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March 31, 2023

This brochure provides information about the qualifications and business practices of Campbell Global, LLC, a Delaware limited liability company (herein, “Campbell”). If you have any questions about the contents of this brochure, please contact us at 503-275-9675 or [www.campbellglobal.com](http://www.campbellglobal.com).

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Campbell is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information for use in determining whether to hire or retain an adviser.

Additional information about Campbell also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

(Item 1)

## Material Changes

(Item 2)

This item identifies only material changes made to this brochure since the amendment of this brochure dated November 14, 2022. This annual amendment updates the description of Campbell's business activities and related risk factors. We recommend that you read this brochure in its entirety.

Currently, you may request a copy of our brochure by contacting John T. Miller, Chief Compliance Officer, at 503-275-9675 or [jmiller@campbellglobal.com](mailto:jmiller@campbellglobal.com). Our brochure is also available free of charge on our web site [www.campbellglobal.com](http://www.campbellglobal.com).

Additional information about Campbell is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## **Advisory Business**

(Item 4)

This brochure relates to the investment advisory services offered by Campbell Global, LLC (“Campbell” or the “Adviser”). Founded in 1981, Campbell is a timberland investment advisory firm that acquires and manages timberland for investors. Campbell is registered with the Securities and Exchange Commission (“SEC”) as an investment adviser pursuant to the Investment Advisers Act of 1940, as amended (hereafter, the “Advisers Act”).

Campbell, together with 55I, LLC, Bear Stearns Asset Management Inc., Highbridge Capital Management, LLC, J.P. Morgan Alternative Asset Management, Inc., JPMorgan Asset Management (Asia Pacific) Limited, JPMorgan Asset Management (UK) Limited, JPMorgan Funds Limited, J.P. Morgan Investment Management Inc., Security Capital Research & Management Inc., each an SEC registered investment adviser, various affiliated foreign investment advisers and the asset management division of JPMorgan Chase Bank, N.A. comprise the Asset Management (“AM”) business of J.P. Morgan Asset & Wealth Management (“JPMAM”). J.P. Morgan Asset Management (“JPMAM”) is the marketing name for the AM businesses of JPMorgan Chase & Co. and its affiliates worldwide (“JPMC”). JPMC is a publicly traded global financial services firm.

JPMorgan Asset Management Holdings Inc. (“JPMAM Holdings”), which is a subsidiary of JPMC, owns 100% of the common stock of Campbell.

Campbell’s primary business is providing certain entities with advisory services regarding timberlands and related assets (those entities, “Timberland Investments”). Campbell’s advisory business for Advisers Act purposes consists of (i) advising certain investors regarding the purchase of interests in one or more Timberland Investments (those investors, “Investor Clients”), and (ii) advising Timberland Investments on the investment of their idle cash or regarding the investment in Timberland Investment related businesses (those Timberland Investments, “TI Clients” and together with the Investor Clients, the “Clients”).

Purchasing an interest in a Timberland Investment does not itself cause an investor to become an Investor Client. Campbell’s Investor Clients are those investors that have separate advisory agreements with Campbell under which they have purchased their interests in Timberland Investments. Most Investor Clients are institutional investors that are unaffiliated with Campbell but may be entities managed by Campbell.

An entity being a Timberland Investment does not itself cause that entity to become a TI Client. Campbell’s TI Clients are those Timberland Investments for which Campbell invests their cash balances in assets other than bank accounts and U.S. government securities (for example, in money market funds or commercial paper) or which invested in Timberland Investment related assets that constitute securities (such as interests in timberland-related businesses).

Campbell tailors its advisory services to the individual needs of each Investor Client by seeking to recommend investments in Timberland Investments that further that Client's sustainability goals, risk tolerance, liquidity needs, investment horizons, and other characteristics communicated by that Client to Campbell. As part of this process, Clients may impose restrictions on the types of Timberland Investments in which they will invest. Campbell tailors its advisory services to the individual needs of each TI Client by seeking to recommend liquid assets that further that Client's sustainability goals, risk tolerance, liquidity needs, investment restrictions, and other characteristics known to Campbell about that Client.

Generally, the minimum investment amount to become an Investor Client is \$5 million, although in certain limited situations the minimum is lowered. There is no minimum investment amount for a Timberland Investment to become a TI Client.

As of December 31, 2022, Campbell managed approximately \$944,077,401 of regulatory assets on a discretionary basis and approximately \$3,176,850,242 of regulatory assets on a nondiscretionary basis.

As of December 31, 2022, Campbell managed, as its core timberland advisory business, approximately \$5,537,997,476 of assets. The majority of the discretionary and nondiscretionary regulatory assets under management reflect indirect interests in underlying timberland assets that are included in the \$5,537,997,476 figure.

In addition to acting as a timberland investment advisory firm, Campbell provides in certain cases property-level forest management and log sale services for Timberland Investments. These services and Campbell's reimbursement policies are described under Item 5 "Fees and Compensation". Although Campbell has entered into separate agreements with Timberland Investments, these agreements relate timberlands or related assets and not securities, and therefore do not cause the Timberland Investments themselves to become advisory Clients of Campbell under the Advisers Act.

Campbell does not publish a formal investment advisory letter. Campbell produces a newsletter entitled "Timber Trends" that provides a periodic review of current events and trends in the timberland investment market and analysis of these trends. No recommendations to buy or sell are made in this newsletter.

## **Fees and Compensation**

(Item 5)

### **Timberland Asset Management Fees**

Campbell does not charge its Clients specific fees for securities advisory services. If an Investor Client purchases an interest in a Timberland Investment, Campbell receives asset management fees based on the adjusted cost of the timberlands and other assets held by that Timberland Investment.

Campbell generally negotiates the asset management fees borne (directly or indirectly) by each Client and other persons or entities ("Persons") that purchase interests in a Timberland Investment. Campbell

considers “most favored nation” clauses in certain limited circumstances. A “most favored nation” clause entitles an Investor Client, or another investor in a Timberland Investment, to certain terms under certain circumstances that Campbell offers to certain other Clients or investors.

In general, the specific manner in which asset management fees are charged to a Client by Campbell is established in a written agreement between Campbell and such Client relating to a Timberland Investment. An asset management fee generally varies according to account size and is typically based on acquisition cost plus adjustments based on the Consumer Price Index for All Urban Consumers, published by the United States Department of Labor, Bureau of Labor Statistics, or a similar index. Currently, Campbell does not charge timberland acquisition and disposition fees but reserves the right to negotiate these fees with Clients in advance where appropriate.

### **Fees and Expenses for Campbell Overhead and Administrative Services**

In certain cases where Campbell provides advisory and/or property services to a Timberland Investment, Campbell may charge specified fees and/or seek reimbursement of certain administrative costs and expenses, related to providing or supervising these services. Subject to applicable law, these items include, but are not limited to (i) fees and expenses paid to advisors and independent contractors, consultants, managers and other agents relating to a Timberland Investment; (ii) fees, costs and expenses relating to consummated Timberland Investments, including the evaluation, review, due diligence, acquisition, holding, owning, protecting, maintaining, repairing, improving, financing, sale, disposition and distribution thereof, appraisal, environmental, inventory and valuation expenses, fire suppression, prevention and control, road and rock pit construction, and third-party fees; (iii) interest, fees, charges and expenses related to or arising from any indebtedness or hedging activities relating to a Timberland Investment; (iv) premiums for insurance relating to Timberland Investments, but not including premiums for insurance of Campbell that is not specifically related to Timberland Investments; (v) fees for external advisers related to legal, audit, custodial, tax, accounting and bookkeeping expenses, including expenses associated with the preparation of financial statements, tax returns, Schedule K-1s, the representation of the Client or Timberland Investment in the capacity as a tax matters partner or partnership representative, governmental reporting relating to a Timberland Investment; (vi) commitment, brokerage, guaranty, costs of foreclosure, banking and consulting fees and expenses relating to a Timberland Investment; (vii) expenses related to organizing entities through or in which a Timberland Investment may be made; (viii) a Timberland Investment’s share (based on estimated time spent performing services for the benefit of such Timberland Investment) of the actual costs of supervisors, project managers, regional managers, contractors, field personnel, or other personnel directly and indirectly associated with the oversight and operation of such Timberland Investment and its timberlands (including but not limited to GIS, accounting, budgeting, forecast, inventory, operations support, human resources, information technology and legal); (ix) extraordinary or non-recurring costs or charges and legal, expert and other fees, costs and expenses relating to any actions, proceedings, settlements or disputes, causes of action or claims and judgments rendered against Campbell for which the Client is required to indemnify; (x) taxes, *ad valorem* taxes, license fees, other governmental charges, fees and duties relating to the Client or a Timberland Investment and any interest and penalties thereon; (xi) costs and expenses relating to meetings between

Campbell, investors in a Timberland Investment, lenders to a Timberland Investment, and third-parties related to the business and operations of a Timberland Investment, including meals, lodging, airfare, mileage, gas rentals and other travel costs and expenses related thereto; (xii) costs of winding up and liquidating the Client; (xiii) software, hardware, data line, consultants, and other direct IT costs incurred for the benefit of a Timberland Investment; (xiv) third-party fund administrator costs and expenses relating to a Timberland Investment; and (xv) training and business events and meetings relating to a Timberland Investment.

