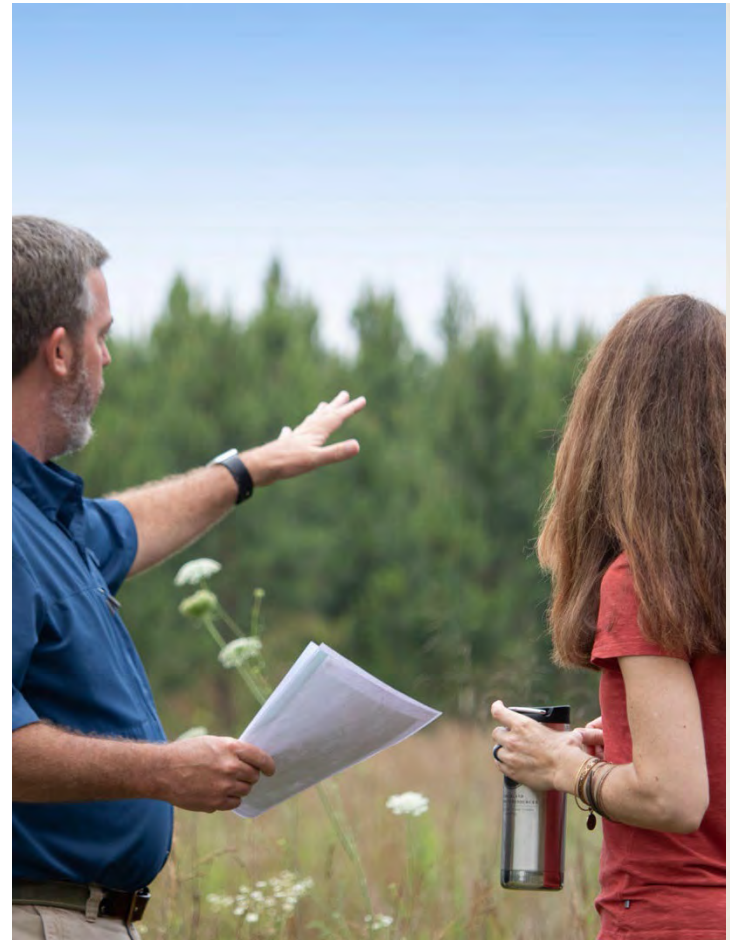


Who We Are



Overview: Timberland Investment Resources

- Established in 2003 by former head of Wachovia's timberland investment management business
- \$2.2 billion in timberland (*over \$2.5 billion total assets under management*) encompasses over 840,000 acres
- Third-Party certified under Sustainable Forestry Initiative (SFI)
- Senior management team averages over 25 years' experience
- Five US offices with headquarters in Atlanta, Georgia; regulated by SEC
- TIR Europe - London Office, authorized and regulated by FCA





What Distinguishes TIR?

- We are an Opportunistic “Value Manager”
- We practice stand-level forestry – averages produce average performance
- We are exceptionally good tree farmers
- We have a stellar performance track record
- We have in-house investment foresters
- We are 100% employee owned
- Our business model is aligned with clients’ requirements and expectations
- Our previous funds are meeting their return & yield targets



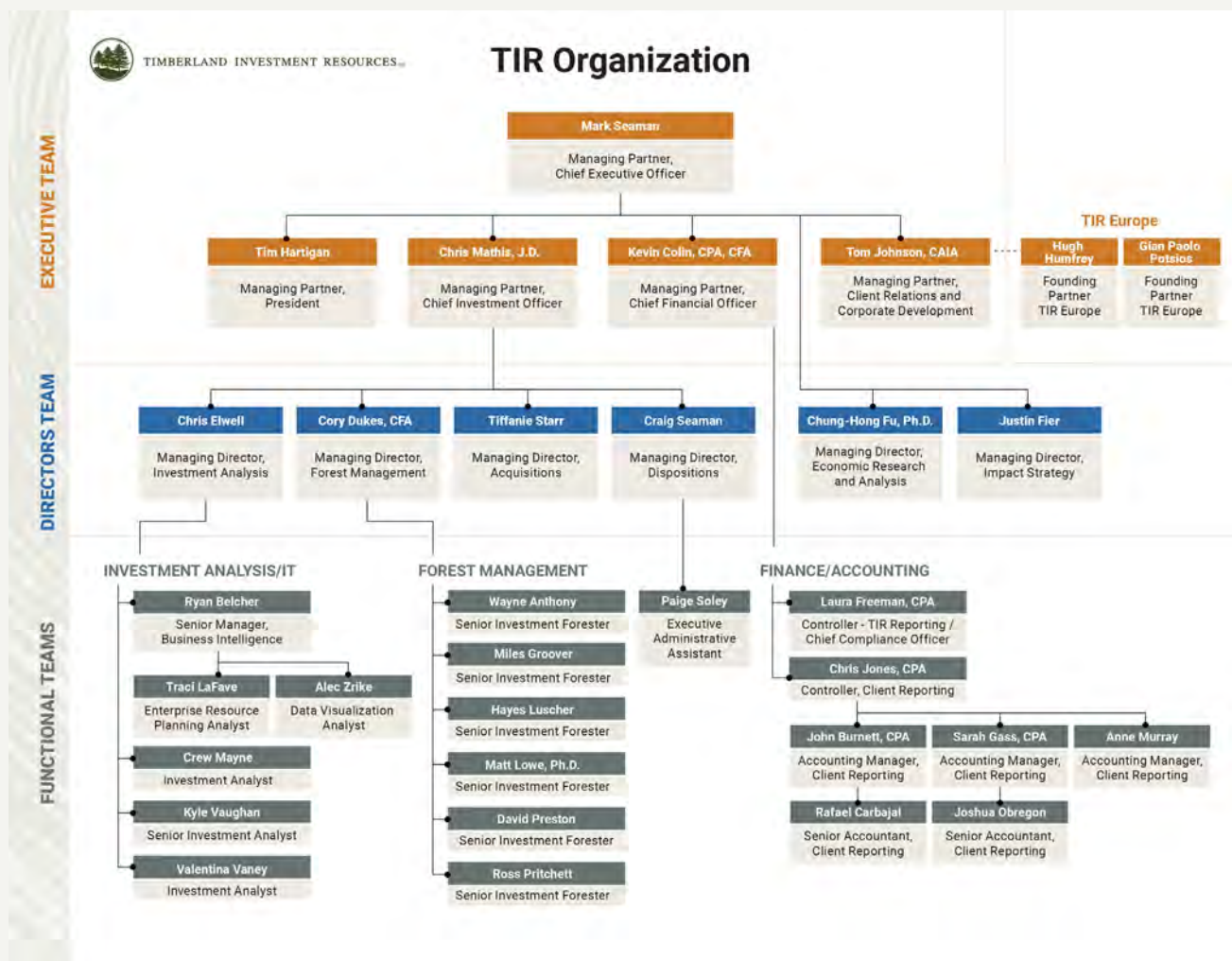


What Distinguishes TIR?

