UK Forestry Investment Fundamentals

2022

Gresham House
Specialist investment

Contents

Opinions expressed are as at the date of publishing (March 2022) and as such are subject to change.

Past performance is not necessarily a guide to future performance. Capital at risk. Tax status subject to individual circumstances. May be subject to change.

Introduction

Forestry is a proven asset class which has delivered compelling real returns for institutional, family office and private investors.

Key attributes

- It is asset backed and - under Gresham House[1] management - it is independently certified as a sustainable and socially responsible investment
- Returns have minimal correlation to mainstream asset classes, but positive correlation to inflation, making forestry an effective portfolio diversifier and an inflation hedge
- Global demand for timber is expected to increase substantially, as urbanisation and GDP per capita rise further, at the same time as the focus on sustainable materials becomes ever more pronounced
- Timber supply will continue to be constrained by ongoing reductions in illegal logging globally
- As these supply and demand drivers converge, Gresham House believes that both domestic and global timber prices will continue to rise in the medium and long term
- The ability to invest in a portfolio with a mix of crop ages allows investors the potential for both capital growth and income
- A modern timber processing industry in the UK provides forest owners with strong competition for timber sales from multiple end users
- UK timber provides both tax-free revenue and capital appreciation, whilst forestry also provides 100% relief from inheritance tax (after two years of ownership)
- There is upside potential to returns from both carbon credits and natural capital enhancements

1. Gresham House Asset Management Limited

Section 1

Forestry investment returns benefit from multiple drivers

Forestry investment, as managed by Gresham House, comprises:

- the ownership of freehold (or in occasional instances leasehold) land, with a growing crop of timber

Forests are managed to maximise the crop yield, whilst minimising the risks for the owner. Value is realised through:

- a sale of the crop (harvesting) or by disposing of the asset

Returns from forestry are driven by three main variables:

- biological growth of the crop
- increases in the value of timber
- increases in the value of land

Gresham House also seeks to enhance returns from "higher and better uses", such as biodiversity net gain units, carbon credits, natural capital enhancements and wind farm development.

Returns are underpinned by biological growth

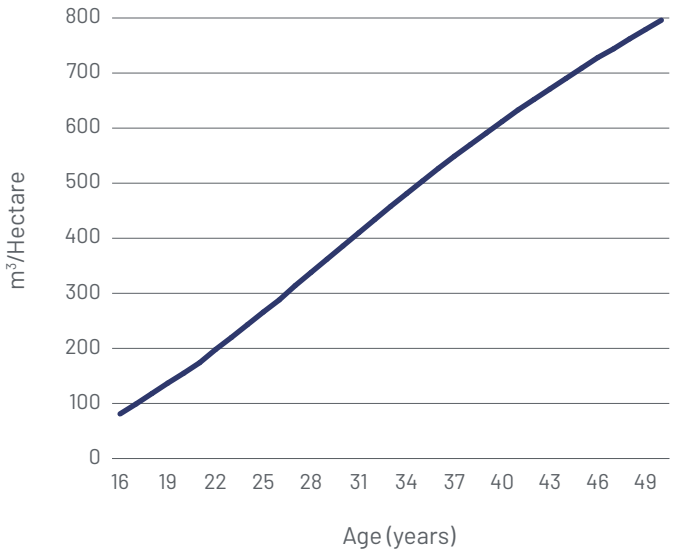
The physical growth of a tree results in an annual increase in the volume of timber. The main commercial tree species in the UK is Sitka spruce, which is ideally suited to the UK's maritime climate, requiring rotations of 35 to 50 years to reach maturity, compared to at least 70 to 100 years in Europe's main timber exporting regions, Scandinavia and the Baltics.

To maximise and enhance biological growth rates, Gresham House employs cutting edge management practices. UK forestry owners benefit from excellent research from the Forestry Commission (FC), such that expertise in forest management practices, including optimisation of tree species and site selection, is amongst the best in the world. Such expertise and development helps enhance yields over those achieved on previous rotations.

Extensive long-term research has also provided significant data on commercial conifer growth rates in the UK. The resulting datasets allow accurate forecasting of tree growth rates, known as yield class. Yield class measures the productivity of the crop – the higher the yield class the greater the volume of timber produced over a given period.

In the UK the national average yield class for privately owned commercial forests is between 12 and 14 (yield class 12 = 12 cubic metres of timber growth per hectare per annum, throughout the crop rotation). Gresham House targets high-quality forests, generally with an average yield class of 16 and above.

Sitka spruce growth in the UK - Yield Class 18



Source: Forestry Commission Sitka Spruce Yield Class 18 Model (2.1m no thin spacing)

Biological growth underpins a forestry investment. It provides investors with security of returns, as crop growth occurs irrespective of the global economic cycle.

Past performance is not necessarily a guide to future performance. Capital at risk.

As trees increase in size, the number of potential uses rises, which in turn leads to an increase in unit timber value as there are more market participants. Smaller trees, with the lowest unit value, are used primarily for fibre products such as wood pulp. As the trees get larger, logs can be used in higher value applications, such as sawnwood for construction. More end uses result in a greater number of timber processors seeking to purchase the crop.