The foregoing examples of fees, costs and expenses borne by Clients is not exhaustive and should not be taken to be inclusive of all costs, fees, and expenses associated with Campbell's strategies or viewed as exclusive to such strategies.

### **Costs and Expenses for Property Services**

In cases where Campbell provides property services for a Timberland Investment, the Timberland Investment will bear market rate fees, and/or certain costs and expenses either directly or by reimbursing Campbell. These items include, but are not limited to, fees, costs and expenses associated with the direct operation of a Timberland Investment and its timberlands, including but not limited to (i) fees and expenses paid to advisors and independent contractors, consultants, managers, property managers, contractors, appraisers, lawyers, accountants, tax consultants, investment bankers, and other agents; (ii) fees costs and expenses relating to timberlands, including the evaluation, review, due diligence, acquisition, holding, owning, protecting, maintaining, repairing, leasing, improving, financing, sale, disposition and distribution thereof, appraisals, environmental surveys, timber cruises, surveillance, inventory and valuation expenses, site preparation and reforestation, logging, hauling, insect, animal and stock control, fire suppression, prevention and control, road, rock pit and building construction and maintenance, and third-party fees; (iii) interest, fees, charges, and expenses relating to or arising from any indebtedness or hedging activities; (iv) bonding and insurance premiums and fees relating to the timberland; (v) property-level legal, audit, custodial, tax, accounting, bookkeeping and clerical expenses and expenses of each field office, computer services or facilities related thereto; (vi) commitment, brokerage, guaranty, costs of foreclosure, banking and consulting fees and expenses; (vii) expenses related to organizing entities through or in which a Timberland Investment invests in timberland; (viii) extraordinary or non-recurring costs or charges and legal, expert and other fees, costs and expenses relating to any actions, proceedings, settlements or disputes, causes of action or claims and judgments rendered against a party for which a Timberland Investment is required to indemnify such party; (ix) taxes, ad valorem taxes, license fees, other governmental charges, fees and duties and any interest and penalties thereto relating to a Timberland Investment; (x) expenses related to the sale, disposition, exchange or transfer of any portion of a Timberland Investment's timberlands, (xi) costs of winding up, liquidating and dissolving or transferring operations of a Timberland Investment; (xii) vehicles and vehicle expenses, including without limitation insurance for all tree farm level personnel associated with the oversight and operation of a Timberland Investment, (xiii) tree farm level administrative and office expenses associated with oversight and operation of the timberlands (including rent, taxes, insurance, utilities, computers, telephones, supplies, data lines, hardware, software and maintenance, personnel welfare programs);

(xiv) association and co-op dues and fees relating to, or for the benefit of, a Timberland Investment; (xv) charitable contributions relating to, or for the benefit of, a Timberland Investment; and (xvi) such other activities associated with the direct operation and protection of a Timberland Investment as are reasonably appropriate and customary.

With respect to certain Timberland Investments, investors approve budgets that address overhead and property services provided by Campbell and its related persons. In some cases, the budgets will set forth specific expense items, a range of expense items, or caps for specific expense items, expressed as dollar figures or as formulas. In other cases, the applicable agreements provide that Campbell, and its related persons, will provide certain services at “cost” or on a “cost plus” basis. Even with advance approval of budgets, conflicts of interest arise between Campbell and its related persons, on one hand, and the Timberland Investments and their investors, on the other hand. For example, if budgets provide that identified expenses are subject to specified caps, Campbell and its related persons have an incentive to provide such services (whether or not necessary) so long as related expenses do not exceed the specified caps. Likewise, when expense caps for specified services are reached, Campbell and its related persons have an incentive to refrain from providing services if they will not be reimbursed for doing so. Additionally, when an agreement provides that services will be provided at “cost” or on a “cost plus” basis, there can be disagreements over which expense items should be included in the “cost” or “cost plus” calculation. Campbell seeks to mitigate these conflicts by providing interested parties with periodic budgets, quarterly reports, annual reports as well as special reports or disclosures to address certain material expense items; however, it is not the case that such conflicts will be eliminated in all circumstances.

In general, real estate brokerage and other transaction costs associated with Campbell’s execution of its timberland investment strategy will be borne by a Timberland Investment.

### **Performance-Based Fees**

As described further under Item 6 “Performance-Based Fees and Side-By-Side Management”, Campbell also generally negotiates performance-based compensation with each Client that varies by Timberland Investment.

### **Payment**

Fees are generally deducted from a Timberland Investment’s account monthly and are usually billed *in arrears*. An account cancellation policy requires advance notice in the event of termination by either party. Billing *in arrears* avoids the need to refund fees in the event an account terminates.

In some cases, an investor in a Timberland Investment elects to pay Campbell certain payments that a Timberland Investment would have otherwise made with respect to that investor’s interest in that Timberland Investment. Neither Campbell nor any of its supervised persons accepts direct compensation for the sale of securities or other investment products.



Additional detailed information on fees is provided in the written agreements between Campbell and each Client.

## **Performance-Based Fees and Side-By-Side Management**

(Item 6)

Campbell does not charge its Clients specific fees for securities advisory services that it provides. If an Investor Client purchases an interest in a Timberland Investment, Campbell potentially receives performance-based compensation based on the change in value of the timberlands and other assets held by that Timberland Investment.

Campbell has entered into performance-based compensation arrangements with respect to most of the Timberland Investments. These compensation arrangements are subject to individualized negotiation with each investor in each Timberland Investment. Campbell structures each performance-based compensation arrangement subject to section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring a Timberland Investment's assets for the calculation of performance-based compensation, Campbell may include realized and unrealized capital gains and losses. Performance-based fee arrangements create an incentive for Campbell to potentially recommend investments which are riskier or more speculative than those which would be recommended under different fee arrangements. Such fee arrangements also create an incentive to favor accounts that pay higher fees over other accounts in the allocation of investment opportunities.

Campbell has designed and implemented procedures that seek to ensure that all Investor Clients are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities in Timberland Investments among Investor Clients.

## **Types of Clients**

(Item 7)

Campbell provides asset management services to a wide variety of Investor Clients, which generally include corporate pension and profit-sharing plans, public pension plans, corporations, insurance companies, funds of funds, high net worth individuals, Taft-Hartley plans, foundations, endowments, municipalities, private investment funds, trust programs, sovereign funds, non-U.S. entities such as UCITs and SICAVs, other institutions and in certain cases, entities managed by Campbell or its related person. Generally, the minimum initial investment amount in respect of any Investor Client is \$5 million, but this minimum is adjustable based upon certain considerations specific to each investment transaction.

Campbell also provides services to its TI Clients, each of which is a Timberland Investment managed by Campbell or its related person.

# Methods of Analysis, Investment Strategies and Risk of Loss

(Item 8)

Campbell determines the value of an interest in a Timberland Investment based largely on the current and projected value of that Timberland Investment's underlying timberlands and other assets. This item therefore focuses on Campbell's treatment of timberlands and other assets.

## Methods of Analysis

Campbell appraises the economic merits of timber, timberlands, and related assets using income, cash flow, comparable value, and replacement cost techniques.

Campbell's sources of information include inspections of properties and interviews with appropriate buyers, sellers, users of timber resources, and owners/operators of timberland-related businesses. Campbell generates forecasts of future resource prices based upon inventory data provided by sellers, inventory cruise samples, physical inspection of timber stock and internal estimates, publicly available economic forecasts, resource pricing services, operational restraints and capabilities, and ESG and sustainability considerations. Analysis includes references to technical and forest industry sources and third-party valuations.

Campbell's TI Clients have fairly predictable cash flow patterns, and Campbell manages the cash balances to provide for required liquidity to operating expenses and capital expenditures. TI Clients generally have minimum liquidity cash balances established, and generally cash in excess of these minimums is distributed to their investors. In some situations, due to the capital structure, use of reserve accounts, or other special considerations, cash balances that normally would be distributed to investors in the TI Client are held for future liability needs or other requirements. Campbell seek to invest this temporary excess cash to earn a market-based yield without undue risk, subject to any specific restrictions by investors or lenders.