TIR	Benefits to Client
Stable ownership and senior team	<i>Reliability</i>
100% owned by the Managing Directors	<i>Alignment of interests</i>
Mid-market focus (\$10-\$75 million investment)	<i>Specialization and expertise</i>
Stand-level investment management	<i>Biological alpha</i>
TIR is a value manager that exploits inefficiencies in acquiring, managing, and selling timberland properties	<i>Investment alpha</i>



A Full-Service Team





Timberland Investment Resources – Our Business Model

Provides a Unified Global Approach that Works Across Investment Regions





What we do



Investment Philosophy

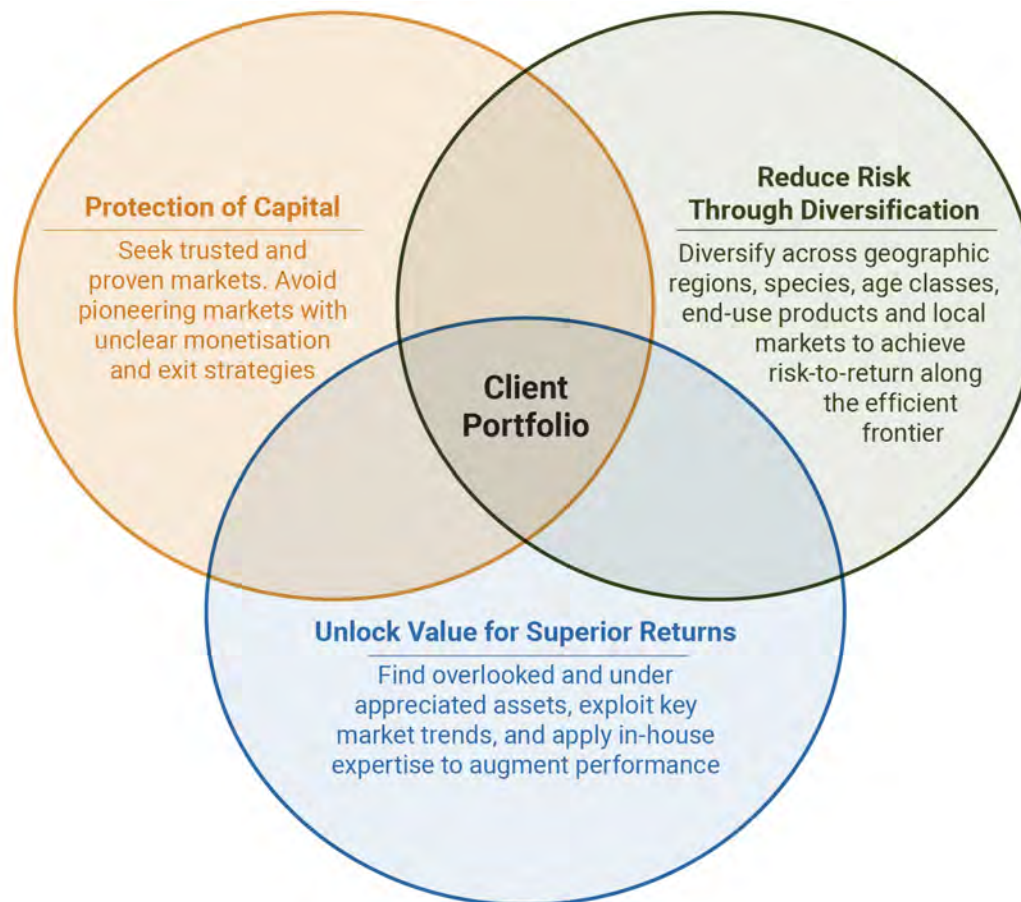
- Focus on identifying a range of inefficiencies
- Driven by in-house research and specialized local market knowledge
 - Economic research to identify supply and demand trends
 - Biometric research to improve and maximize biologically driven valuations
 - Regional investment foresters that use local timber market knowledge to exploit pricing anomalies
 - Recognize and capitalize on real estate supply and demand dynamics by selling small tracts with higher and better use (HBU) potential
 - Focus on forest-based Natural Capital assets
- Leads to a value-oriented, opportunistic approach and a focus on markets in transition
- Supported by a unique 'horizontally integrated' business model and enabled by proprietary tools and technology





Investment Philosophy: Three Tenets Drive TIR's Strategy

We are value managers that seek balanced investments with exceptional potential.





Financial and Environmental Driven Returns



The Monetisation of Traditional Forest Values:

-  Timber Resources
-  Land Resources (Real Estate)

The Monetisation of Forest-Based Natural Capital Values:

-  Carbon Sequestration Capacity (Credits/Offsets)
-  Renewable Energy Resources (Solar and Wind)
-  Conservation Resources (Sales of Easements and Fee-Simple Rights)
-  Recreation Resources (Sales of Easements and Fee-Simple Rights)
-  Environmental Mitigation Banking Resources (Credits)
-  Sawmill and Processing Infrastructure Resources (Rural Economic Development)
-  Biodiversity