In the UK there is flexibility as the harvesting window for commercial conifers is c.15 years. Therefore, forestry owners also benefit from the ability to 'warehouse' timber (by leaving it standing) at times of market weakness, ensuring owners do not needlessly crystallise lower returns at times of lower timber prices. The trees should continue to add both volume and value, which can be realised when prices improve.

The outlook for timber prices is very positive

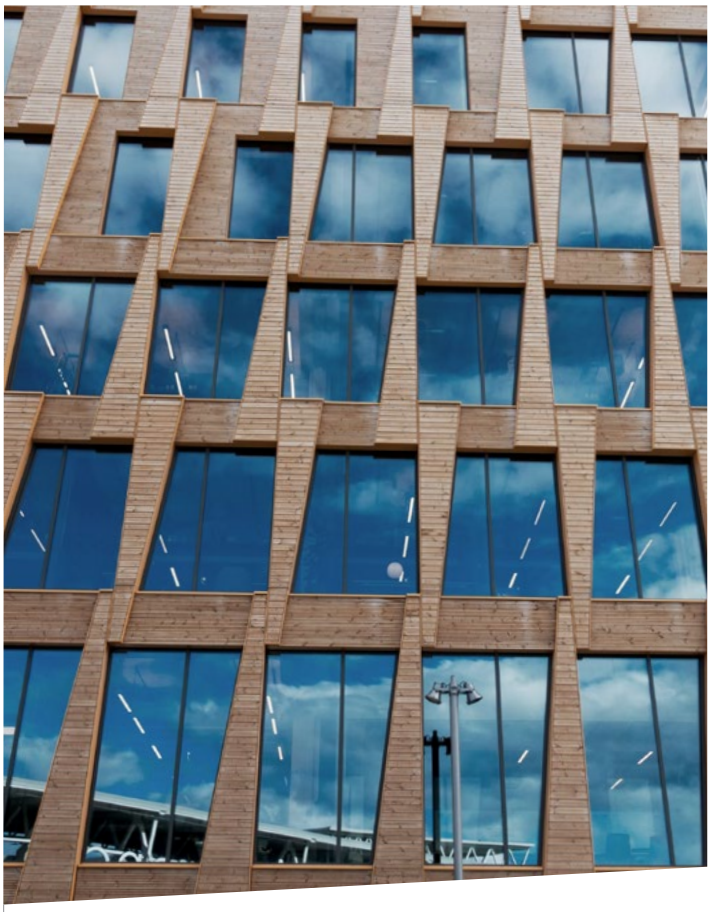
Timber is an important component of many global economies, including in the UK. As a population becomes wealthier its consumption of timber products rises. Uses include: construction, fencing, packaging, furniture, newspaper and magazines, and biomass for electricity production.

Unlike investors in other real assets, forestry investors take comfort that forestry cannot be 'overbuilt' and is effectively finite. The ability to increase the supply of timber can only happen over long investment cycles, typically 40 years in the UK, or closer to 100 years in the regions from where the UK import most of our timber.

According to data from the World Bank the supply of global forestry is declining due to deforestation, mostly in the tropics. The Forest Stewardship Council (FSC) estimates that c.12 million hectares per annum are lost, which is the equivalent of 36 football fields every minute.

Building with wood products instead of more established materials can result in a significant decrease in the carbon footprint of a project. As new building regulations aim to reduce carbon use, timber is becoming an increasingly utilised building material. Timber framed housing starts rose from 23% of the new build market in the UK in 2014 to 29% in 2020, according to the Structural Timber Association.

Increasingly, new 'engineered' wood products are being used as further substitutes for building materials typically used in the construction industry. As an example, Cross Laminated Timber (CLT) is used in high rise developments, replacing the need for carbon intensive materials such as concrete or steel. It is 15% cheaper, 30% faster to erect and provides better fire resistance than steel and concrete (as it chars rather than buckles).



CLT framed buildings have already been constructed at up to ten storeys in the UK, such as Dalston Works in London (which consists of 121 residential flats and over 5,000 square metres of commercial and retail space). The world's tallest CLT building is in Norway and stands at 85.4 metres tall. However, construction of a wooden skyscraper of 70 storeys, 350m tall, is currently planned in Japan.

There remains a huge deficit in the supply of new housing in the UK. Approximately 214,000 new houses were constructed in 2019, which was the most in a year since the collapse in the construction sector in 2008, but still significantly below the government's target of 300,000 per annum. The government has made it clear that it sees offsite construction as crucial in reducing the deficit. Timber frame accounts for c.90% of all offsite construction (which is also known as modular or prefabricated housing).

Currently around 5,000 modular houses are built annually, but a recent Report issued to the government stated that if the government wants to achieve its 300,000 annual home build target, 75,000 modular homes would need to be built. The Report states that this would create an additional 50,000 jobs, add 0.8% to UK GDP and reduce carbon emissions from the construction of new homes by 40% when compared to a traditional build process.[2]

2. Build Homes, Build Jobs, Build Innovation report 2020

Timber is also increasingly being used as a source of advanced materials, such as biopolymers, biovanillin, bio-ethanol, cellulose fibrils and speciality cellulose. These products are used in agriculture, aquaculture, construction, pharmaceuticals, cosmetics, food-stuffs, batteries and biofuels. Increasingly consumers eat, wear and handle such products on a daily basis. These are high value uses and have the potential to generate increasing demand for timber.

