

Nuveen Natural Capital Responsible Forestry Practices Frequently Asked Questions

Introduction

At Nuveen Natural Capital (NNC), we aim to maintain healthy forests while producing timber, conserving fish and wildlife habitat, and protecting water quality.

Through our commitment to our holistic Nature, Climate, People approach, we aim to analyze, verify and report on responsible practices throughout our investment lifecycle to help reduce risk and provide investors with opportunities to achieve climate targets through investments in timberland.

We strive to ensure a continued supply of logs for the production of wood products while supporting habitat for a variety of animals and providing clean water, employment, and recreational opportunities to local communities.

The following Q&A relates primarily to timberland assets in the US. While forest management techniques may differ on properties outside the US, the core principles apply globally, as they are grounded in widely recognized standards and good practices for responsible forestry. All of NNC's managed properties globally are certified/in the process of certification by leading global certification schemes. More information on our practices and certification is available in the NNC Annual Sustainability Report, which can be found on our [sustainability page](#).

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Frequently Asked Questions

Why does NNC practice clearcutting?

Clearcutting is one of many timber harvesting techniques that may be employed depending on the unique situation. How and when one decides to harvest trees depends on the specific forest objectives and takes into account several factors including soil conditions, tree species, water protection, topography, availability of skilled labor, site and measures to protect fish and wildlife.

Clearcutting is the most efficient and economical method of harvesting a large group of trees. It allows the landowner to meet high market demands for wood products while considering environmental impacts. For example, clearcutting mimics natural forest clearings left by fires or windstorms. These clearings provide important habitat for songbirds, various pollinators, deer, elk and other animals that require the plants and other features that thrive in full sunlight. This harvest method also results in fewer disturbances to the forest floor when compared with other harvest techniques. By entering a forest to harvest trees once instead of multiple times in a series of timber harvests, the landowner minimizes disturbance to forest soil. As part of our commitment to US certification standards, clearcut areas are limited in size and adjacent areas in the same ownership cannot be harvested until new trees on the original site are well established. Wildlife habitat elements such as down logs and residual trees must be left within the clearcut area.

Clearcutting is common in the Pacific Northwest and US South where the tree species require full sunlight to regenerate. In the hardwood region of the Eastern US, selective cutting of individual trees is more common and accommodates the natural regeneration required in these diverse, deciduous forests.

Is clearcutting the same as deforestation?

No, clearcutting is not the same as deforestation. Deforestation refers to the permanent removal of forests for alternative land uses, such as agriculture or urban development, with no plans for reforestation. Clearcutting involves the removal of trees with the intention of regenerating the forest.

NNC has a zero-deforestation policy. More information on this policy can be found [here](#).

How is water protected during timber harvest?

When harvesting timber, forested buffers are left around streams and other water bodies in accordance with state best management practices. The trees provide shade to keep water cool for fish and other aquatic species. As the trees age, they'll eventually fall into the stream. This creates pools and shelter for fish. Plants left along streams also attract bugs that act as a food source for fish and other aquatic species.

To increase soil protection and minimize runoff, professional foresters analyse the soil types on each area planned for timber harvest and may adjust practices as needed. They act to carefully maintain forest roads and consider harvest area location respective to seasonal weather patterns. Forestry operations may be curtailed during periods of heavy precipitation to further protect water quality.

Does NNC consider wildlife when conducting forestry operations?

NNC aims to regularly consult with Certified Wildlife Biologists® to employ measures to protect and enhance wildlife habitat during timber harvest and other forestry operations. We have developed wildlife and biodiversity plans for all US timberland properties.

Our timberlands staff is trained annually on how to identify and protect threatened and endangered species and how to employ fish and wildlife friendly techniques when implementing timber harvest and other forestry projects.

Are pesticides used in NNC's forestry operations?

Pests can pose a problem in forests just as they do on farms and in gardens. Pesticides may be used in forestry to control weeds, insects, animals, or diseases that can damage trees.

All pesticides are regulated by US Environmental Protection Agency (EPA) and State Departments of Agriculture. They must be reviewed and registered with EPA and must carry federally approved labels that describe permitted uses and required environmental and safety protections. Applicators who apply pesticides must be certified by the state they operate in and keep records of their applications for at least two years.

Herbicides are typically applied to forestlands once or twice during each 30-to-65-year timber rotation, depending on the region. Temporary control of competing vegetation gives planted tree seedlings the best chance at survival and growth. NNC aims to minimize the use of pesticides, as required by our commitment to the US certification standards.

Does NNC engage with local communities?

NNC is committed to sustainable forestry outreach. For example, our timberland properties in Oregon and Washington offer free recreational access year-round by obtaining a recreational permit at nncpermits.com. Access in other regions is allowed on a limited basis, mostly through the purchase of hunting leases.

We also leverage our certification to work with State Implementation Committees (SIC's) which distribute outreach materials and provide outreach programs. Where relevant, we participate in local trade associations and public outreach groups. We aim to provide support to credible conservation organizations, schools, or other programs which support local communities and promote sound natural resource management. Examples of these engagements are available in the NNC Annual Sustainability Report, which can be found on the [NNC sustainability page](#).