Portfolio Construction

Buy, Grow, Sell



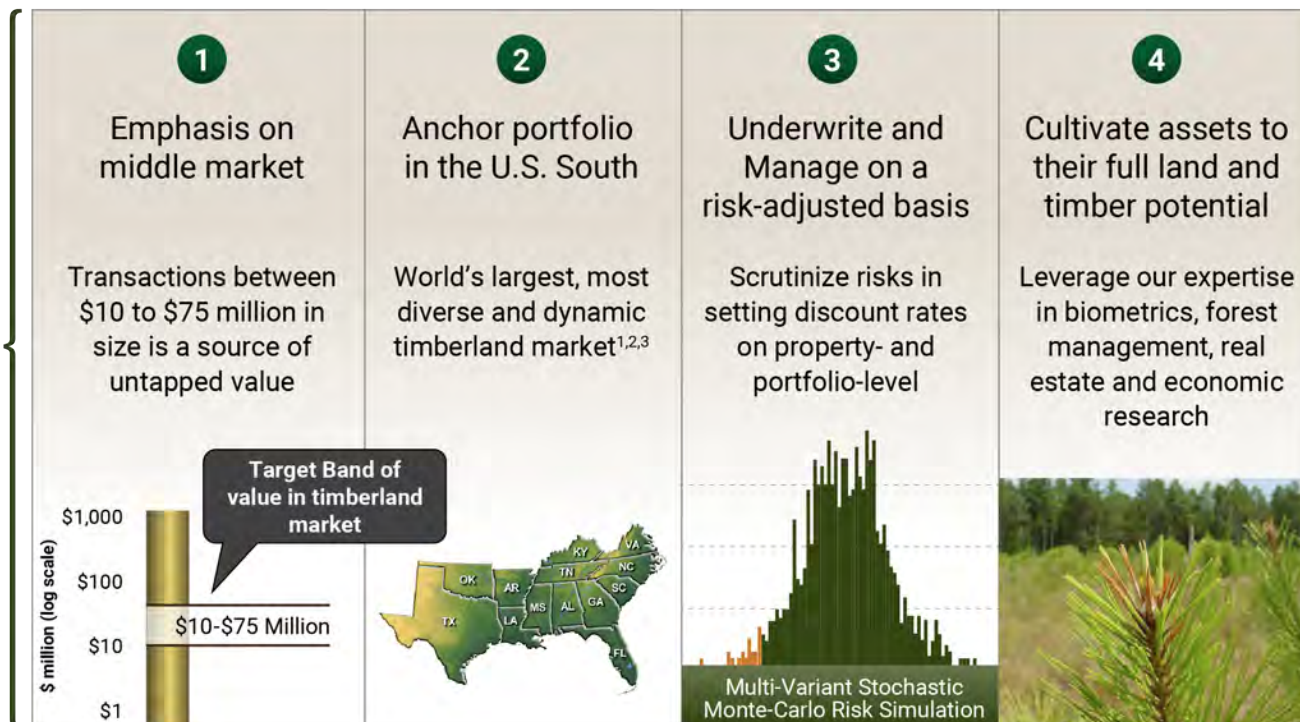
How to get Started

Implementing a Value Strategy

Objectives

- 1 Generate competitive returns by exploiting inefficiencies in the timberland asset class
- 2 Manage for risk through a well-diversified portfolio

Execution





Acquisition, Forest Management, and Dispositions: History of Success

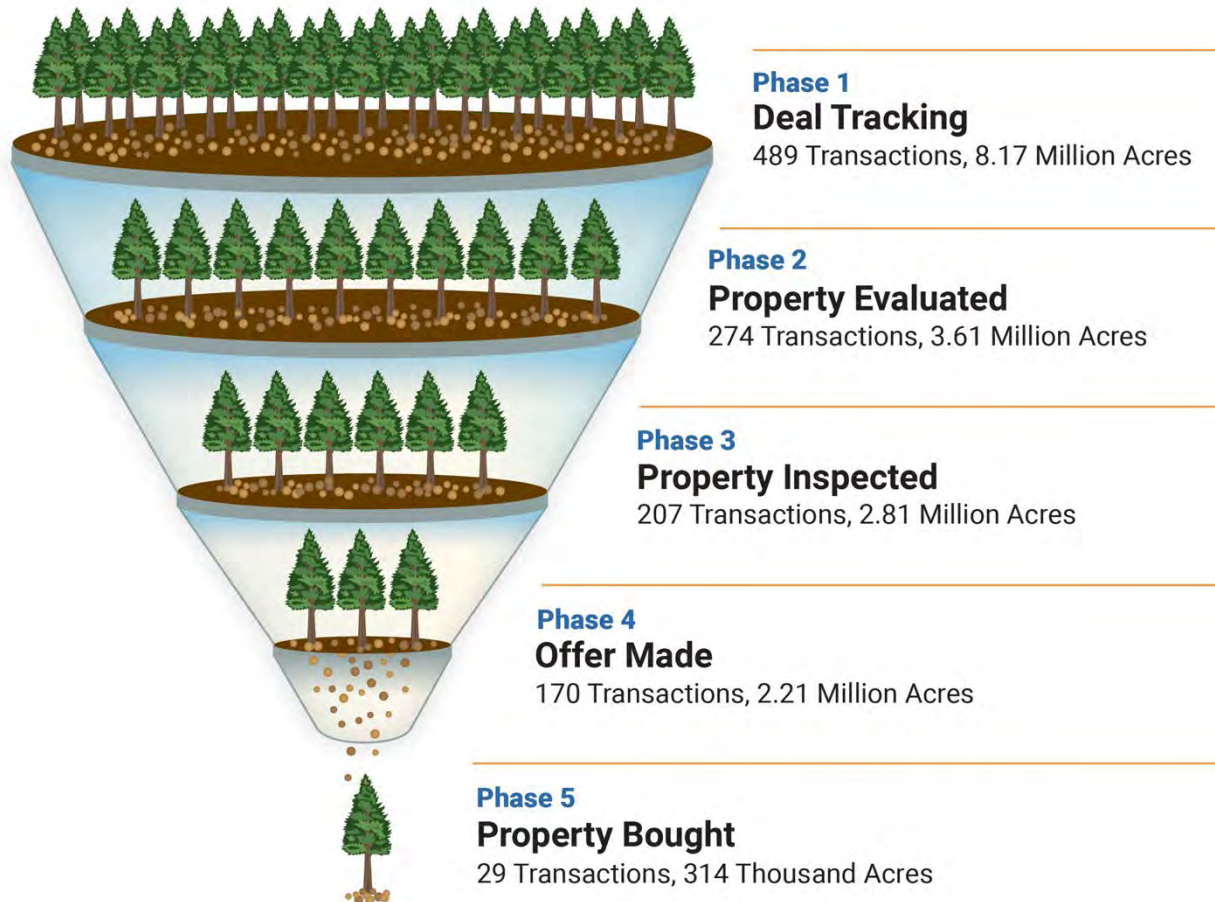


- We devise strategies to meet clients' financial & environmental goals
- Sources of Return
 - *Acquisition Inefficiencies (buy at a discount)*
 - *Biological Growth and Product Transfer (active forest management)*
 - *Timber Appreciation (deep knowledge of local markets)*
 - *Land Appreciation (demographic change)*
 - *Land Sales (wholesale to retail – HBU)*
 - *Forest-Based Natural Capital (sale of carbon offsets, renewable energy, environmental mitigation credits, conservation resource values, etc.)*
- Adds up to a superior performance track record