The Gresham House view is that from an effectively fixed supply, demand for timber products is set to increase, both domestically and globally. Over the past 60 years (1960-2020), consumption of roundwood lumber reached an all-time high in 2018. The 60-year average Compound Annual Growth Rate (CAGR) shows a 0.8% increase in consumption.[3]

Gresham House believe that global demand will continue to rise significantly over the course of the next decade. In the decade to 2020, global consumption of industrial roundwood increased by 9.7%. Breaking this down further, consumption in the developed world increased by 3.5%, whilst consumption in the developing world grew by 15.7%.

Industrial roundwood consumption (million m^3)				
Year	2011	2020	Change	% Change
Developed	871	901	30	3.5%
Developing	899	1,040	141	15.7%
Total	1,770	1,941	171	9.7%

Source: FAO

Our **Global Timber Outlook paper**, discusses the global outlook in more detail.

We believe that timber prices will rise faster than the growth in consumption, as increased pressure is placed on a largely fixed supply, which is already becoming more expensive to extract.

Gresham House forecast that UK timber prices could rise significantly over the next decade, driven by both rising demand and constrained supply.

Gresham House's view is that in most cases forestry investors should hold the freehold land as well as the growing crop, to ensure that returns from future increases in timber value and the underlying land are both fully captured.

3. FAO, 2021

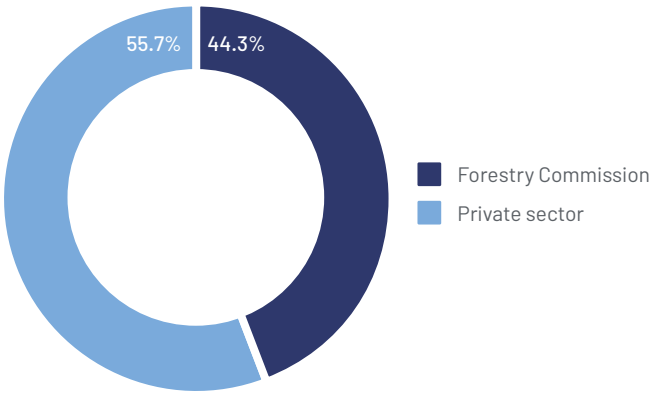
Rising timber prices not only impact the value of the timber, but also have a substantial impact on land values due to the land becoming more financially productive.

Section 2

The UK has an investment grade forestry estate

The UK conifer resource totals 1.6 million hectares, of which 44.3% is state owned, with management being undertaken by the Forestry Commission, and 55.7% is owned by the private sector.

UK forestry estate ownership

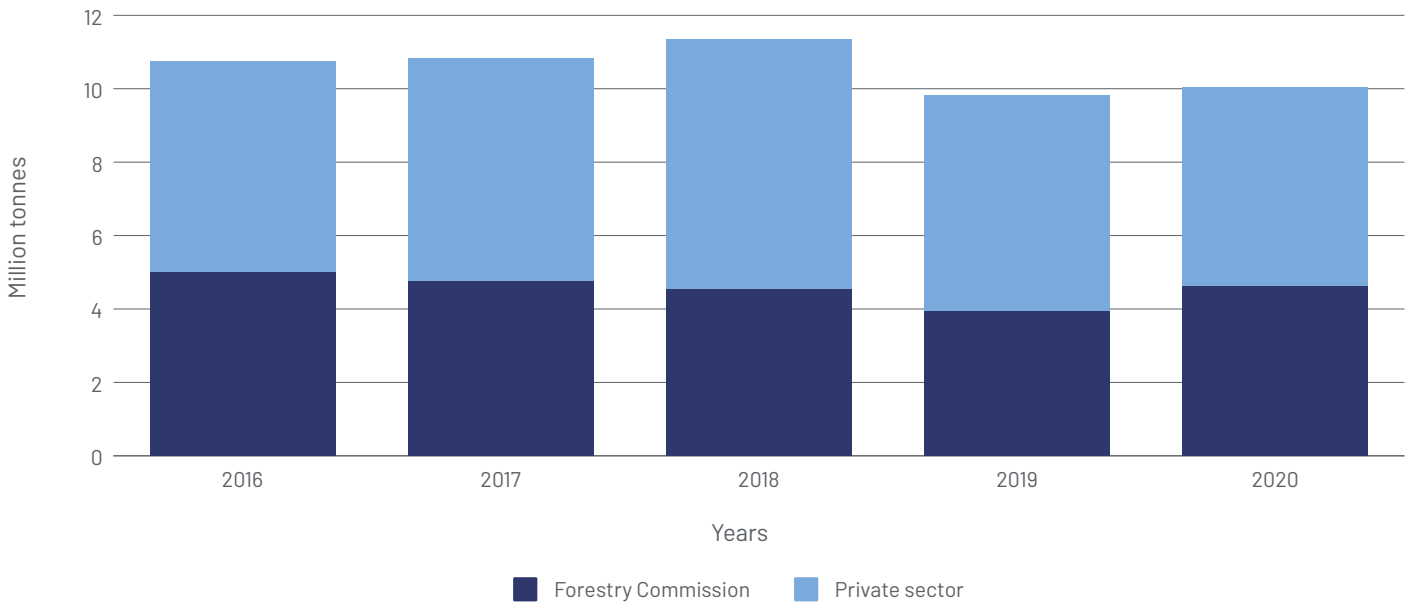


Source: The Research Agency of the UK Forestry Commission - Forestry Statistics 2021

Conifers grow particularly well in parts of the UK, benefiting from the warm, wet maritime climate which provides for a long growing season. Productivity is significantly higher than in the regions which supply much of the UK's timber requirements; Scandinavia and the Baltics.

