

2023



Impact & Sustainability Report

Aurora Sustainable Lands





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Message from the CEO

I am pleased to share with you Aurora Sustainable Lands' foundational Impact and Sustainability Report. This report embodies our commitment to climate, transparency, accountability, and continuous improvement as we strive to integrate sustainable practices into every aspect of our operations.

2023 was a year of transformation. We launched our new brand and changed our name to Aurora Sustainable Lands to better reflect our mission to create meaningful impact through the climate-focused management of forests and their ecosystems. Our new name symbolizes the profound relationship between land and the atmosphere, an essential and dynamic connection that is the basis for all life on earth. This change underscores our dedication to fostering climate resilience through the conservation of forests—the original atmospheric carbon removal solution.

Aurora is the first landowner to purchase heavily logged or threatened land at scale with the express intent of conserving the forest and their ecosystems through carbon finance. All of our projects are forests that were used or intended for the primary purpose of harvesting timber. In 2023, we reduced harvesting across our portfolio by 50%. We estimate the forests within our current diversified portfolio will remove four to six million tons of carbon dioxide from the atmosphere every year for the next 100 years.

By managing forests with a carbon-first strategy, Aurora leads the forestry industry into a new era—one that still meets our society's need for wood products by sustainably harvesting forests while growing current carbon stocks. Beyond carbon sequestration and storage, Aurora values and works to enhance the local environmental benefits provided by healthy, working forests including healthier air and water quality, the protection of critical habitats, and biodiversity.

As we conserve and actively manage forests primarily for carbon, we tap into the planet's oldest, most effective, and cost-efficient carbon removal tool to deliver Aurora's customers nature-based carbon credits with unrivaled reliability, durability, and quality.

As a data-driven company, we are excited to integrate new sustainability goals, metrics, and standards into our work. This report is just the beginning of our sustainability reporting journey as we strive to set higher benchmarks for ourselves and the industry. As we move forward, let us reaffirm our commitment to creating a more sustainable future for generations to come. Together, we can make a meaningful difference in the fight against climate change and environmental degradation.



Jamie Houston
Chief Executive Officer
Aurora Sustainable Lands

About us

Aurora Sustainable Lands is one of the largest private forestland owners in the United States, with more than 1.6 million acres under management. Formerly Bluesource Sustainable Forests Company, Aurora was established in 2021 as a joint venture between Anew Climate and a group of equity investors led by Oak Hill Advisors and including AB CarVal, EIG and GenZero, among other leading financial sponsors such as our lenders Metlife and Prudential.

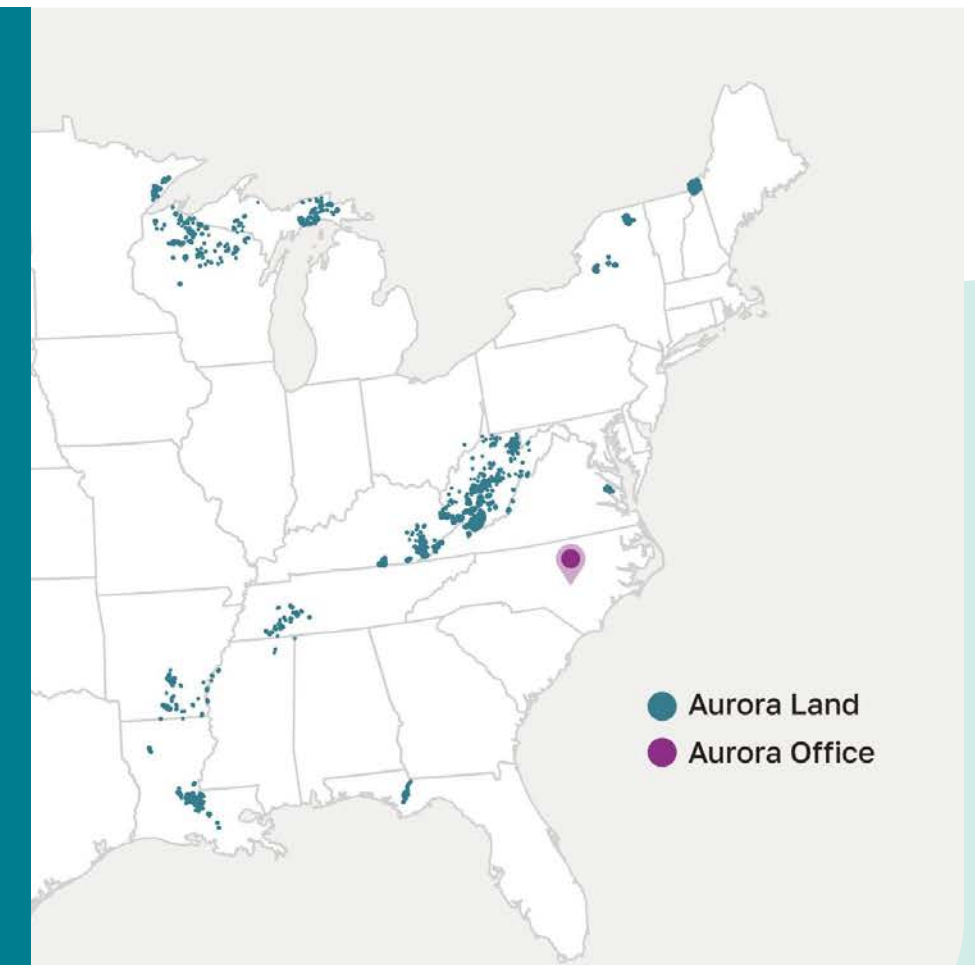
Guided by our mission statement, we are a carbon-first company that invests in converting industrially harvested forests to sustainably managed carbon-first forests that deliver high-integrity, verifiable carbon credits to climate-conscious companies.

We are leaders in sustainable land management

Aurora utilizes and protects the planet's oldest and most effective carbon removal tool—trees. We generate nature-based carbon credits with unrivaled quality and integrity, leveraging carbon markets to make a positive impact on the climate and U.S. forest ecosystems. Our joint venture partner, Anew Climate, exclusively markets and develops any carbon credits generated from Aurora's projects. Anew is both the oldest and largest carbon credit developer in North America, adhering to the industry's highest standards for more than 20 years.