## Investment Strategies

For Investor Clients, the investment strategy is tailored to the specifications supplied by an Investor Client with respect to: (1) timing and size of cash flow; (2) rate of return; (3) length of holding period; and (4) sustainability goals and other investment and business criteria.

For certain Investor Clients, Campbell integrates ESG considerations into its investment processes and strategies focused on sustainable investment. See the sections 'ESG Integration' and 'Sustainable Investment' below for more information.

*ESG Integration.* Campbell integrates consideration of certain ESG risks and factors into certain investment processes. As further described below, Campbell is committed to investing in and managing Timberland Investments in a manner that promotes the long-term interests of Clients, while also striving to improve the environmental, and social attributes of the timberlands it manages. Campbell incorporates ESG criteria into certain investment processes including in relation to pre-screening, due diligence, investment

decisions and monitoring processes. In certain cases, these will include (1) in connection with acquisition, initial environmental reviews which may involve investigation of the presence of endangered species, carbon sequestration opportunities, extreme weather risks, and social considerations associated with the acquisition of an asset, and (2) following acquisition, monitoring third-party operators and reviewing performance against applicable compliance checklists, including those that may be required for forest certification standards applicable to investment and internal management guidelines. Please see the section 'ESG and Sustainability Risk' below for more important information, including certain risks and limitations.

*Sustainable Investment.* Certain investment strategies may focus on sustainable investments. This means that such strategies have sustainability objectives relating to positive environmental and / or social outcomes alongside financial objectives. As of the date hereof, Campbell offers at least one investment strategy with a focus on sustainable Timberland Investments that seeks to make disclosures in accordance with Article 9 of the EU Sustainable Finance Disclosure Regulation. Please see the section 'Sustainable Investment Strategy Risks' below for more important information, including certain risks and limitations.

For TI Clients, Campbell seeks to invest temporary excess cash to meet the following goals and objectives: (1) earn a competitive short-term market-based yield on cash invested; and (2) avoid undue risk which means a loss of principal. It is a goal of the investment program to avoid a loss of principal. Campbell generally invests TI Client idle cash in investments with a term (duration) generally not to exceed 90 days (but may be up to one year in certain circumstances).

A key consideration before investing excess cash is applying any interest earned in a bank account to offset bank fees. Once this threshold is established excess cash will be invested to earn a competitive interest rate. For Clients with ongoing excess cash, sweep accounts may be used to automatically transfer excess cash to an interest-bearing account.

The implied rate earned on cash whose accrued interest is used to offset bank fees will be periodically monitored to ensure that there is an acceptable opportunity cost in leaving cash in the bank account instead of investing it in a higher yielding investment. There may be times when other investments earn a rate of return that is higher than the implied rate of return represented by the offset bank fees.

### **Risks Associated with Money Market Funds, Commercial Paper, and other Idle Cash Investments**

While Campbell and its related persons seek to invest idle cash in investments that are highly unlikely to lose any of the amount invested, there can be no guarantee that any such investments will not lose part, or all, of the value invested. This is true even for relatively safe investments such as U.S. government securities and highly rated, short-term commercial paper.

### **Risks Associated with Timberland Investments**

*Timberlands.* A Timberland Investment's investment strategy is to acquire quality timberland assets and actively manage them to achieve strong risk-adjusted total returns over the long term. Campbell focuses on investments in regions with well-established wood-consuming economies, well-capitalized domestic

converting customers and/or good economic access to export markets, low currency risk and a strongly embedded concept of private property rights generally supported by effective legal and land title systems. Most Timberland Investments have historically made their investments in North America and Australia, but some Timberland Investments are pursuing investments in other regions that expose those Timberland Investments to higher legal, regulatory, tax, economic, or other risks. Campbell aims to achieve a balanced portfolio through both diversification of timber types within and across timberland estates and timber markets served. Campbell is a vertically integrated timberlands manager and, where applicable, retains control over material decisions relating to property.

*Economic Risks Relating to Timberlands.* In general, Timberland Investments are subject to varying degrees of economic risk. Some common economic risks associated with timberland investments include a lack of liquidity in timberlands, changes in demand for logs and other market factors, declines in prices paid for logs, fluctuating interest rates, global economic health, currency fluctuations, new regulations, personnel liabilities, environmental liabilities, land claims, and any decline in the ability to meet debt service obligations. Log demand is related to the economic cycle and varies significantly with the level of lumber required for new construction and remodeling, changes in consumption and production levels and prices for logs, pulp and paper, construction and remodeling activity, material declines in investment in lumber mills, pulp mills and paper mills, population growth and other demographic factors, consumer preferences, macroeconomic factors, price and availability of substitute wood and non-wood products, weather conditions, regional, domestic and international changes in regulatory, social, political, labor or economic conditions and policies, global shipping and transportation costs, trade protection laws, policies and measures and other regulatory requirements affecting trade and investment, modification of exemptions for taxes and tariffs, import and export licensing requirements, increases in global timber supplies, global economic changes, supply shifts to lower cost markets, harvesting restrictions that affect supply, costs of timber production, technological advances which improve harvest yield, as well as demand for other wood products such as wafer board, plywood, paper, cardboard, fuel, and wood based chemicals.

*Highly Competitive Market for Timberland Investment Opportunities.* The activity of identifying, completing, and realizing attractive timberlands investments is highly competitive which involves a high degree of uncertainty. There can be no assurance that an investment entity's manager will be able to locate and complete Timberland Investments which satisfy its objectives, realize the value of these Timberland Investments, or fully invest committed capital.

Each investment entity will compete with other investors for Timberland Investments. These competitors, which include large timberland owners, construction and engineering groups and financial investors, may have significant financial resources and may be able to present bids with competitive terms. As a result of such competition, an investment entity may have difficulty in making certain timberland investments or, alternatively, an investment entity may be required to make timberland investments on economic terms less favorable than anticipated. If an investment entity fails to make new timberland investments or makes Timberland Investments on less favorable terms, the investment entity's financial condition and results of operations could be materially and adversely affected.

*Highly Competitive Timberland Industry.* Each Timberland Investment operates in a highly competitive business environment in which companies compete, to a large degree, on the basis of price and also on the basis of service and ability to provide a steady supply of products over the long term. In a Timberland Investment's target markets, prime competitors are generally other large forestland owners, governments and small private forestland owners. In addition, wood and paper products are subject to increasing competition from a variety of substitute products, including non-wood and engineered wood products and electronic media. The competitive position of Timberland Investments is also influenced by a number of other factors including the availability, quality and cost of labor, the cost of energy, the ability to attract and maintain long-term customer relationships, the quality of products and customer service and foreign currency fluctuations.

*Risks Associated with Greenfield Timberland Projects.* An investment entity may invest in one or more greenfield timberland projects. It is common for such projects to be initiated alongside the establishment of a new local converting business, which is intended to be the primary or sole purchaser of the timber. As such, the timberland operations are frequently exposed to risks associated with the construction of the converting facility, as well as the converting facility's purchasing power thereafter. Moreover, greenfield projects require significant capital investments at the planting stage, with no prospect of cash flows being generated from such investments during the growth stage. This customer concentration and the unavailability of near-term cash flows could have a material adverse effect on an investment entity's returns.

*General Risk Factors Relating to Timberlands.* Timberland Investments are generally subject to varying degrees of risk. These risks include changes in general economic conditions (including market and price factors, currency fluctuations, and global economic health), government regulations and trade issues, dealings with unionized employees, regulations regarding environmental issues and land claims. Certain significant expenditures, including interest payments when leverage is employed, must be made whether or not underlying timberlands are producing sufficient income to service these expenses.

*Timber and Wood Market and Price Volatility.* The financial returns of certain Timberland Investments will depend on the selling prices of timber. The markets for timber are cyclical and are influenced by a variety of factors beyond Campbell's control. For example, the market prices for timber can be affected by changes in regional and global demand, supply and economic conditions which are affected by: general economic activity; consumption and production levels and prices of lumber, pulp and paper; new housing, repair and remodeling activity; interest and foreign currency exchange rates; change in levels of investment in lumber mills, pulp mills and paper mills; population growth and other demographic factors; consumer preferences; price and availability of substitute wood and non-wood products; weather conditions, including wind damage and flooding; fires, disease epidemics and insect infestation of forestlands; regional, domestic and international changes in regulatory, social, political, labor or economic conditions and policies, in a specific country or region; global shipping and transportation costs; trade protection laws, policies and measures and other regulatory requirements affecting trade and investment, including loss or modification of exemptions for taxes and tariffs, and import and export licensing requirements; increases in global timber supply, including global supply shifts to low cost countries;

harvesting restrictions in wood-supplying regions that affect supply; the costs of timber production; and technological advances, which improve harvest yield in competing supply regions.