The forestry estate in the UK produced 10.1 million tonnes of softwood timber in 2020.

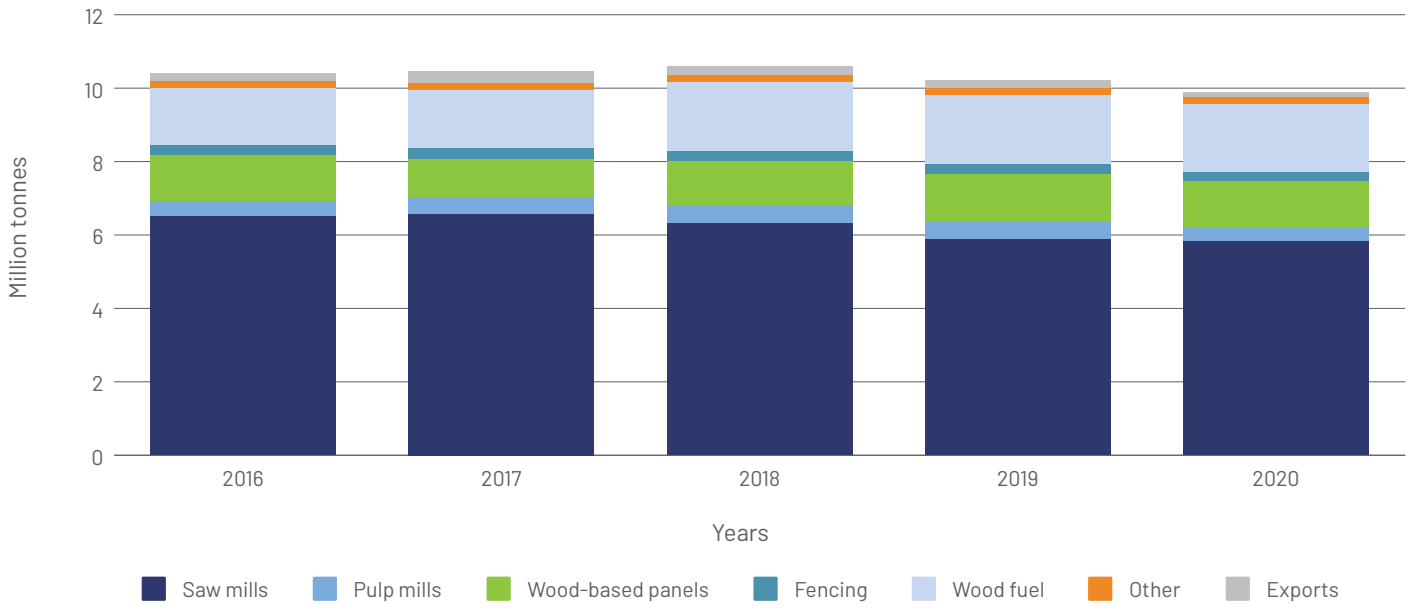
UK softwood production



Source: The Research Agency of the UK Forestry Commission - Forestry Statistics 2021

UK softwood deliveries

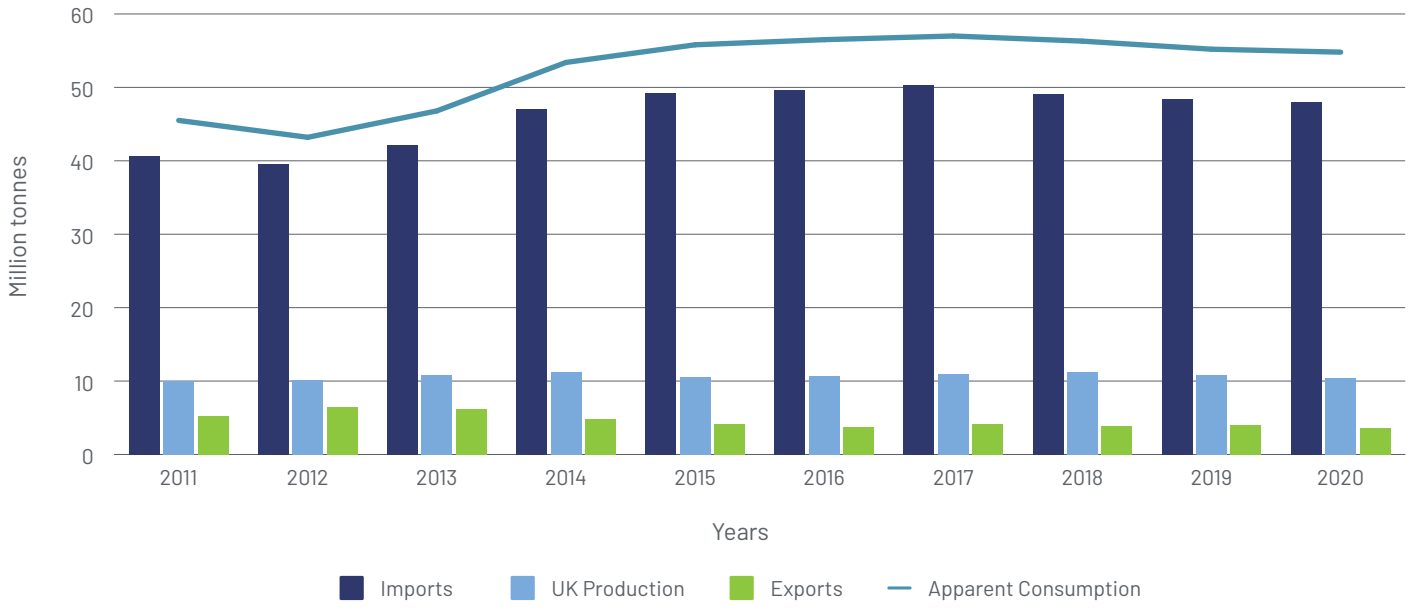
UK forestry owners benefit from diversified, well-established timber markets, ranging from sawmills producing construction grade timber, through to biomass for electricity generation, promoting strong competition for all grades of timber.