In addition, our forest management practices meet and surpass the highest standards of certification, ensuring that forest health, ecological function, and climate resilience are protected. Aurora's active land management utilizes a long-term vision to conserve forestlands for generations. We seek to align with the needs of local communities and the integrity of ecosystems in which we operate.

Aurora's mission is to actively manage and conserve forestlands to maximize impact and remove and store carbon from the atmosphere.



Our mission

Aurora's core mission to remove and store carbon from the atmosphere through forests is primarily achieved through carbon-first silviculture. We actively manage our forests through science and data-supported techniques that enhance carbon storage on the landscape in both the short and long-term while increasing climate resilience through management of habitat, biodiversity, and forest health. In fulfilling this mission, Aurora is delivering real and measurable benefits to the global climate while also conserving vital ecosystems across the United States.

Changing forest management is a low-cost, effective way of sequestering carbon.

—Natural Climate Solutions, Griscom, et al (2017)

Why do we do what we do?

Because climate change is an urgent and global challenge.

According to a United Nations report, current commitments to cut greenhouse gas emissions still put the climate on track for an average warming of 2.7 degrees Celsius over this century¹ – well within the lifetime of children born today. Experts attest this shift will stress water and food supplies for billions of people. Concurrently, natural forests, one of our best tools for carbon removal, are under threat from pressures such as land development and conversion. The United States is projected to permanently lose 12 million acres of forestland over the same period from land use change.²

How does carbon-first silviculture work?

At ground level, implementing our carbon-first silviculture practices means utilizing harvest practices that increase carbon removal and storage on the landscape while also balancing the needs of forest health, soil, wildlife habitat, and economic impact.

In 2023, we implemented a plan to reduce harvest rates by 50% compared to the prior landowner's management practices.

Our carbon-first forest management allows forests to grow older by waiting longer between harvests. This results in forests that sustain more diversity in species and ages of the trees. Instead of cutting trees as soon as they can be sold for profit, we allow them to grow and continue to capture additional carbon from the atmosphere. We're also thinning out trees more selectively, leaving more of them standing and making sure that there is an ecologically appropriate variety of tree species in our forests. Many of Aurora's hardwood forests are managed to have trees that can live for centuries. Aurora's carbon-first silviculture creates climate resilient landscapes that retain economic value while mitigating negative climate impacts.

America's forests absorb carbon dioxide at a rate equal to more than 10% of U.S. annual greenhouse gas emissions.

– Strengthening the Nation's Forests, Communities, and Local Economies (2022)

1 - Reuters, COP 26 Article "UN warns world set for 2.7C rise on today's emissions pledges" Nina Chestney

2 - U.S. Forest Service 2020 Resource Planning Act Assessment

How is our impact made?

By leveraging carbon markets through our high-quality nature-based carbon credits.

Letting our forests grow older requires us to delay or forgo harvest income. By participating in carbon markets, we earn income from our forests' ability to remove and store carbon. We believe that forests can provide greater societal and financial value through balancing carbon removal and storage, enhanced biodiversity, community recreation opportunities, wildlife habitat, with the responsible harvest of forest products.

We use the most rigorous and progressive industry standards and methodologies to generate high-quality carbon credits for the carbon that our trees remove and store from the atmosphere. The sale of these nature-based carbon credits through our joint venture partner Anew Climate is our highest priority revenue stream. In addition, we engage in selective harvesting when our trees reach ecological maturity and their carbon value has been maximized, before the trees naturally die and decompose.

By managing forests with a carbon-first strategy, Aurora leads the industry into a new era—one that still meets our society's need for high-quality wood products while growing current carbon stocks.

Carbon markets help address today's emissions and preserve America's forests

Carbon markets are one of several tools in our toolbox as organizations, companies, and governments around the world strive to decarbonize economies and reach net zero goals. The global economy must decarbonize, but heavy industry, trucking, and aviation are harder-to-abate quickly. The use of carbon credits helps address today's carbon emissions while incentivizing longer-term change in the fastest ways available. At the same time, carbon markets help protect America's forests—and they are doing so faster than conservation easements. Traditional conservation easements have protected roughly 25 million acres over the last 30 years. By contrast, over the last decade carbon projects have already protected another 10 million acres. Source: Aurora Review of National Conservation Easement Database (NCED), Verra, CAR, and ACR Registries for project acreage.

59.7 billion metric tons

of carbon are stored in American forests, almost 10x the U.S.' 2022 carbon footprint.
Strengthening the Nation's Forests, Communities, and Local Economies (2022)

Aurora carbon credits are uncompromising in quality and credibility

Aurora is the only landowner purchasing heavily logged or threatened land with the express intent of conserving the forest through carbon crediting. All our projects are forests that were used or intended for the primary purpose of harvesting timber.

We ensure quality, credibility, and transparency in our carbon credits through industry-leading methodologies and the combination of boots-on-the-ground measurement, cutting-edge modeling, and remote-sensing technology. Our foresters measure thousands of our trees using statistically robust selection methods. Professional third-party foresters audit our calculations and remeasure trees to confirm our measurements. Those audited measurements are used within peer-reviewed calculation methods and mathematical models, per the methodologies of third-party carbon credit standards, to determine our forests' current carbon storage inventory.

In addition, we contract with local foresters during carbon project development and its long-term management because we recognize that these resident experts are uniquely familiar with the nuances of each ecosystem. For every one of our carbon projects, we extensively model, document and analyze the forest composition and its carbon value, tracking changes over time through project-specific forest information and custom-designed software, all in accordance with the highest measurement standards. To manage these projects long-term, we contract with the best regional and local forestry consulting firms in the country. Beyond our in-house team of experts, we utilize over 200+ forestry professionals across the Eastern U.S.