In addition, a Timberland Investment's financial returns will be subject to global economic changes. A significant component of the products sold by the Timberland Investment will likely be sold in markets that are sensitive to macroeconomic conditions in the principal timber consuming markets. Accordingly, adverse economic conditions in these economies could reduce demand for these products and negatively impact a Timberland Investment's financial returns.

*Weather, Climate Change, and other Physical/Biological Conditions.* Weather conditions, timber growth cycles, and restrictions on access may reduce the volume and value of timber that can be harvested from a Timberland Investment's timberlands, as may other factors, such as damage by fire, insect infestation, disease, prolonged drought, and natural disasters. Changes in global or regional climate conditions have the potential to harm investments and have a negative impact on operations, cash flow and profitability. An increase in global temperature could also lead to an increase in the frequency and severity of fires, extreme weather events, and other natural disasters which reduce or eliminate the value of timberlands and/or their carbon storage capabilities. As is typical in the industry, Campbell does not generally insure against losses of timber from any causes, including fire. In some circumstances, however, a Timberland Investment or its subsidiary will purchase standing timber insurance.

*Geographic Concentration.* Certain Timberland Investments are concentrated in specific regions. If the level of production from the forests in a region in which a Timberland Investment invests substantially declines, it could have a material adverse effect on overall production levels and a Timberland Investment's financial returns.

*Restrictions Imposed by Forestry and Environmental Regulations.* Certain government regulations relating to forestry practices and the sale of logs result in increased costs for timberland investments. Examples of such regulations include reforestation requirements and those impacting harvesting activities within close proximity or otherwise affecting watercourses or inland shorelines. In addition, some forestry and environmental regulations restrict timber harvesting and otherwise restrict the ability of such investments to conduct their business. There can be no assurance that, as a result of such regulations, Timberland Investments will not incur significant costs, civil and criminal penalties, and liabilities, including those relating to claims for damages to property or natural resources, resulting from their operations, any of which could have a material adverse effect on the performance of Timberland Investments. To the extent practicable, Campbell maintains environmental and safety compliance programs and conducts regular internal and independent third-party audits of facilities and timberlands to monitor compliance with laws and regulations.

Laws, regulations and related judicial decisions and administrative interpretations affecting the business of the timberland investments are subject to change and new laws and regulations that may affect their business are frequently enacted. Some of these laws and regulations could impose significant costs, penalties, and liabilities for violations of existing conditions irrespective of the cause. Timberlands in various jurisdictions are subject to laws and regulations which relate to, among other things, the

protection of timberlands, health and safety, the protection of endangered species, air and water quality, timber harvesting practices, and recreation and aesthetics. Regions with frequent policy changes add volatility to revenue streams and depress timberland values.

In connection with certain timberland operations, Timberland Investments or their affiliates are required to make regulatory filings. Any government agency could delay review of or reject any of such filings. Any such delay or rejection could result in delays or restrictions on harvesting, replanting, thinning, insect control or fire control, any of which could have a material adverse effect on the performance of Timberland Investments.

In general, the number of environmental, endangered species, and forestry laws and regulations in many countries has increased markedly and the enforcement of these laws and regulations has intensified. These laws and regulations could continue to become more restrictive and have a material adverse effect on a Timberland Investment's financial returns.

*Potential Undetected Environmental Liabilities of Timberlands.* A Timberland Investment may acquire timberlands that are subject to environmental and other liabilities under various federal, state, and local laws, ordinances, and regulations (collectively, "Environmental Laws"), such as obligations to clean up or pay for the clean-up of contamination. While timberlands do not generally carry as high a risk of environmental contamination as industrial properties, the cost of clean-up of contaminated properties could increase operating costs, which could have a material adverse effect on a Timberland Investment's financial returns.

It is possible that future Environmental Laws or new interpretations of existing Environmental Laws will impose material environmental liabilities on Timberland Investments or their subsidiaries. The environmental conditions of investment properties could be affected adversely by hazardous substances associated with other nearby properties or the actions of third parties unrelated to a Timberland Investment. The costs of defending any future environmental claims, performing any future environmental remediation, satisfying any such environmental liabilities, or responding to any changed environmental conditions could materially adversely affect a Timberland Investment's financial returns.

*Limitations on Ability to Harvest.* Revenues, earnings, and cash flow from the operations of timberlands are dependent to a significant extent on the continued ability to harvest timber at adequate levels. Weather conditions, timber growth cycles, access limitations and regulatory requirements associated with the protection of wildlife and water resources may restrict harvesting of the timberlands, as may other factors, including damage by fire, insect infestation, disease, prolonged drought, and other natural and man-made disasters. There can be no assurance that such investments will achieve harvest levels in the future necessary to maintain or increase revenues, earnings, and cash flows.

*Commodity Price Risk.* In many cases, timberlands generate cash flow from the selling of logs and wood fiber to mills, processing facilities, and exporters. Log prices are generally a spot market product and little to no brand recognition or brand product differentiation exists in the marketplace. There is a high degree of substitution of one log for another. Log sellers are generally price takers. Prices can exhibit significant

price volatility over the short and long-term based on supply and demand dynamics. There are generally no existing hedging products available for log sellers at this time and hedging log prices is not economically feasible. Cash flows can vary over time even though the log volume sold may be stable.

*Mills and Conversion Facilities.* Certain timberlands, particularly those which are inland, rely almost exclusively on local and regional processing facilities. Consequently, certain timberland investments may be more susceptible to mill shutdowns, and a reduction in the number of mills may reduce the overall demand for wood fiber in a given area or region. Mill shutdowns can occur due to increases in input costs such as energy or plant capital costs or increases in labor costs. Increasing energy costs, and capital investment for mill improvements, may affect mill margins. Higher fuel costs for land transportation may make it uneconomical for certain mills to obtain wood fiber at a reasonable cost. To the extent that mills employ unionized workers, labor costs and availability of labor could be adversely affected if labor negotiations were to restrict the ability of mills to maximize the efficiency of its operations. A mill operator's inability to negotiate acceptable contracts with unions as existing agreements expire could result in strikes by affected workers and increased operating costs as a result of higher wages or benefits paid to union members. If personnel engage in a strike or other work stoppage, Timberland Investments could experience significant short-term or long-term disruptions in their operations.

*Business Disruption Risk.* Campbell, its service providers, mills, and processing facilities are susceptible to business disruptions resulting from catastrophic and other material events (e.g., natural disasters, pandemics) that could negatively impact the ability to continue to transact business. Business continuity and disaster recovery plans have been developed that seek to identify and plan for potential disruptions. Any significant limitation on the use of Campbell's facilities, operating systems or networks, or Campbell's ability to continue operating on the Timberland Investments during any such disruptions, could result in financial losses.

*Changes in Demand for HBU Properties.* In the ordinary course of business, timberland investments will undertake to sell HBU properties each year in order to realize the appreciated value of these holdings. The majority of these sales are expected to consist of properties that have become more valuable for development or conservation than for growing timber. A number of factors, including a slowdown in commercial or residential real estate development or a reduction in the availability of public and private funding for conservation projects, could reduce the demand for such properties and consequently, reduce revenues from any land sale program, which could have a material adverse effect on a Timberland Investment's financial returns.

*Insurance.* Standing timber is subject to the risks of forest harvesting, such as fires, drought, tree diseases, severe weather, unforeseen equipment breakdowns, or any other event, including any event of force majeure, which could result in material damage to timberlands. From time to time, various types of insurance for companies who operate timberlands have not been available on commercially acceptable terms or, in some cases, have been unavailable. Campbell generally does not insure against losses of standing timber from any causes, including fire, and insurance against certain environmental risks is not available on commercially acceptable terms. In certain situations, however, a Timberland Investment or



its subsidiary will purchase standing timber insurance. Any material damages to timberlands which are not insured could have a material adverse effect on a Timberland Investment's financial returns.

*Land Titles Claims.* While certain Timberland Investments may have timberlands registered under land titles systems, where such systems exist, such systems may not be available or, where land titles regimes are in place, there may be a risk of title claims in the future. Furthermore, leasehold opportunities in connection with timber rights are subject to risks not associated with timberlands secured with clear title. These risks include possible cancellation of operating licenses related to non-payment of land taxes, title disputes or other property-related judicial disputes where the landowner is responsible for managing conflicts. If a claim to any portion of a Timberland Investment's timberlands is successful, a Timberland Investment may be required to forfeit such lands or pay amounts to the claimant, which could have a material adverse effect on a Timberland Investment's financial returns.

*Seasonality of Timberlands.* The operations of the Timberland Investments are expected to be subject to seasonal variations in the regions in which such investments are located. Harvesting activity can be compromised by inaccessibility to some sites during wet seasons resulting in decreased harvest levels. Results from one quarter will not be indicative of results that may be achieved in other quarters or for the full year.