Source: The Research Agency of the UK Forestry Commission - Forestry Statistics 2021

Apparent consumption of wood in the UK

The UK is reliant on imports for c.88% of its overall timber consumption. When consumption fell in 2008, during the financial crisis, UK production remained fairly constant, whilst imports reduced. UK forestry owners therefore take comfort from a captive market for UK timber, from a vibrant, modern processing industry which has invested significantly in both upgrading and increasing capacity in the past decade, with further large-scale investments announced.



Source: The Research Agency of the UK Forestry Commission - Forestry Statistics 2021

Section 3

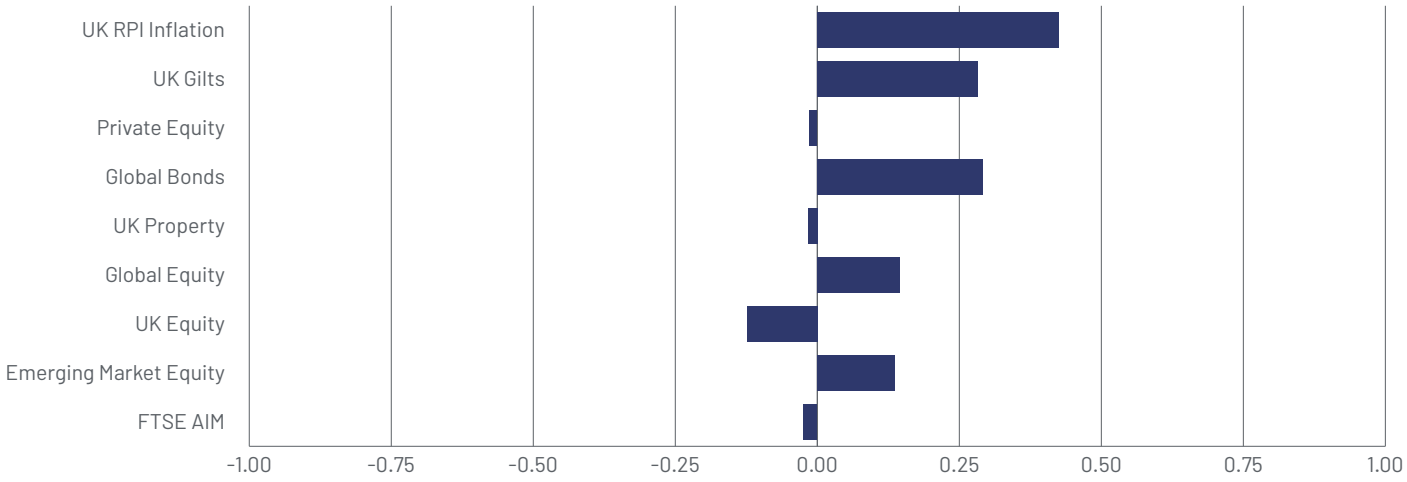
Forestry provides effective diversification from traditional asset classes

Whilst not strongly correlated to most other asset classes, UK forestry returns have been positively correlated to inflation, thereby protecting real returns. Forestry's inflation hedging attributes are due to the close association between timber prices and the price of goods in the wider economy. When the latter rise because of inflation, this leads to timber prices also increasing, as a result of the multitude of products that timber is the raw material for. Returns from forestry are driven by both capital growth and income - and timber prices have the greatest influence over both components.

As part of a managed portfolio, UK forestry provides effective diversification and risk mitigation, compared to mainstream asset classes.

The below graph shows forestry's relationship with other asset classes and inflation (1 = perfect correlation, 0 = no correlation and -1 = perfect negative correlation).