Setting the stage

We are new

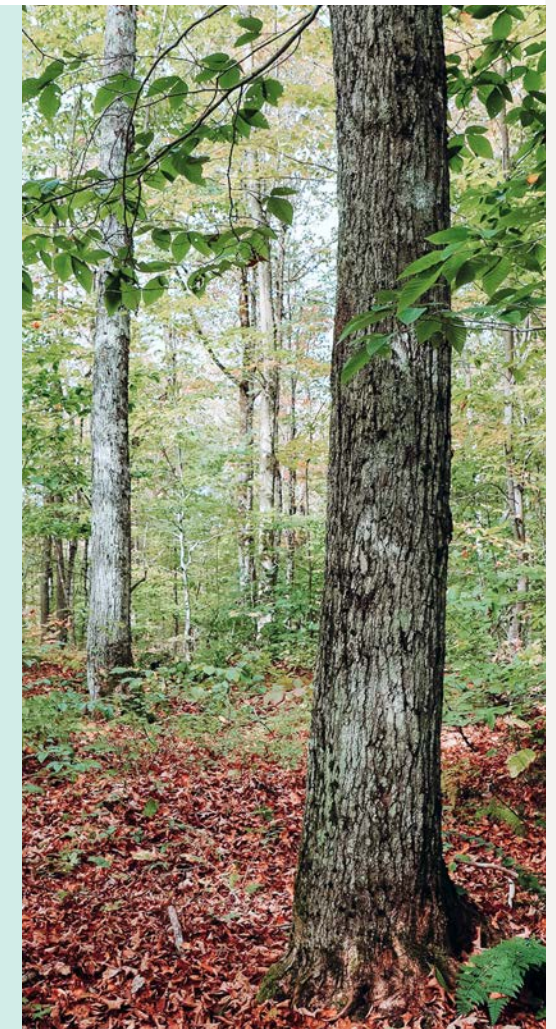
Our founding in 2021 marked a bold change in the industry as we moved to merge innovative carbon markets to the forefront of sustainable forest management. We understand that climate and nature are core foundations of our business. To that end, Aurora's uncompromising and active land management and forestland stewardship adheres to the highest sustainability standards, prioritizes natural processes, and maintains the ecological functions and integrity of the forests we manage. In 2022, we acquired The Forestland Group. We are building on their 25-year history of land stewardship and now, at Aurora, climate solutions are the key driver of our forestland investment. We're changing what it means to manage a forest sustainably by leaning heavily into investment and land management practices that center decarbonization, climate impact, and environmental sustainability, all of which generate long-term value for our society and our investors.

As a company committed to data-informed decision-making and transparency in our operations, we are excited to take the next step and integrate new sustainability goals, metrics, and standards into our work. To push these efforts forward, we recently welcomed our first Sustainability Forester who will collaborate with and leverage our collective expertise to develop impactful goals and standards.

We have a robust foundation

We acknowledge that our sustainability reporting journey is just beginning. We will leverage our collective expertise in conservation and a foundation of robust external verification and certification, exemplified by our longstanding partnership with FSC and certification of high-quality carbon credits through both the American Carbon Registry (ACR) & California Air Resources Board (CARB). FSC is a significant financial and time-intensive commitment Aurora has made to voluntarily maintain this certification. Our first step is to lean into this prior work (FSC/ARB/CARB) and existing frameworks like Task Force on Climate-related Financial Disclosure (TCFD) - all of which offer data-informed and scientifically measurable standards to establish benchmarks. Aurora is building off of the following frameworks:

- **Forest Stewardship Council (FSC)**
- **American Carbon Registry (ACR) & California Air Resources Board Verification (CARB)**
- **Task Force on Climate-related Financial Disclosures (TCFD)**
- **UN Sustainable Development Goals**



01



Forest Stewardship Council® (FSC®):

FSC is the leading global certification body for responsible forest management practices, operating the world's most rigorous and trusted forest verification system. The responsible forestry standards used by FSC ensure that there is no deforestation, ancient and endangered forests are safeguarded, biodiversity is preserved, and local community rights are respected. This is why Aurora's portfolio is certified under FSC. And, to maintain transparency with our stakeholders, all our annual certification audits are published on the FSC website. It is also Aurora's policy that all forestland management activities meet or surpass all applicable Best Management Practices (BMP's) and/or Forest Practice Acts (FPAs).

FSC certification defines responsible forest management through ten principles and 56 associated criteria. Some of these principles outline compliance with local laws, indigenous peoples rights, environmental impact, management plans, maintenance of High Conservation Value Forests, among others. FSC requirements under these principles include practice changes such as wider riparian buffers, limits annual allowable harvest volumes, restrictions on GMO-based seedlings, soil erosion and water quality protection, and prevention of certain chemical pesticides and herbicides.

In both regular internal audits and annual external audits conducted by FSC, we consistently demonstrate that our portfolio aligns with the integrity of the communities and ecosystems in which we operate. As an FSC certificate holder, we also maintain a Chain-of-Custody (COC) control that ensures the traceability and credibility of well-managed forest-based products throughout the supply chain.

Ultimately, our stewardship vision is to manage forestland in a comprehensive manner that balances ecological and economic goals while prioritizing carbon storage and climate resilience. This vision is aligned with FSC's mission, and we consider climate, ecological, wildlife, and aesthetic values as an essential part of economic value.

02



American Carbon Registry (ACR) and California Air Resources Board Verification (CARB):

Not only are our forest management practices verified externally, all of Aurora's active carbon projects have been rigorously vetted, tested, and approved under either the most current ACR or CARB protocols. These protocols were generated under established peer-review science review and include strict methodologies for implementation to ensure that greenhouse gas reductions represented by carbon offsets from our projects are additional, quantifiable, permanent, durable, verifiable, and enforceable.

Aurora's forest carbon projects undergo a comprehensive third-party verification to be approved under the relevant protocol. Regular inventories and audits - both internal and external (by both ANSI-accredited 3rd parties and the registries themselves) - further ensure carbon benefits claimed are carbon benefits delivered. All carbon-related documents are listed on public registries where calculations and methodologies are available for all to see.



Task Force on Climate-related Financial Disclosures (TCFD):

TCFD is a widely-recognized framework to enhance the transparency of climate-related risks and opportunities in financial reporting by providing disclosures within four pillars:



Aurora aligns with the TCFD mission, and an initial climate risk and opportunities assessment was completed focused on the diverse regions throughout our portfolio. While keeping in mind the highly localized nature of climate change, factors such as species composition change, temperature fluctuations, precipitation variations, and enhanced pest movement were considered. Our initial risk management strategy highlighted the importance of identifying properties unsuitable for carbon project enrollment before acquisition and developing a portfolio with particular emphasis on geographic diversity, as well as diversity in tree species and age. But the acquisition strategy is just the beginning. Our risk management strategy also placed emphasis on adopting improved forest management practices to cultivate healthy, resilient, and working forestland. In the end, our risk management practices serve as a portfolio optimization strategy, a mitigation strategy, and a climate resilience initiative.