*Cyclicalities of Timberlands.* Timberland Investments will depend on the state of the lumber and pulp and paper industries. Demand for products from the lumber and pulp and paper industries is correlated with global economic conditions. In periods of economic weakness, reduced spending by consumers and businesses, reduced construction, and other factors may result in decreased demand for such products, resulting in lower product prices and possible manufacturing downtime, which, in turn, may result in lower net sales, profits and cash flows for Timberland Investments. Changes in demand based in economic and market shifts, fluctuations in production capacity and changes in prices of raw materials and energy have created cyclical changes in prices, sales volume and margins for products from the lumber and pulp and paper industries. Prices and demand for lumber and pulp and paper products have fluctuated significantly in the past and are expected to fluctuate significantly in the future. Any prolonged or severe weakness in the market for any of such products could adversely affect a Timberland Investment's financial returns.

*Capital Requirements.* Mills and other timberland-related facilities require substantial capital. These assets have substantial capital requirements for expansion and repair or replacement of existing facilities or equipment. Key pieces of equipment may need to be repaired or replaced periodically. The costs of repairing or replacing such equipment and the associated downtime of the affected production line could have a material adverse effect on an investment's financial condition, results of operations and cash flows. If for any reason a Timberland Investment is unable to provide for its assets' operating needs, capital expenditures and other cash requirements on economic terms, that Timberland Investment would likely experience a material adverse effect on its financial condition, results of operations and cash flows.

*Availability of Raw Materials and Energy.* A Timberland Investment that owns mills or other timberland-related businesses could be materially adversely affected by changes in the cost or availability of raw

materials and energy. These businesses rely heavily on certain raw materials (principally wood and chemicals) and energy sources (principally natural gas, electricity, coal, and fuel oil) in their operating processes. A Timberland Investment's ability to increase the value of such investments is affected by changes in the costs and availability of such raw materials and energy sources. A Timberland Investment may not be able to fully offset the effects of higher raw material or energy costs through hedging arrangements, price increases, productivity improvements or cost-reduction programs and a Timberland Investment might not seek to do so.

*ESG and Sustainability Risk.* As described further in Campbell's Responsible Investment Policy ([www.campbellglobal.com/sustainability](http://www.campbellglobal.com/sustainability)), Campbell is committed to investing in and overseeing Timberland Investments in a manner that promotes the long-term interests of our Clients, while also striving to improve the economic, environmental, and social attributes of such Timberland Investments. This commitment underpins Campbell's integration of ESG practices into its business planning and strategies, policies, reporting and disclosures to serve Client investment objectives and support responsible environmental practices.

There can be no assurance that the criteria utilized by Campbell, or any judgment exercised, will reflect the beliefs or values of any particular investor or group of investors. Campbell's investment policies and ESG goals may identify material economic, ESG, or climate risks associated with an investment, causing Campbell to recommend that an investor avoid an investment that it would have otherwise made, or causing Campbell to make different recommendations with respect to an investment than it would have made in the absence of such policies and goals. In evaluating potential Investments, Campbell often depends on information and data provided by third-party reporting and/or advisors, which may be incomplete or inaccurate and could cause Campbell to assess an investment's ESG potential and/or related risks and opportunities incorrectly. In addition, Campbell makes investment recommendations based on its view of circumstances at the time of such recommendation and developments that take place subsequent to such recommendation may not conform to expectations. ESG-related practices differ by region, industry, and issue, and are evolving accordingly. Campbell's ESG-related practices and/or assessment of such practices is likely to change over time. Although Campbell believes its investment policies and ESG goals will enhance the performance of investments over the long-term, Campbell cannot provide assurance that such policies and goals, or its assessment of future growth of these trends, will positively impact the financial, climate, or ESG performance of any individual investment.

*Sustainable Investment Strategy Risks.* The criteria related to sustainable investment strategies may result in a strategy rejecting opportunities to buy certain investments when it might otherwise be profitable to do so, or selling investments for ESG reasons when it might be otherwise less profitable to do so. In addition, there are risks that investments identified by such strategies and identified as sustainable by Campbell, do not operate as expected when addressing ESG issues. An investment's ESG performance or Campbell's assessment of an investment's ESG performance could vary over time, which could cause a Client to be temporarily invested in investments that do not comply with the Client's approach towards considering ESG characteristics. Campbell assesses sustainability using a wide set of data inputs, combined with its own proprietary analysis. While Campbell looks to data inputs that it believes to be reliable,

Campbell cannot provide assurance as to the accuracy of such third-party data. Under Campbell's investment processes, data inputs may include information self-reported by companies and third-party providers that may be based on criteria that differs significantly from the criteria used by Campbell to evaluate sustainability. In addition, the criteria used by third-party providers can differ significantly, and data can vary across providers and within the same industry for the same provider. Moreover, there are significant differences in interpretations of what it means for an investment to have positive ESG or sustainability characteristics. While Campbell believes its definitions are reasonable, its investment determinations may differ from the views of other investors or advisers.

*ESG and Sustainability Program Risks.* There is growing regulatory interest in improving transparency around how asset managers and companies define and measure ESG performance and climate change, to allow investors to validate and better understand sustainability claims. The integration of climate and ESG considerations in responsible investing practices, including carbon sequestration, carbon footprint assessments, and carbon market protocols, are still evolving and there are different frameworks and methodologies being developed and implemented by regulators, other asset managers, advisors, accountants, industry coalitions, and not-for-profit organizations. Campbell's ESG and climate screening methodologies are proprietary and do not represent a universally recognized standard for assessing climate risk. Campbell's approach may not align with the approach used by other asset managers or prospective investors or reflect future market trends.

Campbell and its investments could become subject to additional regulation in the future, and Campbell cannot provide assurance that it or its investments will be able to comply with future reporting frameworks, regulatory requirements or best practices. The financial and impact success of any investment could be jeopardized by the lack of future regulation to control and mitigate climate change. Future changes in regulation relating to climate change, carbon storage, and the market value of verified carbon offsets could lead to diminished market demand for timberlands. In addition, it is possible that investments will not obtain or realize positive environmental or societal impacts that they otherwise seek to deliver, and there can be no guarantee that any positive environmental or societal impacts will persist after any investments are realized.

*Risks Associated with VCA Investments.* Certain investment strategies may include investments in instruments representing greenhouse gas ("GHG") reduction or removal of one metric tonne of carbon dioxide ("CO<sub>2</sub>") or CO<sub>2</sub> equivalent independently verified in accordance with a relevant carbon standard ("VCAs"). Investments in projects which generate VCAs (each, a "VCA Investment") are highly speculative. The success of VCA Investments will depend on Campbell's ability to implement its strategy and on the availability of investment opportunities related to VCAs; GHG emission avoidance, reduction and sequestration programs; government regulations; commitments to reduce GHG emissions by corporations, organizations and individuals; and general economic conditions. Although Campbell is optimistic about prospects to make VCA Investments, there is no certainty that anticipated outcomes will be achieved or that any Client will successfully make profitable acquisitions of VCA Investments or similar interests.

While some portion of VCAs which may be expected to appreciate in value in an environment of heightened regulation and amidst increasing focus on climate change in certain jurisdictions, there can be no assurance that such circumstances will persist. In general, the value of VCAs can be affected by legislative and regulatory changes, interpretation and enforcement of environmental regulations, general economic, political or regulatory conditions, including shifts in policies addressing GHG mitigation through regulation and market-based frameworks, the public's commitment to private and public initiatives aimed at reducing GHG emissions, the public's perception of the threat posed by climate change, infrastructure and technological advances in reducing and sequestering GHG emissions, and the perception of using VCAs to compensate for GHG emissions rather than reducing absolute emissions, all of which can and should be expected to vary over time and across different jurisdictions. In addition, VCAs are traded in both the compliance and voluntary markets and the price for any VCA varies according to not only the market on which it is traded, but also according to its type, location, vintage, accreditation, and additional social and environmental attributes. It is likely that there will be continual fluctuations in market prices for VCA Investments.

Establishing forestland projects to produce VCAs entails certain restrictions consistent with the applicable protocols against which VCAs are issued. In certain instances, timber harvesting and its associated income streams may be significantly limited or entirely prohibited. Similarly, areas undergoing population surges may experience significant appreciation in real property assets without use restrictions, such as those restrictions implemented with VCA projects. Because of the relative volatility of VCAs, there has been little correlation between the value of VCAs and the prices associated with forestlands or harvested timber. Determining the probable values of assets that forestlands will realize is based on a number of assumptions and estimates that may be prone to error, and such determinations can therefore be highly uncertain. There can be no guarantee that Campbell will be able to predict the relative value of, or any forestland's ability to produce, VCAs as compared to timber or other income-producing assets, and therefore Campbell may not engage in activities that maximizes the income production of its relevant investments.