UK forestry returns correlation coefficient: 15 years (to 31 December 2021)



Sources: IPD, MSCI, PIMCO, NCREIF, ONS, LSE

In addition to providing diversification in a traditional investment portfolio, UK forestry has many inherent diversifying properties, including geography, species, age class and end use.

Past performance is not necessarily a guide to future performance. Capital at risk.

Section 4

Historic returns

Annual returns from UK forestry have been highly competitive relative to mainstream asset classes. The IPD Index provider, MSCI, discontinued their production of the Index after the 31 December 2017 publication. Whilst a new provider intends to take over this Index, the handover is still being finalised.

Over the 25 years to 31 December 2021, which includes 21 years of the external IPD Index (to 31 December 2017) plus four years of Gresham House extrapolated data (to 31 December 2021), UK forestry has provided an average annualised return of 12.0%. For the past four years, Gresham House has used independent valuations of multiple Gresham House managed portfolios as a temporary measure.

Strong risk-adjusted performance

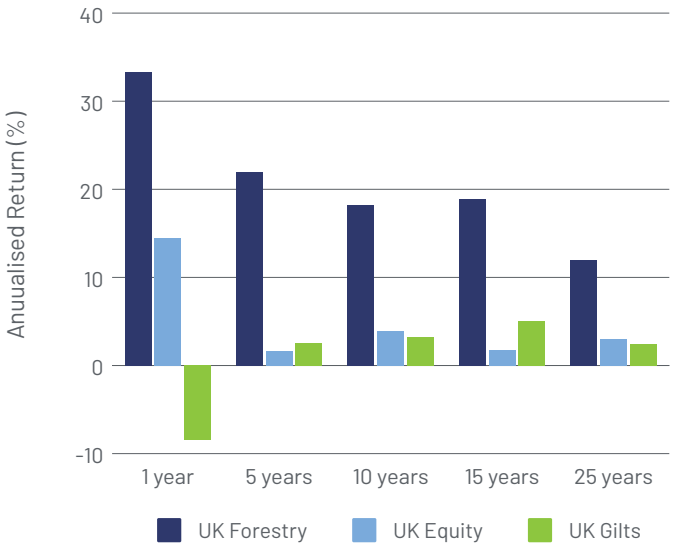
UK forestry has a long term track record of producing strong performance with relatively low risk, therefore providing risk adjusted returns that are in excess of many traditional asset classes, with low volatility.

Over the 15 years to 2021, UK forestry generated an annualised return of 18.9%, with a standard deviation of 9.2%.

This return profile would have enhanced an investment portfolio by increasing returns and reducing volatility.

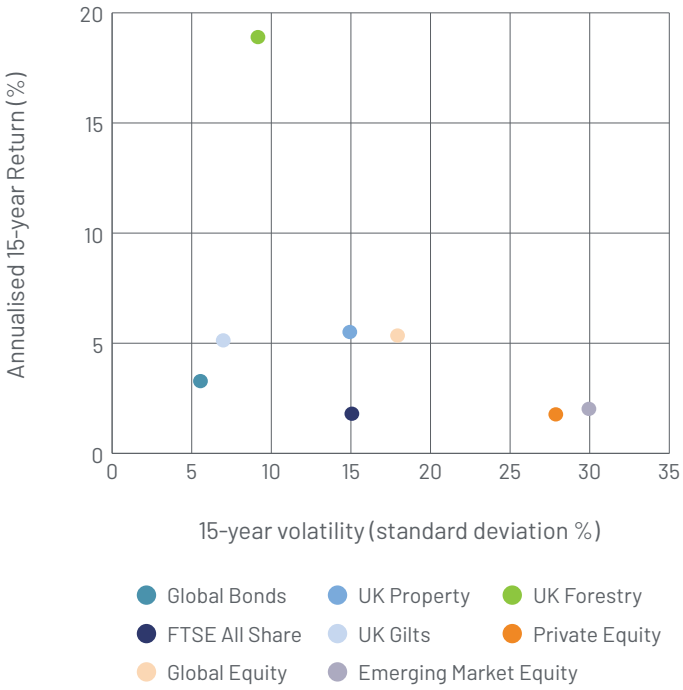
The Sharpe Ratio (which measures risk adjusted returns) for UK forestry over the 15 years to 2021 is 2.0, which is significantly better than mainstream asset classes over the same period. 1: risk and return are equal. Greater than 1: returns achieved are better than the associated risk.

Forestry returns over periods to 31 December 2021



Sources: IPD, Gresham House

Returns versus volatility: 15 years (to 31 December 2021)



Sources: IPD, MSCI, PIMCO

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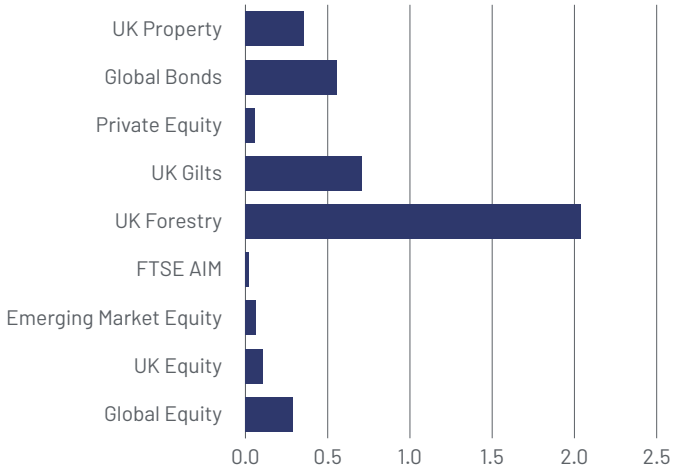
Sharpe Ratio: 15 Years (to 31 December 2021)



Sources: IPD,MSCI

Performance over the past 10 years has been the result of rising timber prices and increasing capital values. Discount rates also hardened as UK forestry's favourable investment characteristics became better understood and investment prospects improved as timber prices continued to rise.