*For more information on our TCFD pillar tracking, please see the appendix.



UNSDGs: Our investments contribute to key UN Sustainable Development Goals

The United Nations 2030 Agenda for Sustainable Development includes at its heart 17 Sustainable Development Goals (SDGs) to which all UN Member States have committed. Aurora’s forestland projects advance and contribute to the following four SDGs:



Clean Water & Sanitation (SDG 6)
Healthier forests support purification and filtering of watersheds. Forested land provides drinking water to nearly half of the total population in the continental U.S.³ *Source: Quantifying the Role of National Forest System and Other Forested Lands in Providing Surface Drinking Water Supply for the Conterminous United States, USDA Forest Service (2022)



Decent Work & Economic Growth (SDG 8)
Our projects diversify forestland revenue streams and contribute to local employment and training for a greener economy. According to the World Economic Forum, \$44 trillion of economic value – over half the world’s total GDP – is dependent on nature and, as a result of climate change, that value creation is at risk. Protecting forests thus protects vital economic systems.



Climate Action (SDG 13)
Our forest management practices result in the removal and storage of carbon. Research shows that natural climate solutions could provide over one-third of the climate mitigation needed by 2030 to keep global warming below 2°C, in line with the Paris Agreement, with forests providing nearly 75% of this total.⁴ SOURCE: Natural Climate Solutions. Griscom, et al (2017)



Life on Land (SDG 15)
Our projects protect biodiversity, critical habitat and migration pathways. Aurora’s projects protect critical habitat for hundreds of threatened and endangered species like the Virginia big-eared bat, rusty patched bumble bee, lake sturgeon, and Louisiana Black Bear.⁵ Source: US Department of Fish and Wildlife Active Critical Habitat Report.

ESG Impact

ESG IMPACT

Aurora’s sustainability governance

Long-term investment decisions and sustainability are integral components of our governance directives, with a focus on increasing impact through Responsible Investing Principles emphasized by our founding investors.

Furthermore, Aurora’s Board is dedicated to enhancing our forestland value through the seamless integration of long-term sustainability. Aurora Sustainable Lands’ Executive Committee plays a pivotal role in this commitment, annually reviewing the content of our ESG Position Statement and associated principles and codes.

Our investment objectives encompass generating financial returns, mitigating climate change, and fostering positive ecological impact through the sustainable management of natural forest systems. Throughout our investment process, the Board considers a broad spectrum of ESG issues and has utilized TCFD in our financial reporting to address climate-change-related transition risks, physical risks, and opportunities.

Key ESG Considerations

| E – Environmental | S – Social | G – Governance |
|---|---|---|
| <ul style="list-style-type: none">○ Annual carbon sequestered and stored in working forests and in harvested wood products.○ Acres of land under sustainability certifications○ Acres (current and/or future potential) under sustainable forest management plans○ Potential for carbon offset projects.○ Protection of wetlands and streams with water quality and wildlife benefits | <ul style="list-style-type: none">○ Employee engagement, diversity, and inclusion○ Workplace health and safety○ Health and safety of foresters and on-site consultants○ Community access to land and recreational activities○ Mitigation of hazardous materials or conditions | <ul style="list-style-type: none">○ Aurora is directed by a core team of experienced industry professionals driven by goals that include, but go beyond generating a competitive financial return○ Risk management○ Legal, regulatory, and judicial environment○ Diverse and independent Board of Managers |

In 2023, Aurora underwent a comprehensive overhaul of our forest operations policies and procedures. These policies are the backbone of Aurora’s land ethic, a key driver of performance, and provide the framework through which our Regional Directors design long-term, property-level sustainable management plans. As part of this overhaul, Aurora’s Board approved an ESG Policy with the above key considerations.