***Additional material risks associated with investing in timberlands are described in the governing documents provided to each Investor Client.***

### **Regulatory Risks**

JPMorgan Chase & Co. (individually, or collectively with its affiliates and subsidiaries, as the context requires, "JPMC") and its affiliates are subject to federal banking laws and regulations, including the Bank Holding Company Act of 1956, as amended (the "BHCA"), and regulations of the Board of Governors of the U.S. Federal Reserve System (the "Federal Reserve Board"). As a result of Campbell's acquisition by J.P. Morgan Asset Management Holdings Inc. on August 31, 2021, Campbell is a subsidiary of JPMC and will be subject to these same federal banking laws and regulations. These regulations may have a significant impact on Campbell's investment advisory business.

Under the BHCA, if an investment fund advised by Campbell were deemed to be controlled by Campbell or any affiliate (including any affiliate of JPMC), investments by such fund would be subject to limitations

under the BHCA that are substantially similar to those applicable to JPMC as a “bank holding company.” Such limitations would place certain restrictions on the fund’s investments in non-financial companies. These restrictions would include limits on the ability of the fund to be involved in the day-to-day management of the underlying non-financial company and limitations on the period of time that the fund could retain its investment in such company. In addition, the fund, together with interests held by JPMC, may be limited from owning or controlling, directly or indirectly, interests in third parties that exceed 5% of any class of voting securities or 25% of total equity. These limitations may have a material adverse effect on the activities of the relevant fund.

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank"), as amended, added Section 13 to the BHCA and its implementing regulations (together the "Volcker Rule") under which a "banking entity" (including Campbell) is restricted from acquiring or retaining an equity, partnership or other ownership interest in, or sponsoring, a “covered fund” (which is defined to include certain pooled investment vehicles) unless the investment or activity is conducted in accordance with an exclusion or exemption. The Volcker Rule’s asset management exemption permits a banking entity, such as Campbell, to invest in or sponsor a covered fund, subject to satisfaction of certain requirements, which include, among other things, that a banking entity only hold a de minimis interest (no more than 3%) in the covered fund and that only directors and employees directly engaged in providing investment advisory or other qualifying services to the covered fund are permitted to invest. In addition, the Volcker Rule generally prohibits a banking entity (including Campbell) from engaging in transactions that would cause it or its affiliates (including affiliates of JPMC) to have credit exposure to a covered fund managed or advised by Campbell or its affiliates (including affiliates of JPMC); that would involve or result in a material conflict of interest between the banking entity and its Clients, customers or counterparties; or that would result, directly or indirectly, in a material exposure by the banking entity to high-risk assets or high-risk trading strategies. These restrictions could materially adversely affect accounts that are, or are invested in, covered funds, because the restrictions could limit a covered fund from obtaining seed capital, loans, or other commercial benefits from Campbell or other affiliates of JPMC. As a result, the Volcker Rule will impact the method by which Campbell seeds, invests in and operates its funds, including private equity funds and hedge funds.

The Volcker Rule provides for a two-year conformance period for an entity, such as Campbell, that newly becomes subject to the Volcker Rule as the result of becoming an affiliate of a “banking entity” to bring its activities and investments into compliance with the Volcker Rule. The two-year conformance period for Campbell will apply to Campbell’s investment products established before Campbell was acquired by JPMC and will end on August 31, 2023. Although it is not certain the impact that the Volcker Rule and its final regulations will have on Campbell, certain impacts are likely. At the termination of the conformance period, Campbell’s (and its affiliates, including JPMC and its affiliates) investments in, relationships with, and activities with covered funds must comply with the Volcker Rule. Any “covered transaction” between Campbell or any other affiliate of JPMC will have to be terminated. Structural changes to funds advised by Campbell could also be required.

### **Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes**

There have been legislative, tax and regulatory changes and proposed changes that may apply to the activities of Campbell that may require legal, tax and regulatory changes, including requirements to provide additional information pertaining to Clients to the Internal Revenue Service or other taxing authorities. Regulatory changes and restrictions imposed by regulators, self-regulatory organizations ("SROs") and exchanges vary from country to country and may affect the value of investments and the ability of Clients to pursue their investment strategies. Any such rules, regulations and other changes, and any uncertainty in respect of their implementation, may result in increased costs, reduced profit margins and reduced investment and trading opportunities, all of which may negatively impact performance.

### **Cyber Security Risk**

As the use of technology has become more prevalent in the course of business, Campbell has become more susceptible to operational and financial risks associated with cyber security, including: theft, loss, misuse, improper release, corruption and destruction of, or unauthorized access to, confidential or highly restricted data relating to Campbell and its Clients, and compromises or failures to systems, networks, devices, and applications relating to the operations of Campbell and its service providers. Cyber security risks may result in: financial losses to Campbell and its Clients; the inability of Campbell to transact business with its Clients; delays or mistakes in materials provided to Clients; the inability to process transactions with Clients or other parties; violations of privacy and other laws; regulatory fines, penalties, and reputational damage; and compliance and remediation costs, legal fees, and other expenses. Campbell's service providers, financial intermediaries, and parties with which Campbell engages in portfolio or other transactions also may be adversely impacted by cyber security risks in their own businesses, which could result in losses to Campbell or its Clients. While measures have been developed which are designed to reduce the risks associated with cyber security, there is no guarantee that those measures will be effective, particularly since Campbell does not directly control the cyber security defenses or plans of its service providers, financial intermediaries, and companies in which they invest or with which they do business.

### **Intellectual Property and Technology Risks Involved in International Operations**

There can be risks to technology and intellectual property that can result from conducting business outside the United States. This is particularly true in jurisdictions that do not have comparable levels of protection of corporate proprietary information and assets such as intellectual property, trademarks, trade secrets, know-how, and customer information and records. As a result, Campbell can be more susceptible to potential theft or compromise of data, technology, and intellectual property from a myriad of sources, including direct cyber intrusions or more indirect routes such as companies being required to compromise protections or yield rights to technology, data, or intellectual property in order to conduct business in a foreign jurisdiction.

## **Data and Information Risk**

Although Campbell obtains data and information from third party sources that it considers to be reliable, Campbell does not warrant or guarantee the accuracy and/or completeness of any data or information provided by these sources. Campbell does not make any express or implied warranties of any kind with respect to such data. Campbell shall not have any liability for any errors or omissions in connection with any data provided by third party sources.

## **Currency Risks**

Changes in foreign currency exchange rates will affect the value of certain investments. Generally, when the value of the U.S. dollar rises in value relative to a foreign currency, an investment impacted by that currency loses value because that currency is worth less in U.S. dollars. Currency exchange rates may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates. Devaluation of a currency by a country's government or banking authority also will have a significant impact on the value of any investments denominated in that currency. Currency markets generally are not as regulated as securities markets, may be riskier than other types of investments and may increase the volatility of a portfolio.

## **Failure of Counterparties to Perform Obligations**

In its ordinary course of business, Campbell relies on various counterparties, which include, but is not limited to, brokers, dealers, banks, custodians, and administrators ("Counterparties"). These Counterparties, with which Campbell does business and on behalf of certain Clients, may, from time to time, default on their obligations with or without notice. Such defaults include, but are not limited to, a Counterparty's bankruptcy, insolvency, or other failure. A Counterparty's default on their obligations may impact Campbell's or a Client's ability to conduct its business in the ordinary course. There is a risk of loss of assets on deposit at the Counterparty. Although government agencies or other organizations provide insurance coverage to depositors in the event of a Counterparty failure, coverage is limited to a specified amount and subject to rules and regulations. Prior events where a government agency or other organization stepped in to make depositors whole over their excess deposits at select Counterparties, which may or may not have a current or prior relationship with Campbell or a Client, should not be construed as a guarantee that such action will be taken in the future. There is no guarantee that any excess deposits are recoverable. In the event of a Counterparty's default, Campbell will work diligently to access its capital and take actions it deems appropriate while acting in the interest of Clients. However, Campbell's access to capital is subject to a variety of external factors that are outside of Campbell's control, including the timing of default, a government agency's or other organization's actions, including the timing of the Counterparty's closure, ability to liquidate the Counterparty's assets, or to effect the Counterparty's sale or dissolution, unforeseeable economic factors or market conditions, and the Counterparty's technology infrastructure operating as intended to facilitate access. Furthermore, Campbell's ability to access capital may have an impact on Campbell's ability to conduct operations in the normal course including, but not limited to paying expenses, funding investment opportunities resulting

in delayed or missed opportunities, and calling capital from or making distributions to limited partners. Deposits concentrated at one or a limited number of Counterparties may amplify these risks.