The CAGR of the Gresham House Nominal Timber Index was 3.3% over the 25 years and 9.5% over the 10 years to 30 September 2021.

The Gresham House Timber Index uses statistics published by the FC. It comprises an equal weighting of the Coniferous Standing Sales Price Index (CSSPI), being the average price of standing conifer sales, and the Softwood Sawlog Price Index (SSPI), being the average price of all softwood sawlogs sold on the FC estate.

Gresham House believe that investment in UK forestry continues to offer the prospect of generating further attractive real returns, even before factoring in forestry's taxation advantages.

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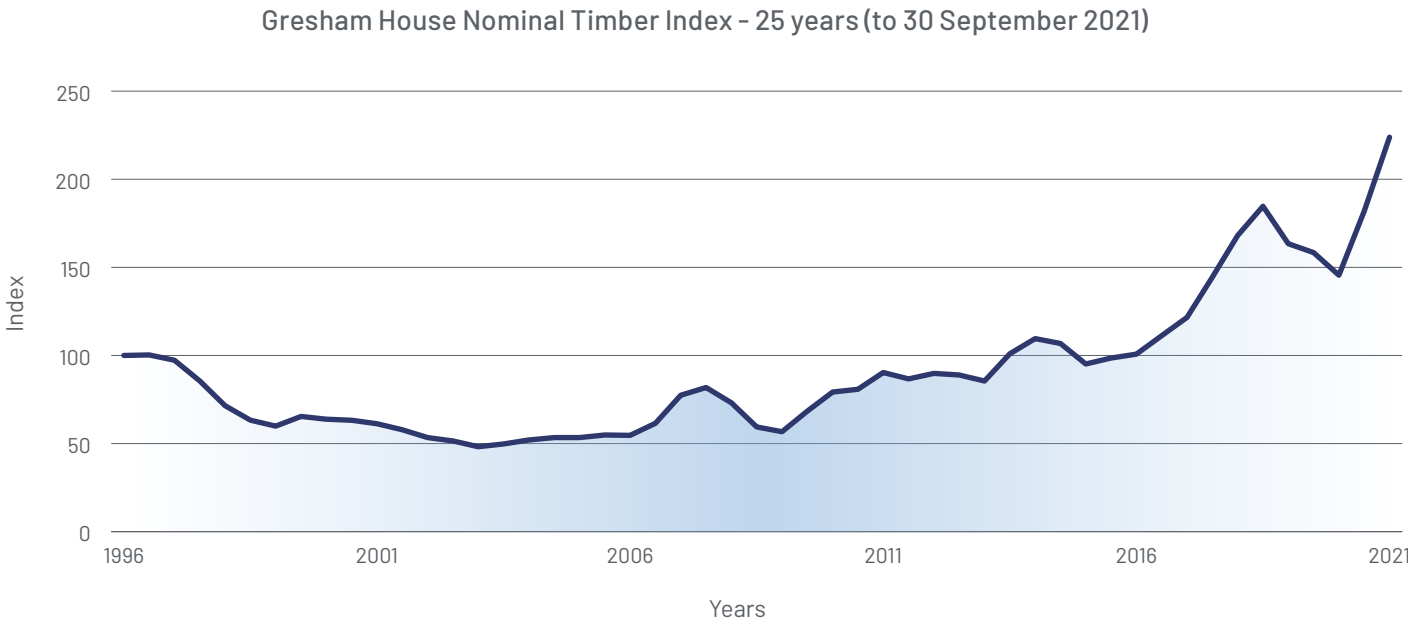

Sources: Forestry Commission/National Audit Office

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Section 5

Sustainability and carbon credits

Investing in forestry through Gresham House ensures access to a sustainable and socially responsible investment, with upside potential from carbon credits and natural capital enhancements.

Trees absorb CO_2 from the atmosphere and lock in carbon. Through reduced deforestation, active forest management and more afforestation, global forestry helps to significantly reduce the impact of global emissions.

There is growing acknowledgement of the environmental impact of global deforestation. Interpol's Project Leaf estimates that between 50% to 90% of logging in tropical countries is illegal. Globally, illegal logging is estimated by Interpol to be responsible for between 10% to 30% of total timber production.[4]

In 2013 the 'EU Timber Regulation' came into force, requiring companies to use a system of due diligence to ascertain that all timber they sell in the EU is harvested legally. Similar regulations had already been implemented in the US (Lacey Act).