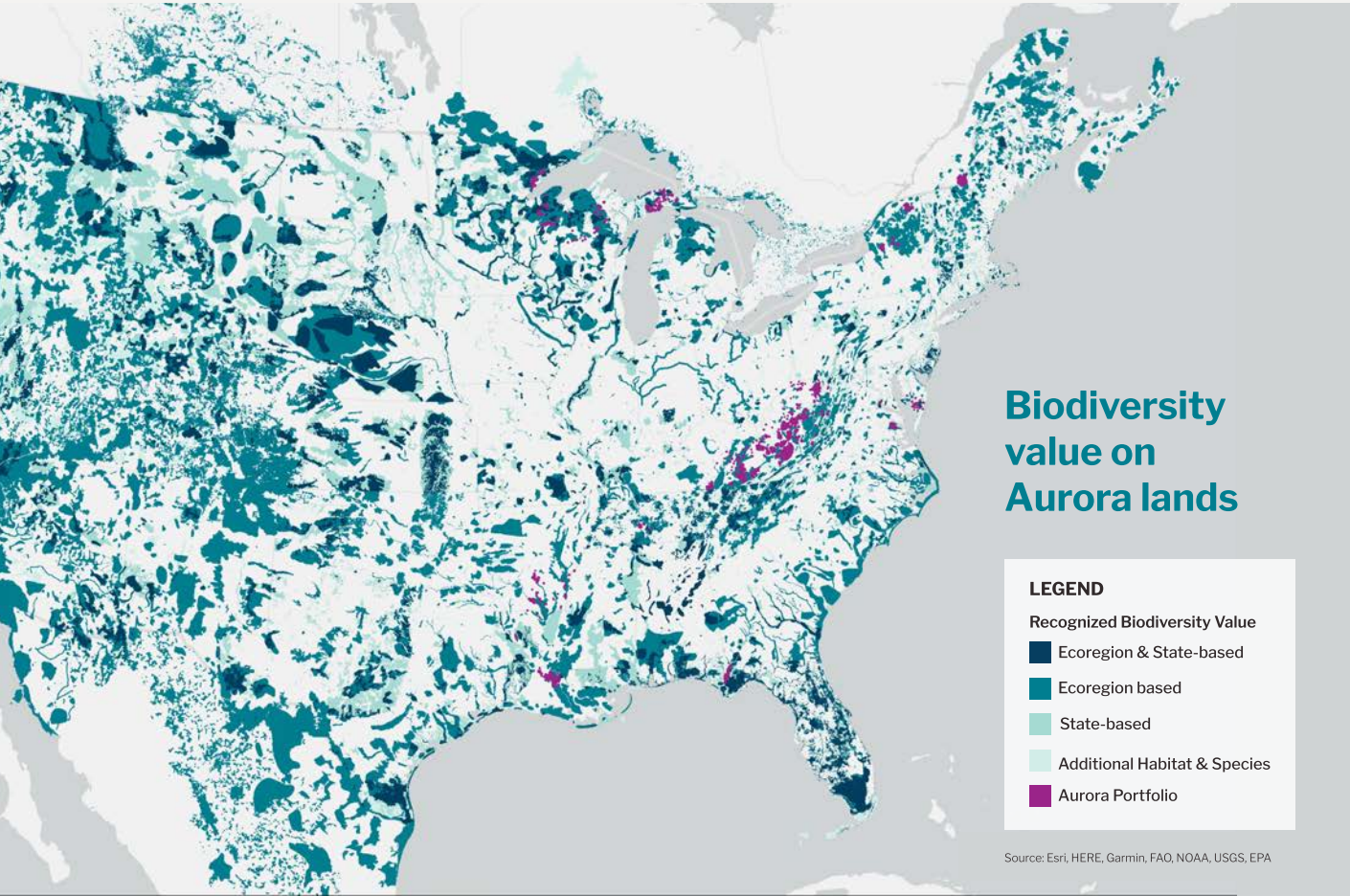
These plans are effectively implemented on the ground through strategic agreements with vetted forestry consultants and contractors. We rigorously monitor and evaluate the work of these partners, ensuring their adherence to our company-level sustainability commitments. Through these meticulous practices, our Regional Directors manage relationships and stewardship activities, aiming to produce enduring positive financial, ecological, and social outcomes that extend far beyond our land ownership tenure.

ESG IMPACT

Environmental and Ecosystem Benefits: Beyond Carbon Impact

Aurora is transforming the land management industry. Our decision to acquire and combine more than 1.6 million acres of forestland for carbon-first management is unique and revolutionary, reversing the damaging trend of forest fragmentation. Aurora has combined at-risk, heavily logged acreages into carbon projects that can protect their longevity.

This results in immediate and significant conservation benefits, even beyond carbon sequestration, thus protecting these forests for decades into the future. Protecting forests ensures the conservation of entire ecosystems, with significant benefits for biodiversity in flora and fauna, clean air, clean water, and healthy, resilient communities.



Aurora projects support biodiversity, resilience, thriving ecosystems, clean water and conserve recreational access

We believe that forests can provide greater value in balancing carbon removal and storage, sustainably harvested wood products, biodiversity, recreation, and habitat protection. As we approach global warming tipping points, climate disasters will continue to increase and threaten forests, which are our best, lowest-cost carbon removal tool.

Biodiversity is our “strongest natural defense against climate change” according to the UN. Over 700,000 acres of Aurora lands contain areas of recognized biodiversity value with intact habitats, natural communities, and populations of rare species. Carbon-first forests allow forests to mature, creating and maintaining habitats for a wide variety of plant and animal life.

Forests with rich diversity of tree species and ages are more resilient against disease, pests, and wildfires – all risks that are potentially increasing because of climate change. Carbon-first management, combined with the locations of our forests, ensures they are more protected from wildfire risk and will continue to capture carbon for generations. In addition, forests act as a natural filter for

rivers and streams, purifying water as it flows through roots. Forested land provides the drinking water for nearly half of the population of the continental United States according to the U.S. Forest Service.

Healthy ecosystems are the backbone of essential economic systems like food, housing, recreation, and comfort. By addressing nature loss and climate change together, we enrich public health as well as quality of life. Healthy forests provide many ways to engage with nature. Through our proactive conservation and management practices, we support families and adventurers of all kinds to forge deep, meaningful connections with the natural world.

Since 2022, the U.S. has lost 6 million acres of forest just to land use change – an area the size of new jersey.

Box source: WRI Global Forest Watch Dashboard – U.S., globalforestwatch.org (accessed October 3, 2022)

SPECIES RICHNESS

Over 133 tree species, 60+ mammal species and 225 bird species live on Aurora’s sustainably managed forestlands.

Source: Aurora’s forest inventory data, BiodiversityMapping.org, IUCN, Birdlife International, NatureServe, and USGS, Pimm, SL, et. al. (2014) The biodiversity of species and their rates of extinction, distribution, and protection

The Cerulean Warbler, a vulnerable songbird that breeds in our eastern hardwood forests.