Buy - Value Management Execution

2021-2025





Acquisition Due Diligence

- Project Identification
- Suitability/Valuation Assessment
 - Field visit to discern location characteristics, site quality
 - TIR's detailed financial underwriting process
 - TIR's ESG Scoring Tool
- Risk Reduction/Due Diligence
 - Investment Committee approval required before entering binding contract and again before moving to closing
- Detailed transaction due diligence
 - Title search and title, legal description, and tax review
 - Environmental review (ASTM 2247-23 Phase I and threatened/endangered species assessment)
 - Timber inventory verification
 - Appraisal



Grow

- Forest Management team is tasked with optimizing the physical growth of the forest asset throughout the investment term
 - This is the biological engine that drives yield and return
- Regionally located investment professionals that are fully integrated into TIR's Portfolio Management approach
- Focus on environmental sustainability and managing risks





Grow - Forest Management Team



- 25+ years experience
Average of Forest Management team
- 10+ Years tenure
Average Tenure at TIR
- Advanced Degree Credentials
 - Forestry
 - Business Administration
 - Chartered Financial Analyst
- Regionally located
Engaged in local markets, present on managed assets

Conservation Practitioners in personal and professional life





Forest Stewardship and Resilience

Third-party sustainability certification

- Sustainable Forestry Initiative (SFI) certification recognized by Programme for the Endorsement of Forest Certification (PEFC)
- Do No Significant Harm

Species Selection

- Intentional effort to reforest with a mix of native tree species

Focus on soil and water conservation practices:

- Riparian buffers; stream crossings
- Soil compaction

Forest health risk mitigation

- Hands-on approach and proactive posture
- Management of forest density through thinning increases health and resilience





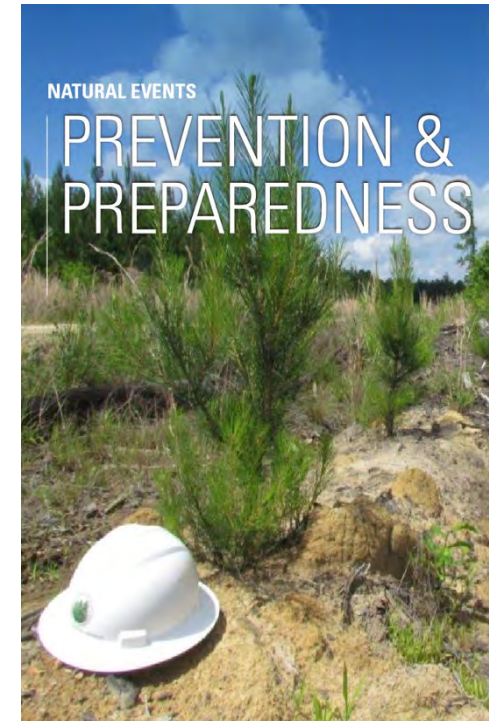
Risk Management

Systemic Risks

- Market Risk
- Physical Risks
 - The “Big Three” - Fire, Wind, Insects
- Regulatory and Policy Risks
- Climate Risks

Risk Mitigation

- Market - Diversification
- Physical Risks - Mitigation
 - Advanced Genetics and Breeding
 - Active Forest Management
 - Healthy trees are more resistant to threats
 - Plowing fire lanes and road maintenance
 - Early Detection and Response Time
- Regulatory, Legal, and Policy Risks – Active engagement with policy makers through the National Alliance of Forest Owners (NAFO)
- Climate – acquisition due diligence & native species
- **Note:** This is not an exhaustive list and complete information on risk is shown in the Private Placement Memorandum



Physical Risks are Low – The average annual loss for TIR managed portfolios is 4 basis points per year over the past five years (2020-2025)



Winged Biodiversity™



In 2024, TIR launched our Winged Biodiversity™ Program, a pioneering initiative aimed at enhancing habitat for birds, bats, and pollinators across our managed landscape.



Tenants of this effort include:

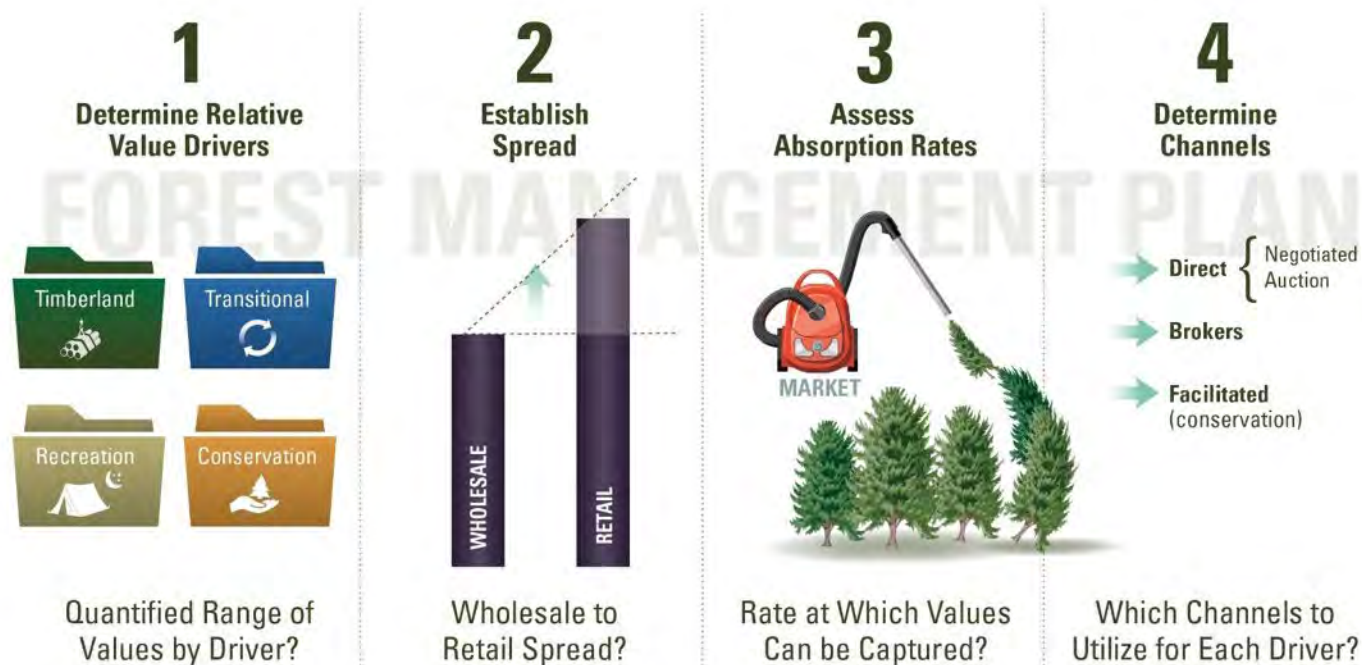
- Best Conservation Practices on our managed lands
- Research Support and expert Advisory Board
- Outreach and Education
- Measurement and Monitoring