***No guarantee or representation is made that Campbell's investment program will be successful. The above is only a brief summary of the potential risk factors an investor may encounter. A more comprehensive description of the risks associated with each Client is set forth in the operative documents applicable to each Client. Please contact the Chief Compliance Officer with any questions.***

## **Disciplinary Information**

(Item 9)

Neither Campbell nor any of its management persons have any legal or disciplinary events that would be material to an investor's evaluation of Campbell or the integrity of Campbell's management.

## **Other Financial Industry Activities and Affiliations**

(Item 10)

### **Banking or Thrift Institution**

JPMC, Campbell's parent company, is a public company that is a bank holding company registered with the Board of Governors of the Federal Reserve System (the "Federal Reserve"). JPMC is subject to supervision and regulation by the Federal Reserve and is subject to certain restrictions imposed by the BHCA and related regulations. For a more complete discussion of the BHCA's restrictions that may apply to the Adviser's activities please see the disclosure describing Regulatory Risk within Item 8.

JPMorgan Chase Bank, N.A. ("JPMCB") is a national banking association affiliated with Campbell. JPMCB is subject to supervision and regulation by the U.S. Department of Treasury's Office of the Comptroller of the Currency. JPMCB is also an Exempt Commodity Pool Operator and Exempt Commodity Trading Adviser with the CFTC.

JPMCB acts as custodian for certain of Campbell's Clients, which custodial services are not connected to the advisory services Campbell provides to these Clients. JPMCB is also a counterparty to certain funds advised by Campbell, pursuant to a swap pledge and security agreement.

### **J.P. Morgan Institutional Investments Inc. ("JPMII")**

JPMII serves as placement agent for certain private funds advised by Campbell. Typically, JPMII does not receive any placement fees directly from such funds or their investors, but JPMII could receive compensation directly from Campbell and/or its affiliates with respect to such a fund. A description of the placement agent services and compensation, if any, payable to JPMII by such funds is set forth in the offering documents for the relevant fund. Campbell benefits from the placement agency services provided by JPMII as they increase the assets upon which Campbell's fees are based. Campbell also engages certain



other non-U.S. affiliates (either directly or through JPMII) to act as placement agent outside of the U.S. for certain private funds advised by Campbell. Typically, JPMII and such other affiliates do not receive placement fees directly from such funds or their investors, but JPMII could receive compensation directly from Campbell and/or its affiliates with respect to such a fund.

#### **J.P. Morgan Securities LLC ("JPMS")**

JPMS, an affiliate, is a FINRA member and is dually registered as a broker-dealer and an investment adviser with the SEC. JPMS is also registered as a futures commission merchant with the Commodity Futures Trading Commission. JPMS serves as placement agent for certain private funds. Typically, JPMS does not receive placement fees from such funds but receives fees directly from Campbell and/or its affiliates and from certain investors subscribing for interests in such funds. These fees are typically in addition to the cost of the investors' subscription amounts. JPMC, by virtue of its indirect interest in Campbell, indirectly benefits from the services of placement agents when placement agents place interests which lead to an increase in assets upon which Campbell receives fees from the funds. In addition, the potential for placement agents affiliated with JPMC, and for JPMC itself, to receive (directly or indirectly) compensation in connection with certain investors' subscriptions for private funds creates a conflict of interest in recommending investments in such funds. The remuneration relating to sales of interests in private funds managed by Campbell from time to time will be greater than that of other products that placement agents might offer on behalf of JPMC or other sponsors. In such circumstances, the placement agents will have an incentive to recommend and offer interests in funds managed by Campbell to their clients.

## **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

(Item 11)

#### **Code of Ethics and Personal Trading**

Campbell has adopted a Code of Ethics pursuant to Advisers Act Rule 204A-1 that establishes standards of business conduct for its supervised persons and procedures that require its directors, officers, and employees to conduct their affairs, including personal securities transactions, in such a manner as to avoid: (1) servicing their own personal interests ahead of Clients; (2) taking inappropriate advantage of their positions with Campbell; and (3) any actual or potential conflicts of interest or any abuse of their positions of trust and responsibility. Campbell's actual and prospective Clients may request a copy of the firm's Code of Ethics by contacting John T. Miller at (503) 275-9675. The Code of Ethics will be provided free of charge.

#### **Campbell Investments in Affiliated Companies**

Campbell invests from time to time in a Timberland Investment alongside one or more Investor Clients. The purpose of each such co-investment is to align the interests of the Investor Client with those of Campbell in its role as timberland manager of the Timberland Investment. In general, the co-investment

is made at the same time as the Investor Client investment and is typically a small percentage of the total value of the Timberland Investment. As a result of JPMAM Holdings' acquisition of Campbell, JPMAM Holdings now owns, directly and indirectly, co-investments in certain Timberland Investments. The goal is to allow Campbell to participate alongside the Investor Client, sharing in both gains and losses from the particular Timberland Investment. Conflicts of interest that arise out of the nature of Campbell's timberland and related assets investment strategy are mitigated by the illiquid nature of those investments, which are not traded on an exchange. Conflicts of interest that arise out of the nature of Campbell's cash management strategies for its TI Clients are mitigated by the relatively large markets in each of the securities in which the TI Clients invest compared to the size of the TI Clients' investments in them, such that the investment activity of the TI Clients does not appreciably change the market price of those securities.

### **Principal Transactions, Cross and Agency Cross Transactions**

When permitted by applicable law and Campbell's policy, Campbell, acting on behalf of its Clients, from time to time enters into transactions in securities or other instruments with or through Campbell or certain of its affiliates, and causes Clients to engage in principal transactions, cross transactions, and agency cross transactions.

A "principal transaction" occurs if Campbell, acting on behalf a Client, knowingly buys a security or other instrument from, or sells a security or other instrument to, another Client of Campbell or its affiliate.

A "cross transaction" occurs when Campbell arranges a transaction between different Clients where they buy and sell securities or other instruments from, or to each other. For example, in some instances an instrument to be sold by one Client may independently be considered appropriate for purchase by another Client. In such cases, Campbell may, but is not required, to cause such instrument to be "crossed" or transferred directly between the relevant Clients at an independently determined market price and without incurring brokerage commissions, although customary custodian fees and/or transfer fees may be incurred, no part of which will be received by Campbell.

An "agency cross transaction" occurs if JPMC or its affiliate acts as broker for and receives a commission from a Client of Campbell on one side of the transaction and a brokerage account on the other side of the transaction in connection with the purchase or sale of securities by Campbell's Client. Campbell faces potentially conflicting division of loyalties and responsibilities to the parties in such transactions, including with respect to a decision to enter into such transactions as well as with respect to valuation, pricing and other terms. No such transaction will be effected unless Campbell determines that such transaction is in the best interest of each Client and permitted by applicable law.

Campbell has developed policies and procedures in relation to such transactions and conflicts. In the case of certain Clients, consent may be granted by a governing body or a committee of investors or independent persons acting for such Clients, in which case other investors will not have the opportunity to provide or withhold consent to a proposed transaction. Where a registered investment company

participates in a cross trade, Campbell and its affiliates will comply with procedures adopted pursuant to Rule 17a-7 under the 1940 Act and related regulatory authority.

## **Brokerage Practices**

(Item 12)

Campbell does not currently provide its Investor Clients advice with regard to publicly traded or exchange-traded securities. Therefore, Campbell's Investor Clients do not use broker-dealer services in connection with the investment advice they receive from Campbell. With respect to Campbell's TI Clients, Campbell generally purchases commercial paper and other investments requiring a broker or dealer through the appropriate affiliate of the primary commercial bank of the TI Client.

Campbell maintains a policy for allocating potential timber investment opportunities among its Investor Clients. This policy is intended to allocate such potential investment opportunities in a fair, consistent and unbiased manner.

In connection with each potential timber investment, Campbell first determines whether the potential investment is within the investment parameters (including size of the allocation, cash return, overall return, geographic location, risk parameters, etc.) and guidelines of more than one active Investor Client.

If a potential investment meets the guidelines of only one active Investor Client, Campbell offers that potential investment solely to that active Investor Client. If that active Investor Client declines the potential investment, Campbell may offer the potential investment to its other active Investor Clients as a non-qualifying opportunity as provided below.

If a potential investment is within the investment guidelines of more than one active Investor Client, Campbell's policy is to offer that potential investment to those active Investor Clients based upon the relative hierarchy of their allocations in the acquisition queue. For the avoidance of doubt, Campbell has no obligation to seek to parcel any potential investment; accordingly, if the purchase price of a potential investment exceeds the remaining allocation of an active Investor Client, that potential investment is not deemed to be within that active Investor Client's investment guidelines.

Campbell may offer any non-qualifying opportunity to any person or persons, whether or not an Investor Client or active Investor Client, as it may deem appropriate, on such basis as Campbell may from time to time determine in its sole discretion.