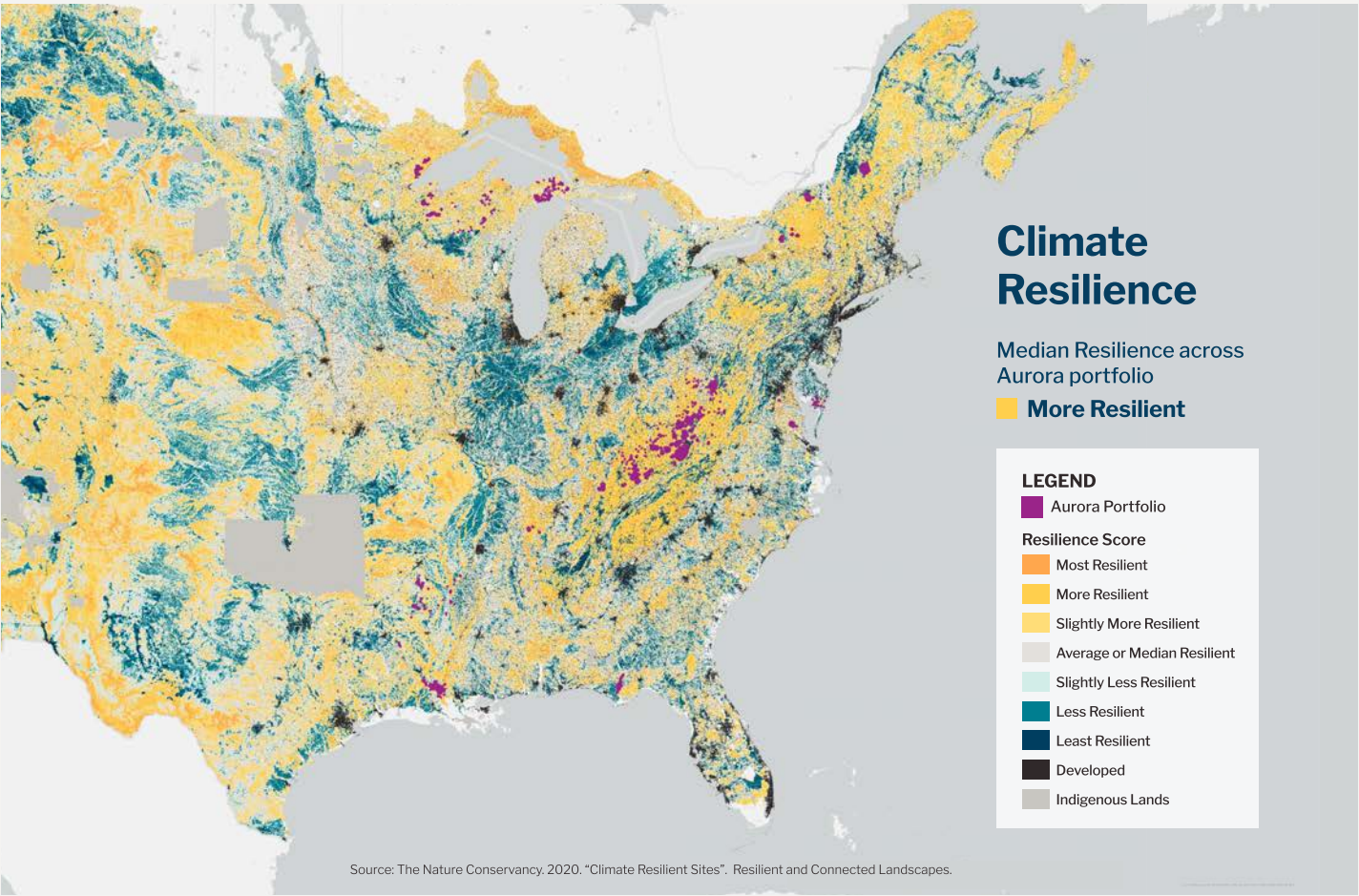
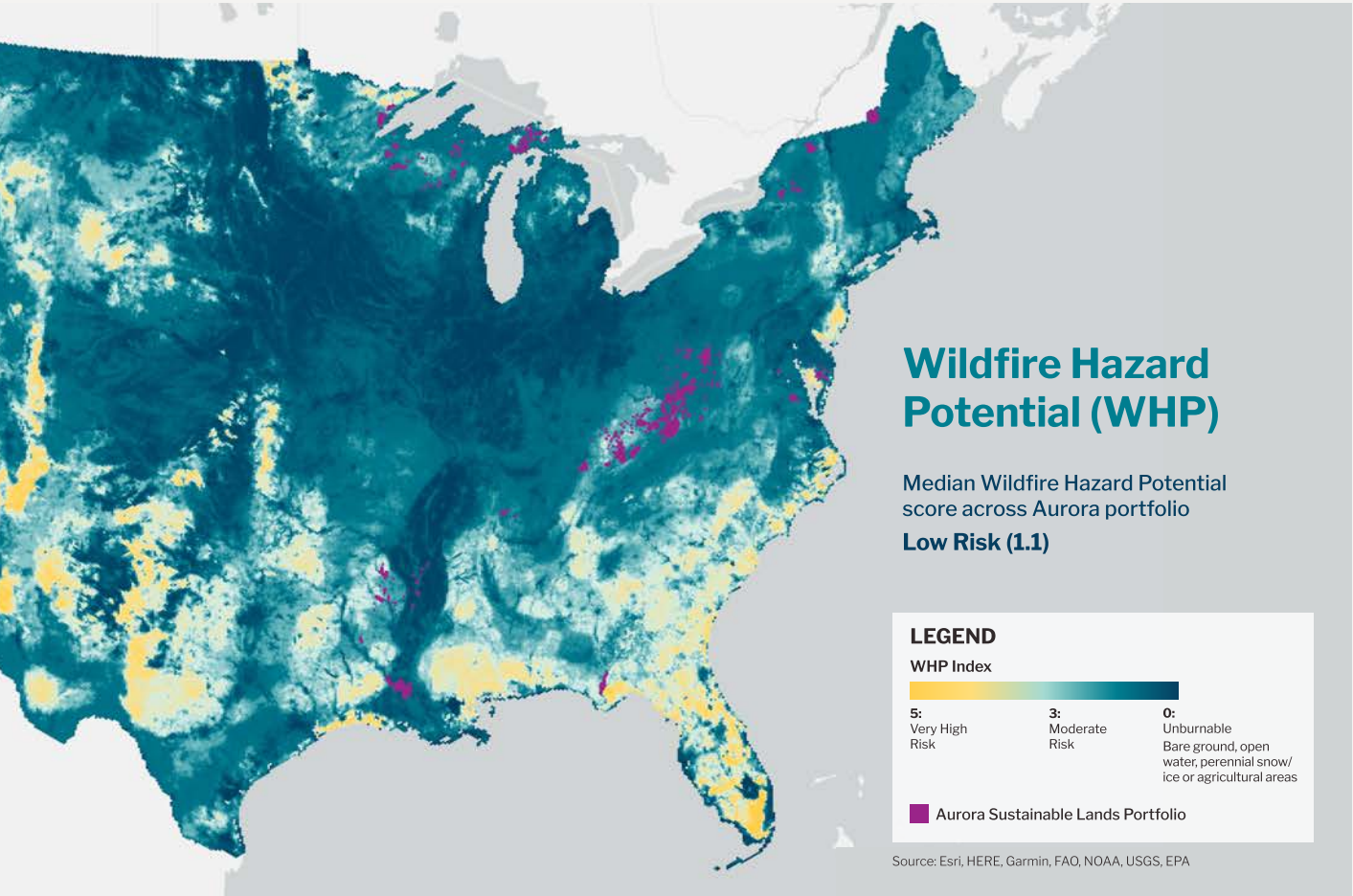
Climate risk management practices

Aurora monitors our forestlands for potential regional impacts from climate change through the National Climate Assessment. The geographic diversity along with the carbon-first practices that we employ allow for improved climate resilience across the portfolio. The use of natural regeneration provides added risk mitigation with a diversity of tree species and age groups. The diversity of tree species also helps manage potential insect infestations which could be exacerbated by climate change. (We follow closely USDA and FSC options and opportunities for infestation management.)