Bat hibernacula study with Georgia Department of Natural Resources



Sell - An Exit Approach that Starts at the Beginning

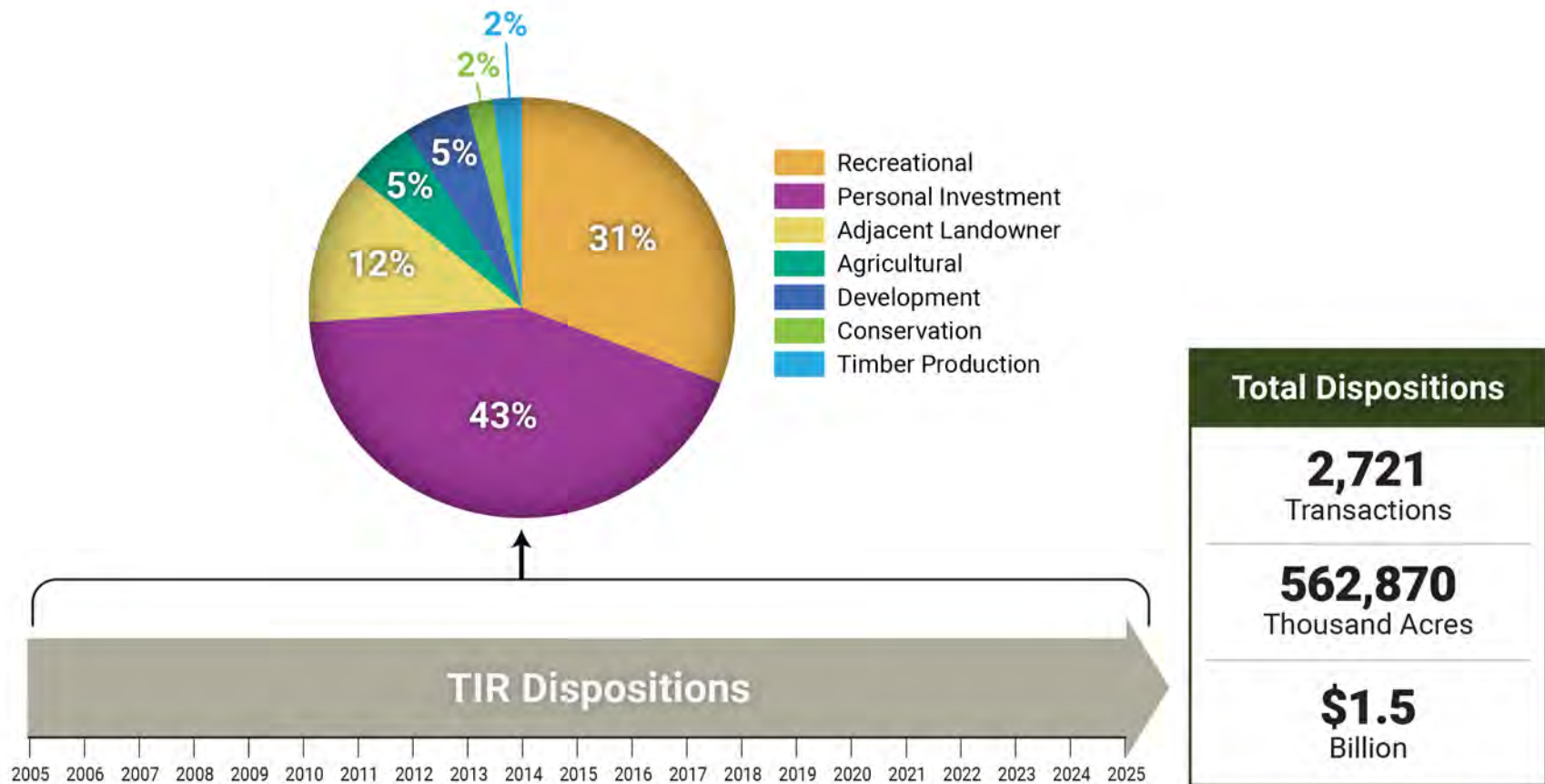
Exit Strategies: Developing a Timberland Disposition Strategy





Sell - An Exit Approach that Starts at the Beginning

Source: TIR Economic Research





Sustainable Forestry & Natural Capital II Strategy



Investment Thesis

In our view, timberland generally and TIR's management style offers:

- Competitive return (non-correlated to other assets and hedge against inflation)
- Strong free cash flow
- A sustainable investment.

We work hard to highlight the return and sustainability story of our investment process.

Natural Capital aspects are worth pursuing but at the moment are difficult to monetise: this includes but is not limited to atmospheric carbon removal and storage, arresting species extinction via habitat protection and ecosystem restoration, preserving habitat & biodiversity

This thesis does not give up any financial return and quite possibly adds to return over the longer term

Above all - Do No Significant Harm





SF&NC II Implementation

- Low Risk, Long Term Capital preservation with a strong & comprehensive ESG management focus, leading to Environmental and Social resilience
- Diversified portfolio of quality timberland located in the US with Emphasis on the U.S. South
- Managed as per Article 9 Fund under Sustainable Finance Disclosure Regulation (SFDR)
 - 85% or greater of investments will be sustainable
 - Preserve biodiversity and ecosystems
 - Protect air, water, soil & wildlife
 - Mitigate Climate Change
 - Sustainable Forestry Initiative (SFI) Certification
- Monetise Natural Capital Assets
- Target Return: 8-10% pa
- Target Cash Yield: 3% plus pa
- *Note: Target Returns and Cash Yields are not guaranteed and may not be achieved. Additional information on assumptions is available on request*