The acquisition queue established for each allocation of active Investor Clients of Campbell is subject to the following:

- if an active Investor Client provides notice to Campbell that it has increased its allocation to acquire interests in Timberland Investments, then any such increase in such allocation has the lowest priority in the existing acquisition queue;

- if any Investor Client which, while an active Investor Client, provides notice to Campbell that it is no longer interested in acquiring additional interests in Timberland Investments, that Investor Client's allocation is removed from the acquisition queue; and
- if any former active Investor Client provides notice to Campbell that it will make a new allocation to acquiring interests in Timberland Investments, that Investor Client is deemed an active Investor Client as of the date of that notice and that Investor Client's new allocation has the lowest priority in the existing acquisition queue.

Notwithstanding the foregoing:

- an active Investor Client may increase its existing allocation (and maintain the priority of such increased allocation) by up to approximately 10% of its existing allocation, *provided*, that such increase is applied to acquire a potential investment that would otherwise be outside of such active Investor Client's investment guidelines; and
- the allocation of an active Investor Client has the lowest priority in an existing acquisition queue: (1) once such allocation has been fully invested through the acquisition of one or more potential investments offered by Campbell pursuant to the foregoing procedures; or (2) if the allocation of such active Investor Client had the highest priority in the acquisition queue and such Investor Client declined to use such allocation to acquire two potential investments (other than non-qualifying opportunities) which have been offered to it by Campbell pursuant to the foregoing procedures.

## Review of Accounts

(Item 13)

All reports, proposals, and statements sent by Campbell to Investor Clients and other investors in Timberland Investments are reviewed by one or more of the CEO, Managing Directors, Senior Management, Portfolio Managers, or their designees. Timberland Investments are generally reviewed monthly or more frequently. Factors triggering review include harvest plans, stumpage sales, timber cutting plans, and re-forestation as appropriate at particular times. These factors originate from resource managers. Factors of concern to Campbell include expenses for property improvement and protection, revenue generated from stumpage sales, log sales, and miscellaneous income.

Formal written reports are provided to Investor Clients and other investors in Timberland Investments on a quarterly basis, and special reports are provided by Campbell as deemed appropriate or at the request of an investor. These reports include detailed financial results and projections for the year, historical information, and data since inception, as well as longer term estimates and *pro forma* information. Long-term plans are also created for Timberland Investments on a periodic basis. Certain reports also include information on activities occurring on properties. As directed by agreements relating to Timberland Investments, or as deemed necessary by changing factors, valuations of properties are provided to Investor Clients and other investors in Timberland Investments. Fair market valuations are performed by

Campbell on a periodic basis. Third-party appraisals are conducted and reported to Investor Clients and other investors in Timberland Investments as determined by agreements relating to each Timberland Investment.

## **Client Referrals and Other Compensation**

(Item 14)

Campbell compensates certain consultants for their solicitation services in connection with persons that become Investor Clients and invest in Timberland Investments. Each such consultant typically receives from Campbell monthly or quarterly, *in arrears*, a negotiated amount of Campbell's timberland asset management fee (as defined in operative agreements relating to each Timberland Investment) attributable to the referred investor. In addition, such a consultant may receive from Campbell a percentage of Campbell's performance fees (as defined in operative agreements between Campbell and the Investor Client or Timberland Investment) attributed to the referred Investor Client. Some consultants may also receive a monthly or annual retainer for their solicitation services. These payments will be an obligation solely of Campbell and will not be an additional expense of any Investor Client. This arrangement is generally used only for non-U.S. Investor Clients investing in Timberland Investments.

## **Custody**

(Item 15)

Campbell or a related person generally has custody of funds and securities of TI Clients. Campbell and its related persons generally do not have custody of funds or securities of its Investor Clients (other than Investor Clients managed by Campbell or its related person). Appropriate controls have been established where Campbell is not deemed to have custody under the Advisers Act.

Campbell and its related persons manage cash deposits for certain Investor Client entities, each TI Client, and certain other Timberland Investments (collectively, the "Custody Entities") through accounts held on deposit at registered and regulated commercial banks. As the direct or indirect GP or manager of each Custody Entity, Campbell is deemed to have custody of each Custody Entity's assets. Within 120 days of the end of each Custody Entity's fiscal year, Campbell provides to each investor in that Custody Entity financial statements that have been audited in accordance with appropriate accounting principles by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. In the event an auditor is deemed to be not independent of a Custody Entity for SEC purposes, Campbell would engage an auditor to perform an annual surprise examination of the assets of that Custody Entity that are in the custody of Campbell or a Campbell related person and would cause the qualified custodians of that Custody Entity to send quarterly account statements to the investors in that Custody Entity.

## **Investment Discretion**

(Item 16)

Campbell generally does not have discretion with respect to securities acquired by Investor Clients. Campbell has discretion with respect to the securities acquired by TI Clients and Investor Client entities managed by Campbell or its related person.

Campbell has certain discretion with respect to the acquisition, ongoing operation, and ultimate disposition of timberlands and related assets held by Timberland Investments. The level of discretion varies by Timberland Investment. Some Timberland Investments have specific dollar limitations on the amount of acquisition and disposition transactions that can be initiated without specific consent of one or more investors in that Timberland Investment. Some Timberland Investments require approval by one or more investors for all acquisitions and dispositions regardless of size. For certain Timberland Investments, Campbell generally has discretion on acquisitions and dispositions up to that Timberland Investment's total capital commitments.

With respect to log or stumpage sales and ongoing operation of a Timberland Investment, Campbell has considerable discretion, and investors in Timberland Investments rely on Campbell's expertise in managing the cash generating operations of managed timberlands. Campbell selects stands or tracts to be harvested and, in some cases, investors in a Timberland Investment reserve the right to approve aggregate dollar values of harvest on an annual basis.

Campbell follows certain procedures with respect to investment decisions and discretion. The agreements applicable to each Timberland Investment contain very specific delegation of authority mandates, buy-sell approval requirements, and parameters around services provided, and authority with respect to those decisions. In addition, approval thresholds and signing authority is also defined in these agreements.

## **Voting Client Securities**

(Item 17)

Campbell does not manage any equity investments in registered or public securities. At this time, neither Campbell, nor any of Campbell-managed accounts, has any investments that require voting proxies. Campbell understands and appreciates the importance of proxy voting. Campbell has developed policies and procedures in the event that it must vote proxies on behalf of a Client. Clients and investors may obtain additional information regarding how Campbell has voted proxies and may obtain a copy of Campbell's proxy voting policies and procedures by contacting the Chief Compliance Officer.

## **Financial Information**

(Item 18)

Registered investment advisers are required to provide certain financial information or disclosures about their financial condition. Campbell has no financial commitments that impair its ability to meet contractual and fiduciary commitments to Clients and has not been the subject of any bankruptcy proceedings.

## **Other Information**

(Privacy)

Campbell is committed to preserving and protecting the privacy and confidentiality of nonpublic personal and financial information of investors in Timberland Investments. The Gramm-Leach-Bliley Act requires financial institutions to develop guidelines to ensure the safety and confidentiality of customer records and information. Campbell considers its relationship with investors in Timberland Investments to be its most important asset. Campbell maintains systems and processes to protect personal and confidential information to the best of its ability.

Campbell collects and maintains proprietary information of investors in connection with its services. The types and categories of information that Campbell collects and maintains about each investor generally include:

- Information Campbell receives from an investor to open an account or provide investor relation services to that investor (such as its address, telephone number);
- Information that Campbell receives from third parties with respect to an investor's account; and
- Information required to satisfy Campbell's obligations related to anti-money laundering rules, FATCA compliance, compliance requirements related to "know your customer" due diligence, and other regulatory and compliance reporting requirements.

Campbell will not disclose any proprietary information about an investor or its account(s) unless one of the following conditions is met:

- Campbell receives the investor's prior written consent;
- Campbell confirms the recipient is the investor's authorized representative; or
- Campbell is required by law to disclose information to the recipient.

To fulfill its privacy commitment, Campbell has instituted firm-wide practices to safeguard the information that Campbell maintains about each investor. These practices include:

- Adopting policies and procedures to place physical, electronic, and other safeguards to

keep proprietary information safe;

- Limiting access to proprietary information to those personnel who need it to perform their job duties;
- Requiring certain third parties that perform services for Campbell to agree by contract to keep investor information strictly confidential;
- Signing confidentiality agreements with Clients, banks, institutions, outside contractors, and other parties as needed to protect confidential information;
- Not disclosing investor personal information to anyone unless it is required by law, at an investor's direction, or is necessary to provide an investor with its services; and
- Not selling an investor's proprietary information to anyone.