

**Nuveen's Zero Deforestation Policy Statement for Brazil
Frequently Asked Questions
August 2018**

Q1: What are we announcing?

A: We are announcing that going forward, we will adhere to a "Zero Deforestation" Policy for Westchester's farmland investments in Brazil, which will prohibit us from acquiring land that has been cleared of native vegetation in five distinct biomes of the country after certain dates.

Q2: How does Nuveen/Westchester define deforestation?

A: We currently define deforestation in broad terms as the removal of forest or native vegetation, which is aligned with the UN's Food and Agricultural Organization [definition](#) adapted in 2001. We recognize the challenges associated with definitional issues and we are committed to adapting our Policy to remain consistent with industry best practice.

Q3: What is the goal of this Policy?

A: Ultimately, our Policy intends to ensure that our future investments in Brazil discourage speculative land development practices that result in the depletion of forested areas and native vegetation.

Q4: Does this Policy apply to a specific investment?

A: No. This Policy seeks to ensure our investments do not promote deforestation in Brazil regardless of the investment entity involved.

Q5: Why are we adopting this Policy? Why now?

A: Nuveen/Westchester's commitment to the Principles for Responsible Investing and sustainable farming practices typically ensures that we avoid recently deforested areas when acquiring new farmland. In countries such as Brazil, however, there is heightened concern that our presence alone may indirectly encourage landowners to clear forested areas or native vegetation in anticipation of a sale.

Having a formal Policy in place reinforces our commitment to the PRI and to sustainable farming practices. Additionally, it more closely aligns Nuveen/Westchester with the supply chain protocols and deforestation policies of multinational companies operating in Brazil, many of which have a similar goal.

Q6: Has Nuveen/Westchester engaged in deforestation in the past?

A: Our primary strategy has always been based on purchasing existing agricultural land rather than conversion of forest land into farmland. Our portfolio today consists of land that is locally approved for agriculture. In the vast majority of cases, the land we have acquired has already been farmed for years, if not decades.

Q7: How was the Policy developed?

A: The Policy was developed in partnership with [AgroTools](#), a satellite imaging and analysis expert, and considered a wide range of factors including: local and national regulatory frameworks such as the Brazilian Forest Code; the distinct native forests and vegetation of each biome; the legal, social and environmental analysis we already pursue in our due diligence processes; and, our ability to monitor enforcement, among other considerations. For the Cerrado biome, our Policy is in accordance with criteria set forth by the Roundtable for Responsible Soy.

Q8: Why does it only apply to certain areas on certain dates?

A: Each biome in Brazil has distinct native forests and vegetation, settlement patterns and other considerations that affect how such a Policy will be applied. Rather than adapt a one-size-fits-all approach, we followed the lead of other industry conservation standards such as the Soy Moratorium Protocol in the Amazon and customized our approach and effective dates accordingly.

Q9: Why isn't Nuveen adopting a Zero Deforestation Policy in other regions where Westchester operates?

A: In the countries where we currently invest, Brazil is the region with the highest potential for agricultural expansion through opening new land, and we believe our Policy will have an immediate impact. We are committed to extending this initiative to new investment countries or new regions in existing countries where similar concerns could apply.

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