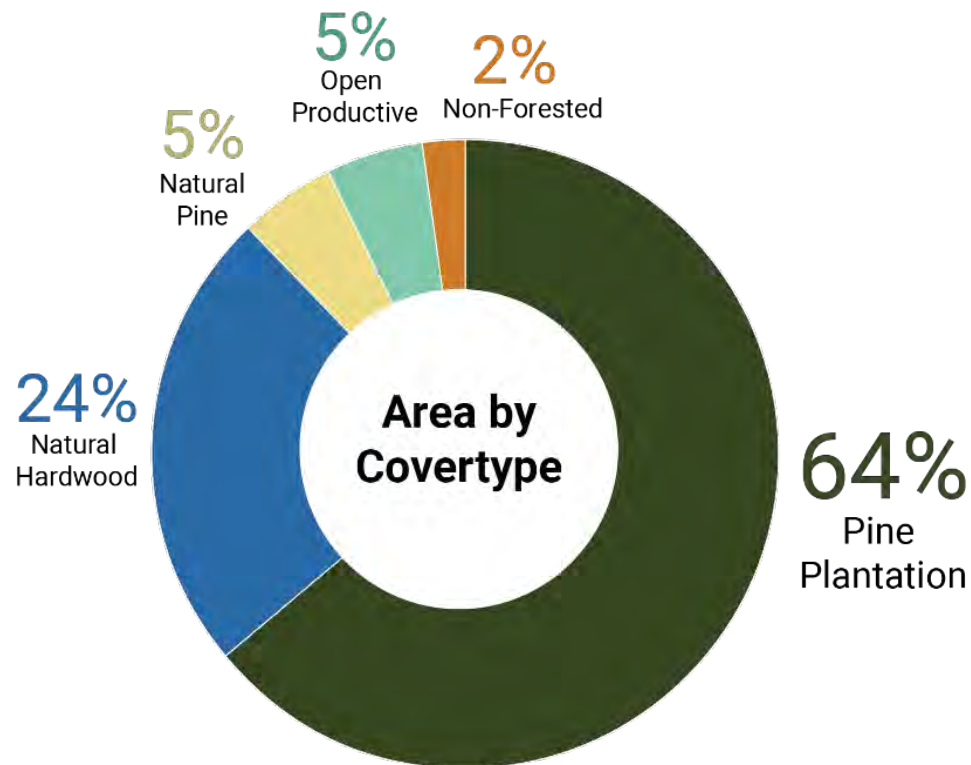
Example Planted Pine Age Distribution





Forest Characteristics

Source: TIR Economic Research

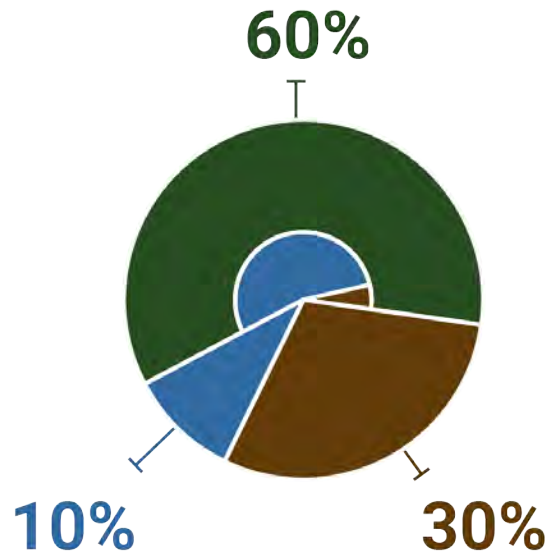




SF&NC II Asset Allocation

Source: TIR Economic Research

Core Working Forests Managed Primarily for Timber Production, But That Also Possess Carbon Storage Capacity and Some Ecosystem Service Values That Can be Held and Managed or Monetized



Dedicated Carbon Storage-Focus Forest Assets (Forest "Carbon Sinks") Developing Carbon Offsets & Optimising Carbon Sequestration

Forests With High Ecosystem Resource Values That Can Be Monetized or Capitalized to Provide Environmental and Social Benefits In Addition to Financial Returns