We monitor wildfire risks using USDA fire information in conjunction with in-house geospatial data. Aurora’s properties are in eastern North America where wildfire is much less common than in the western half of the continent. Also since Aurora focuses on natural regeneration and mixed species forest compositions, these areas are naturally more resilient to wildfire.

Wildfires in these eastern U.S. hardwood forests are typically “ground fires” that do very little, if any, damage to mature trees. Fire prevention and control is included as a specific section in all of Aurora’s timber sale contracts, hunt leases, and camp site agreements. The properties are routinely patrolled by local foresters and members of hunting clubs who know how to contact the appropriate authorities. Local and volunteer fire departments have keys or other gate access to Aurora properties.

In addition to climate change risk management from fire, Aurora has extensive policies to protect forestlands from increased erosion during flood events, temperature changes and invasive pest movements.



Aurora contributes to the clean energy transition beyond its carbon projects

Aurora offers partnership opportunities for subsurface and renewable energy development on its lands. The U.S. is undergoing a massive restructuring of its electricity generation and distribution infrastructure. Aurora's portfolio offers many sites with access to transmission, wind, and solar resources. We see strong potential for synergies with entities seeking sites to advance the decarbonization of America's electricity grid.

In addition, Aurora offers carbon capture and underground sequestration sites to entities seeking long-term carbon sequestration. Our properties provide vent-stack carbon dioxide emissions storage solutions with both geologic carbon dioxide traps and deep saline aquifers. Our proximity to point-source carbon dioxide emissions give our customers access to single or multiple sites for permanent and secure storage of CO2 that would have otherwise gone into the atmosphere. We estimate our underground sequestration capacity to be in the hundreds of millions of tons of CO2.

ESG IMPACT

Aurora’s social and economic impact

Our social and economic impact on local communities flows directly from our core mission of sustainably managing forestlands. Aurora is currently building a Community Impact Plan. The initial framework centers on four pillars of community impact: community economies, community engagement and education, community recreation, and community health.

Aurora’s success is closely tied to the health and well-being of the communities in which we operate. These communities are not only home to our forestlands, but also to our employees, contractors, and community members who are responsible for their care. We are deeply committed to supporting these communities in diverse ways. We strive to make a positive impact through our four pillars:

1. Community economies

The deciduous forests of West Virginia, Tennessee, Kentucky, and Pennsylvania grow some of the most carbon rich trees on the planet. These same areas include several of the poorest counties in the U.S. that are facing economic decline, public health challenges, and a lack of opportunity for the next generation.

Our land holdings often represent a significant percent of local counties’ land base. Aurora supports local economies through the hiring of local contractors or consultants for active forest management, wildlife management, carbon and timber inventories, and on-going monitoring activities. Infrastructure construction and maintenance on Aurora’s lands including roads, trails, bridges, and culverts create local work opportunities while improving access for recreation or right-of-way users. Local and regional tourism associated with private and public recreation on Aurora’s lands has positive downstream effects on local businesses that cater to recreation users. Our sustainable forest management practices maximize climate, environmental, and economic benefits by allowing for some sustainable harvesting to continue.



The value of standing carbon in central Appalachia is two to ten times more than a cord of the wood.

—Aurora analysis based on ‘Jenkins et al. Updated generalized biomass equations for North American tree species, 2024’ biomass regressions and regional log rules.

2. Community engagement and education

Several of our projects grant public access and recreation through easements in New Hampshire, New York, and Wisconsin. On our eased lands, we hold annual community stakeholder meetings that include the public as well as state regulatory bodies. We are seeking to expand these meetings to more stakeholders to ensure an ongoing dialogue and exchange of information with local communities. We have also conducted mission-aligned research in partnership with neighboring universities and nonprofits. Recent examples include a West Virginia endangered migratory bird study and an educational forest operations tour for K-12 teachers. We are working to expand such opportunities in 2024 and beyond.



3. Community recreation

While strict property laws often prevent public access to forestland, Aurora works with communities, public regulatory agencies, non-profits and private groups to provide recreational access to many of our properties. Public recreational opportunities on our lands include camping, hiking, birding, mountain biking, off-roading, cross-country skiing, snowmobiling, hunting, and fishing. When opportunities exist, Aurora seeks to create inclusive environments for recreation, such as the Empire Riverlands property handicapped-access fishing site developed in partnership with the NY Department of Conservation.



4. Community health

Preserving large, intact forests in rural, low-income regions can enhance the health and vitality of local residents and mitigate the negative health effects of climate change. Our recreation partnerships across the portfolio allow local communities to reap the mental and physical health benefits of exercising or simply visiting local forests.

Increased forest cover in rural regions is associated with lower levels of air pollution, leading to reduced instances of respiratory diseases among the nearby communities. By enrolling our lands in carbon projects, we help ensure forest cover will be maintained across the ownership. Forests also significantly enhance water quality in rural areas through natural filtration and reductions in stormwater surges, ultimately reducing the need for costly water treatment processes, and reducing the risk of catastrophic or deadly flooding.



ESG IMPACT

The Forestland Group Legacy Fund

Following its acquisition of The Forestland Group in 2022, Aurora formed the Forestland Group Legacy Fund with a \$4M gift. The Foundation's will advance sustainable forestry through grants to educational institutions, non-profit organizations, and others. The foundation is just beginning and its purpose is to promote the evolution and advancement of the forest and timber industry in North America, consistent with TFG's legacy of sustainable stewardship, mentorship and education.

