



Timberland and agriculture

Zero-deforestation *policy*

Our timberland and agriculture businesses acquire and manage forest and agricultural land on behalf of our clients. Consistent with our commitment to sustainability and responsible investing (SRI), we're committed to halting global deforestation, and we won't engage in deforestation or purchase land on which deforestation has occurred, consistent with the criteria below.

Deforestation due to human activity has grown into a global concern. Less forest cover can have wide-reaching implications for the health of the planet, including soil erosion, water cycle disruption, greenhouse gas emissions, and biodiversity loss. Combined, these four issues affect not only nature, but human beings and our society as well.

Manulife Investment Management's zero-deforestation policy

We will ensure that investments we make won't directly or indirectly contribute to deforestation (e.g., by encouraging the clearing of forested areas in anticipation of a land transaction to which we're a party).

We will not acquire land on behalf of our clients that violates relevant laws and regulations.

We will not acquire land that, at the time of the cutoff dates specified below by the most relevant biome- or geography-specific

deforestation protocol(s), was forested with indigenous forest vegetation and has subsequently been converted to a planted forest or non-forested land use.

We will ensure that investments made in countries or regions not explicitly listed below will be treated similarly, with appropriate cutoff dates determined in the due diligence process.

Country	Forest type	Region/biome	Cutoff date	Criteria
Brazil	Natural	Amazon	July 2008	Soy Moratorium protocol, Graos Verde protocol, Roundtable for Responsible Soy, other agreements and international protocols that seek to curb deforestation in Brazil
		Atlantic Forest	Dec 2006	
		Caatinga	Sept 2017	
		Cerrado	May 2009	
		Pantanal	Jan 2008	
Chile	Natural	All	2003	Joint Solutions Project
Australia	Natural	All	2012	Global Roundtable for Sustainable Beef ¹
New Zealand	Natural	All	2012	Global Roundtable for Sustainable Beef ¹
Northern hemisphere	Primary	All	Dec 2003	Canadian Boreal Forest Conservation Framework ²

The cutoff date for the Brazilian Cerrado is May 2009 or later, in accordance with criteria set forth by the Roundtable for Responsible Soy.

For forested land in the above countries or regions in which the forest type or biome is scientifically unclear or ambiguous, Manulife Investment Management will not engage in conversion of forests to non-forested land use unless appropriate stakeholder outreach and consultation, combined with legal due diligence, deem it acceptable.

We pledge to maintain and update our zero-deforestation policy as informed by international laws, best practices, and generally accepted frameworks and/or protocols designed to curb deforestation.

DEFINITIONS

All the following definitions are borrowed from the 2015 Forest Resources Assessment (FRA), prepared by the Food and Agricultural Organization of the United Nations (FAO),³ with the exception of the term natural forest, which is not defined in the 2015 FRA and is therefore borrowed from the 2004 FRA.⁴

Deforestation—The conversion of forest to other land use or the permanent reduction of the tree canopy cover below the minimum 10% threshold

- Deforestation implies the long-term or permanent loss of forest cover and implies transformation into another land use.
- Deforestation includes areas of forest converted to agriculture, pasture, water reservoirs, and urban areas. The term specifically excludes areas in which the trees have been removed as a result of harvesting or logging and where the forest is expected to regenerate naturally or with the aid of silvicultural measures, unless logging is followed by the clearing of the remaining logged-over forest for the introduction of alternative land uses. Deforestation also includes areas in which, for example, the impact of disturbance, overuse, or changing environmental conditions affect the forest to an extent that it can't sustain a canopy cover above the 10% threshold.

Forest—Land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10% or trees able to reach these thresholds in situ. It doesn't include land that's predominantly under agricultural or urban land use

Natural forest—Forest composed of indigenous trees and not classified as a planted forest

Planted forest—Forest predominantly composed of trees established through planting and/or deliberate seeding

Primary forest—Naturally regenerated forest of native species, where there are no clearly visible indications of human activities, and the ecological processes are not significantly disturbed

1 “Global Roundtable for Sustainable Beef: 2018 Sustainability Report,” https://grsbeef.org/resources/Documents/WhoWeAre/GRSB_Sustainability_Report_2018.pdf, September 2019. **2** Canadian Boreal Forest Conservation Framework, <https://www.borealbirds.org/publications/boreal-forest-conservation-framework>, 2003. **3** “Forest Resources Assessment Working Paper 180: Terms and Definitions,” Food and Agricultural Organization of the United Nations (FAO), <http://www.fao.org/3/ap862e/ap862e00.pdf>, 2015. **4** “Forest Resources Assessment Working Paper 83E: 2005 Terms and Definitions,” FAO, <http://www.fao.org/forestry/7797-0f7ba44a281b061b9c964d3633d8bf325.pdf>, 2004.

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