Selling Sustainable Timber Products



Developing Carbon Offsets / Insets



Optimise Carbon Sequestration



Protecting and Selling Sensitive Lands



Developing Environmental Mitigation Banks

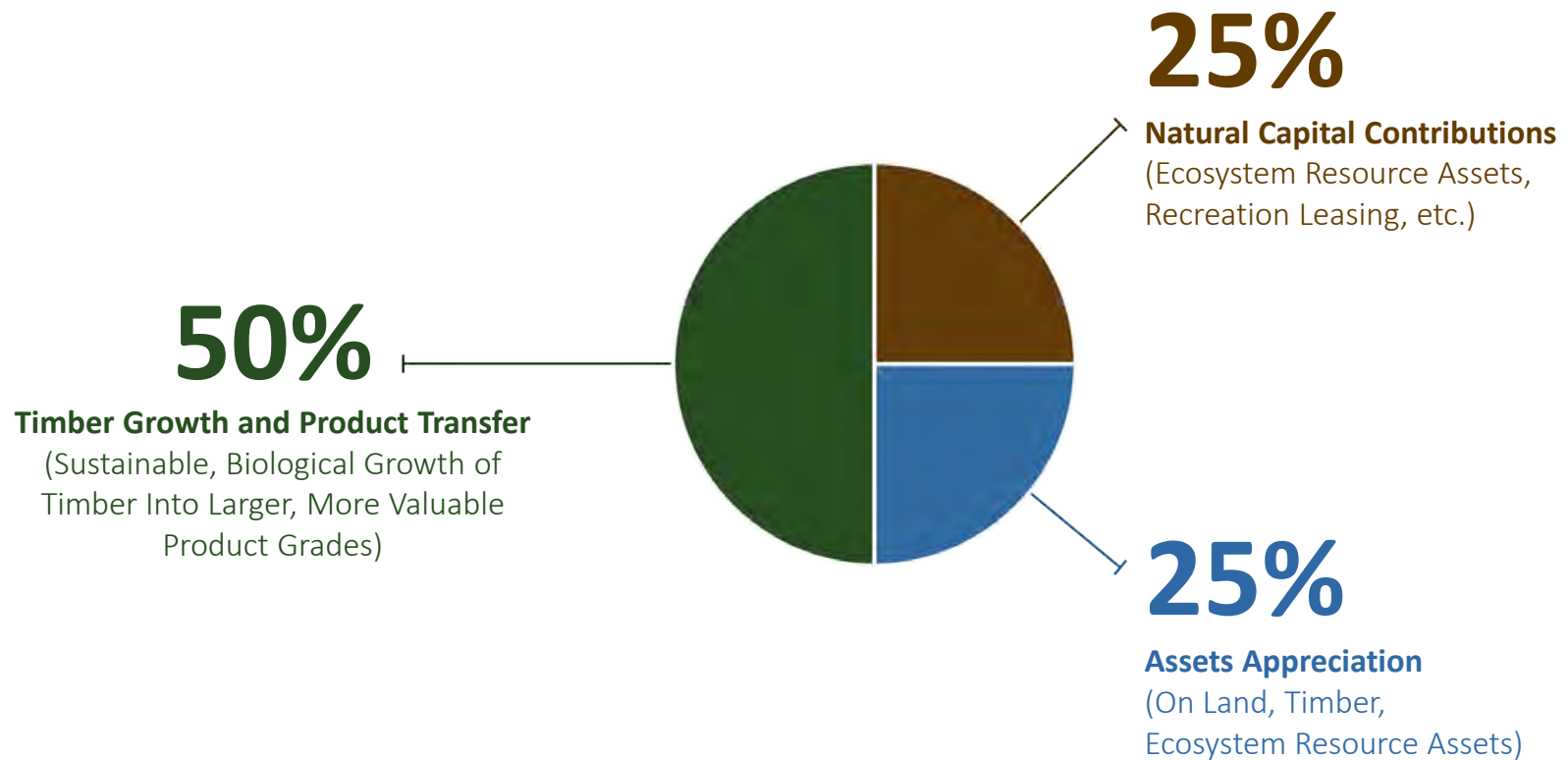


Developing Renewable Energy Resources



Expected Return Drivers

Source: TIR Economic Research





SFNC – Asset Locations

Source: TIR Economic Research





Pipeline

Source: TIR Economic Research

ACRES	STATE	REGION	SALE TYPE	SELLER	PER ACRE	TOTAL
8,000	AL	SE	Negotiated	ENGO	\$ 1,500	\$ 12,000,000
10,000	VA	SE	Negotiated	TIMO	\$ 2,000	\$ 20,000,000
22,700	AL/FL	SE	Bid	TIMO	\$ 2,400	\$ 54,480,000
18,450	WI	LS	Negotiated	Institutional	\$ 1,000	\$ 18,450,000
11,300	FL	SE	Bid	TIMO	\$ 2,200	\$ 24,948,000
25,800	AL	SE	List	Industrial	\$ 2,335	\$ 60,243,000
4,765	GA	SE	List	Private	\$ 3,200	\$ 15,248,000
6,000	WA	PNW	Bid	TIMO	\$ 7,500	\$ 45,000,000
9,100	LA	SE	Negotiated	TIMO	\$ 2,200	\$ 20,072,800
8,600	LA	SE	Negotiated	TIMO	\$ 2,200	\$ 18,920,000
10,000	AL	SE	Negotiated	TIMO	\$ 2,100	\$ 21,000,000
3,055	AR	SE	List	Private	\$ 3,714	\$ 11,345,000
2,400	AR	SE	List	Institutional	\$ 2,100	\$ 5,040,000
27,504	GA/SC/FL	SE	Bid	Institutional	\$ 3,000	\$ 82,512,000
9,800	NC	SE	List	Industrial	\$ 3,500	\$ 34,300,000



Fund Structure, Management & Terms

Administration

- Custodian: ABN Amro Bank NV. Luxembourg Branch
- Fund Administrator: Engelwood Fund & Corporate Services S.A.
- Manager Regulator: The Financial Conduct Authority (FCA)
- Fund & SPV Auditor: Ernst & Young
- Legal Counsel:
 - Luxembourg: Hogan Lovells LLP
 - U.S.: Alston & Bird LLP

Features

- Target Return 8-10% Per Annum, Includes Targeted Annual Cash Yield of 3%
- Low Risk, Long-Term Capital Appreciation and Preservation
- Strong and Comprehensive ESG Management Focus Leading to Environmental and Social Resilience
- Investment Focus: U.S. Major Timber-Producing Regions – Primary Emphasis on U.S. South. Fund Currency: Euro and U.S. Dollars
- Minimum Investment: \$5 Million
- Quarterly Valuations by Indicative Manager NAV and Annual Valuations by Third-Party Valuer. Investment Period 3 years from final close

Terms

Fund Life: 10 years, with up to a further 2 years at the General Partner's discretion to facilitate the liquidation process

Management Fee: 1.5% Per Annum Based on Total assets

Performance Fee: 20% Above 7% Hurdle

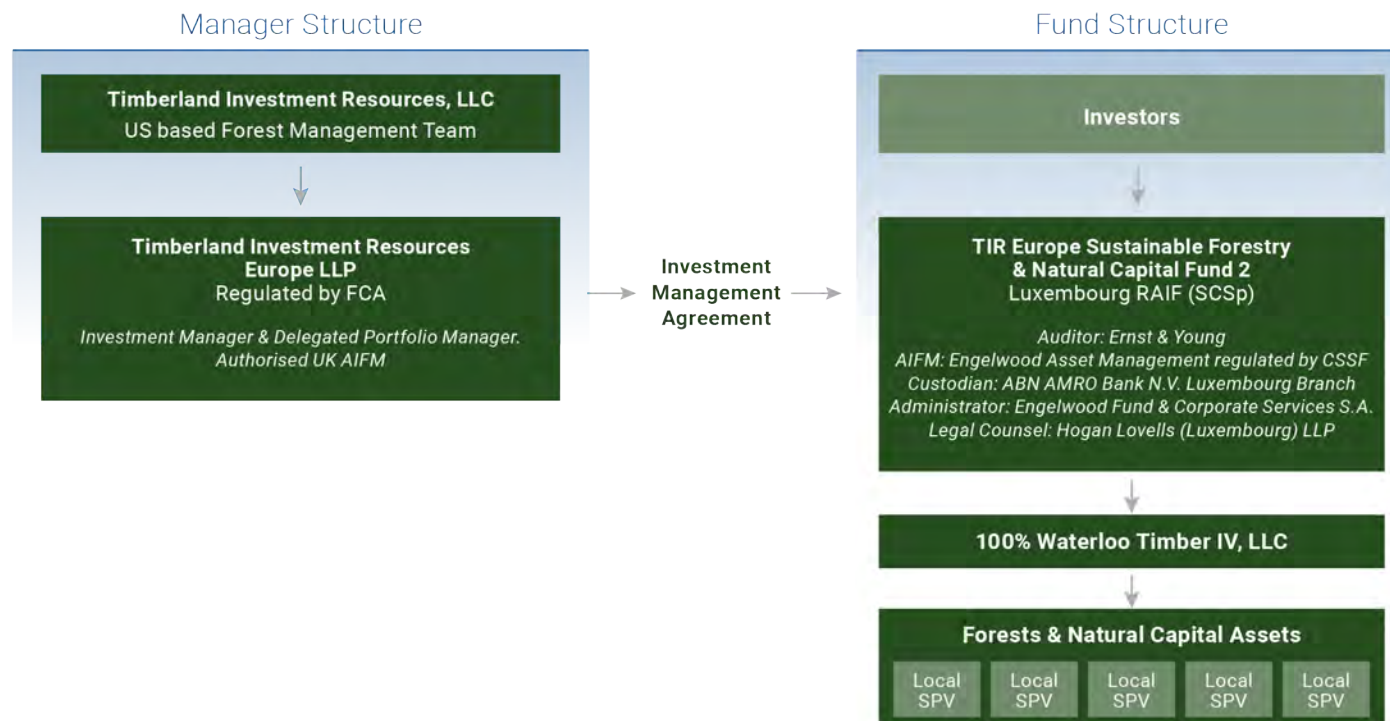
Note: *Target Returns & yields are not guaranteed and may not be achieved.*