The fund seeks to build on the visionary efforts and creativity of TFG, which facilitated the early adoption of forest carbon methodologies and markets. The foundation's Board are developing investment policy statements, however preliminary visions include funding scholarships, forest land preservation, and teaching forests.

We are excited to utilize this legacy fund to support forest sector job innovation for the West Virginia community.

—Blake Stansell, President, Aurora Sustainable Lands

Initial grants were provided to the Collin Hagan Forestry Scholarship at Michigan Tech (\$25,000) and West Virginia Universities' Appalachian Forestry Entrepreneurship Center (\$100,000) which seeks to foster new ventures and drive innovation in the forestry sector.



ESG IMPACT

Aurora in the news

Since our founding in 2021, we've been making waves.

- **Environmental Finance**
[2023 ESG Investment Initiative of the Year](#), North America
- **The Land Report**
The [2022 Deal of the Year](#) for Aurora's innovative approach to forest management and historic acquisition of TFG.
- **SAF 2023 Fellow**
Our staff are also recognized for their excellence in forestry, with Aurora's Southern Regional Director Greg Bailey as [SAF's 2023 Fellow](#) – for his outstanding contributions and service to forestry at the local, state, and national level.



GHG Impact

How do we measure Aurora’s climate impact?

Aurora’s measured overall climate impact consists of the company’s own scope 1, 2, and 3 emissions. We offset 100% of our direct and indirect greenhouse gas emissions by retiring high-quality carbon credits. In addition, Aurora’s lands sequester a little over 5 million tons of carbon dioxide per year; a portion of these tons are sold to buyers of carbon credits for offsetting purposes. At Aurora, we believe in leading others and showing our commitment to climate goals by offsetting all of our companies' emissions.

Aurora’s 2023 greenhouse gas emissions

For 2023, Aurora will offset 56.7 tonnes of CO2e emissions by retiring the equivalent of our own high-quality carbon credits. By retiring these credits, we remove them from the market so that these emissions reductions and removals cannot be claimed by any other entity.

| | Tons of CO2e |
|--|--------------|
| Scope 1 | 0 |
| Scope 2 | |
| <i>Purchased electricity</i> | 16.13 |
| <i>Purchased natural gas</i> | 4.7 |
| Total | 20.83 |
| Partial Scope 3 | |
| <i>Fuel- and energy related activities</i> | 0.76 |
| <i>Business travel</i> | 33.29 |
| <i>Employee Commuting</i> | 1.82 |
| Total | 35.87 |
| Organization Total | 56.7 |

Aurora’s lands sequester more than 5 million tonnes of CO2e per year

Aurora's portfolio of forestland removes and captures an estimated 5.2 million tonnes of CO₂e annually. Our inventory of carbon stored in standing trees is illustrated in the following table:

| Region | Forested Acres | Total Standing Live CO2e (tons) | Live CO2e per acre (tons) |
|--------------|------------------|---------------------------------|---------------------------|
| Northeast | 263,780 | 25,689,056 | 97.4 |
| Lakes States | 150,147 | 15,958,408 | 106.3 |
| South | 384,642 | 45,484,395 | 118.3 |
| Appalachian | 804,222 | 119,719,669 | 148.9 |
| Total | 1,602,791 | 206,851,528 | 129.1 |

Conclusion

Thank you for supporting Aurora Sustainable Lands' foundational Impact and Sustainability Statement.

As we move forward, this report serves as a roadmap for the continued integration of sustainable practices and transparent reporting into every facet of our land base. Our dedication to mitigating climate change and promoting ecological resilience is evident in the carbon offset achievements and improved forest management practices outlined in this report. Beyond environmental stewardship, our foundation of sustainability-minded governance measures and stakeholder outreach underscore our commitment to ethical business conduct and long-term value creation.

Aurora Sustainable Lands is committed to increased transparency, responsible forest management, and community impact. We are excited to further our mission and actively manage and conserve forestlands that remove and store carbon from the atmosphere. We are confident that our integration of long-term sustainability tracking and reporting will increase value through carbon-first silviculture that supports biodiverse, healthy, and resilient working forests.

Questions? Contact us



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AURORA
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Appendix



TCFD Content Table

● = 100% ● = Partial Progress ● = Initial Stages

| Pillar | Recommended TCFD Disclosures | Reference in Aurora Sustainability Summary | Progress | Summary |
|-------------------|---|--|----------|--|
| Governance | a) Describe the board's oversight of climate-related risks and opportunities. | Pg. 6 | ● | Aurora's Board of Directors and Executive Committee have an explicit directive to increase impact through Responsible Investing Principles which incorporates climate change in all decisions. Associated ESG policies are reviewed at minimum on an annual basis. |
| | b) Describe management's role in assessing and managing climate-related risks and opportunities | Pg. 6 | ● | |
| Strategy | a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term | Pg. 21 | ● | An initial climate risk and opportunities assessment was completed on our portfolio – highlighting factors such as species composition change, temperature fluctuations, precipitation variations, and enhanced pest movement. Future work will identify these risks along appropriate time scales and with various warming scenarios. |
| | b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning | Pg. 15 | ● | |
| | c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario | Pg. 15 | ● | |
| Risk Management | a) Describe the organization's processes for identifying and assessing climate-related risks | Pg. 15 | ● | Aurora heavily vets our forestry consultants and partners – these local partners can more quickly identify unique climate risks. These risks are further developed with our Regional Directors and managed by our Executive Committee. Future work can solidify these reporting and management channels. In addition, climate risks are also identified and managed via annual ACR & CARB reporting. |
| | b) Describe the organization's processes for managing climate-related risks | Pg. 21 | ● | |
| | c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management | Pg. 6 | ● | |
| Metrics & Targets | a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | Pg. 27 | ● | Aurora is actively setting and integrating new sustainability goals, metrics, and standards across the organization. Our first calculations of greenhouse gas emissions were disclosed, and we plan to build on this with future reporting. |
| | b) Disclose scope 1, scope 2 and, if appropriate, scope 3 greenhouse gas emissions, and the related risks | Pg. 28 | ● | |
| | c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets | Pg. 28 | ● | |