Fund Structure, Management & Terms

Luxembourg Reserved Alternative Investment Fund (RAIF) Established Under the Form of a Société en Commandite Spéciale (Special Limited Partnership (SCSp))

Alternative Investment Fund (AIF) under AIFMD





TIR's General ESG Philosophy

How TIR integrates ESG and why it matters

We believe effective management of ESG-related risk and opportunity is a continual process of translating policy and strategy into practice, which includes:

- Setting clear objectives
- Monitoring and assessing progress
- Using data to improve performance
- Ensuring continuous learning

- ✓ Our framework puts “ESG” at the core of our decision-making.
- ✓ Serves to identify, prioritize, manage, and assess ESG risk and opportunity, while avoiding harm.
- ✓ Also applies when generating positive impact.



- ✓ Goes beyond the simple exercise of measuring and reporting and allows us to operationalize a more comprehensive way of ensuring the right ESG information informs decision making throughout the investment lifecycle.



SF&NC II is an SFDR Article 9 ("Dark Green") Fund

SF&NC II is structured around explicit sustainable investment objectives

The Fund will contribute materially towards the following sustainability objectives:

- protecting and enhancing biodiversity and ecosystem integrity;
- protecting forest's air, water, soil, and wildlife attributes; and
- mitigating climate change.

TIR views sustainability and long-term financial performance as mutually reinforcing within sustainable forestry and natural capital investments.



How TIR Implements Article 9 Requirements

Multiple years of applying Article 9 criteria throughout full investment lifecycle

Before acquisition, prospective investments undergo:

- Proprietary quantitative ESG due diligence assessment includes do no significant harm controls and review against SFDR Principal Adverse Impact (PAI) indicators. Prescreening against specific criteria where acquisitions generally will not proceed unless:
 - ✓ Properties can be managed under Best Management Practices and SFI standards
 - ✓ Material environmental remediation risks are absent
 - ✓ Habitat conversion risks are appropriately controlled
- Third-party environmental review and assessment

Post-investment management includes:

- ✓ Ongoing compliance with forestry BMPs and SFI standards
- ✓ Oversight of third-party forestry service providers
- ✓ Internal ESG policy implementation
- ✓ Periodic sustainability reporting and monitoring under SFDR RTS requirements

Governance & Transparency:

- ✓ Ongoing sustainability-risk assessment
- ✓ SFDR RTS website and periodic disclosures
- ✓ Monitoring of continued alignment with the Fund's sustainability objectives
- ✓ Governance processes intended to support SFDR "minimum safeguards" requirements



Performance



Since Inception TIR has Generated 8.15% pa

Source: TIR Economic Research

Timberland Investment Resources, LLC Composition Returns through 12-31-25

Time Period	TIR Composite Gross Assets Under Management (Millions)	Net Annual Return	Gross Annual Return	NCREIF South	NCREIF Timberland Index
2025	1,581.92	4.37%	5.15%	6.04%	4.57%
2024	1,604.26	9.64%	10.54%	6.91%	6.97%
2023	1,551.32	9.26%	10.08%	11.02%	9.45%
2022	1,488.47	7.20%	8.05%	13.42%	12.90%
2021	1,495.75	9.34%	10.31%	7.06%	9.17%
2020	1,508.03	-0.85%	-0.05%	1.61%	0.81%
2019	1,436.76	3.92%	4.78%	2.97%	1.30%
2018	1,429.61	2.83%	3.72%	0.84%	3.44%
2017	1,493.22	2.63%	3.45%	2.74%	3.63%
2016	1,469.42	0.84%	1.56%	2.92%	2.59%
2015	1,396.43	5.73%	6.26%	4.31%	4.97%
2014	1,286.19	9.64%	10.60%	10.15%	10.48%
2013	1,074.99	4.13%	4.90%	7.72%	9.69%
2012	1,019.11	2.11%	2.87%	5.40%	7.75%
2011	792.07	-1.00%	-0.30%	-2.87%	1.57%
2010	768.18	2.48%	3.46%	-1.22%	-0.15%
2009	703.56	-2.82%	-2.19%	-4.31%	-4.75%
2008	658.88	2.22%	3.45%	12.01%	9.52%
2007	551.08	18.38%	19.46%	18.83%	18.44%
2006	417.50	15.98%	23.33%	15.10%	13.68%
2005	259.20	18.89%	21.49%	14.27%	19.36%
2004	235.90	34.64%	35.80%	9.53%	11.20%
Since Inception (2004-2025) 22 yrs.	1,581.92	6.95%	8.15%	6.40%	6.95%

Past performance data relates to Timberland Investment Resources and is provided solely to illustrate the investment manager's track record. It does not relate to the past performance of the fund and does not predict future returns. There is no guarantee that an investment objective will be achieved or that a return on capital will be obtained.



Conclusion



Conclusion – Why Choose TIR

TIR's Defining Characteristics

- Independence & Expertise
- Strong Performance Track Record
- Investment Focus
- We do what we say we are going to do
 - *Execute the Strategy*





Conclusion – Why Choose SFNC II Fund

SFNC occupies the gap between core timber beta and broad natural-capital branding

- SFNC II fits mission-driven and Article 9-oriented capital
- Long Term Capital Appreciation and Inflation Hedge
- Portfolio Diversification
- Sustainable Annual Yield
- Regulated Fund with Independent Custodian and Administrator





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