Gresham House ensure that all forestry investments meet stringent standards regarding sustainability and social responsibility. Gresham House's clients' forestry investments are managed by qualified, experienced forestry managers, known to and selected by Gresham House, and are independently certified to Forest Stewardship Council (FSC) approved standards under the UK Woodland Assurance Standard (UKWAS), prior to harvesting commencing. The FSC and the Programme for Endorsement of Forest Certification (PEFC), are the two largest forest certification organisations in the world.

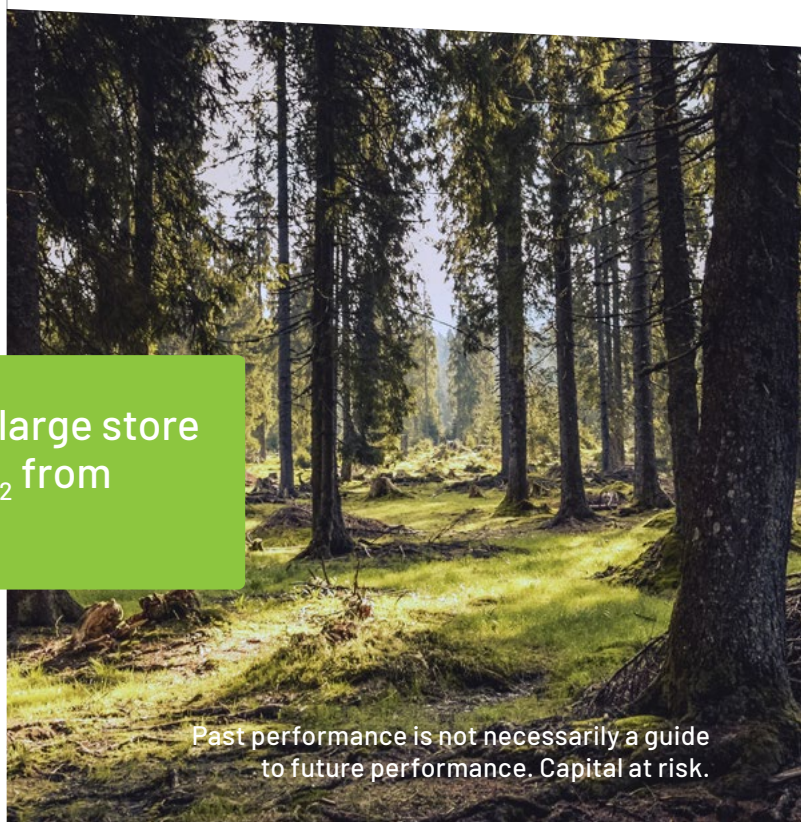
After harvesting, all Gresham House managed forests are restocked with young trees.

As well as being a sustainable commodity, timber plays an important role in the UK economy. The forestry sector is a significant employer in rural areas where there are often few other job opportunities. The wider timber processing industry also adds value and employment through the processing plants, hauliers and contractors that it services and who service it. It is estimated that the forestry sector employs c.40,000 people in the UK.[5]

There is political will for the UK forestry estate to continue to expand. Since 2016, 44,000 hectares, averaging 9,000 per annum, have been created in Scotland. The Scottish Government has recently announced plans to increase the annual target to 18,000 hectares by 2025. The annual targets in England and Wales are 7,000 hectares and 4,000 hectares respectively by 2025.

Under the 2015 Paris Agreement, 196 countries have committed to ensure global temperatures do not rise more than 2°C above pre-industrial age levels, and preferably to limit the temperature increase to no more than 1.5°C by the end of the century. To achieve this goal global CO_2 emissions will be required to reach net zero by 2050. Meeting this target will require concerted and collaborative effort from governments, companies, organisations and individuals. Many countries have already adopted net zero targets in legislation.

5. Forest Research, Forestry Statistics 2021



Existing UK forests are a large store of carbon and remove CO_2 from the atmosphere.

4. Interpol, 2021

Increasing numbers of companies are including net zero targets in their mission statements. Individuals are taking action in their daily lives – and pressing organisations to confront this challenge. Net zero means removing all avoidable CO_2 emissions and offsetting the remainder, ideally by measures that remove carbon from the atmosphere, such as planting trees.

Forestry is among the most important tools in the race to net zero. Firstly, the carbon sequestration of growing forests, the intake and storage of carbon, will play a crucial role in offsetting unavoidable emissions. 45% of the carbon stored on land is tied up in the world's forests.[6] Secondly, the increased use of timber is expected to underpin emission reductions. Timber can be a substitute for the use of energy-intensive raw materials in construction such as steel and concrete, whose production accounts for 3% and 5% of annual anthropogenic greenhouse gas emissions respectively. As much as 11 billion tonnes of CO_2 each year will have to be removed from the air by 2050 if global warming is to be kept below the 2°C target, and even more will be needed to limit this to 1.5°C.[7]

Carbon credits put a monetary price on pollution, with one unit representing the sequestration of one tonne of CO_2. In the UK, the market for carbon credits is voluntary, meaning that individuals and businesses can voluntarily purchase carbon credits in order to offset their emissions.

The Woodland Carbon Code (WCC) is the UK's voluntary carbon standard for woodland creation projects. It provides reassurance about the carbon impact that woodland projects may realistically achieve. This government-led scheme provides:

- a high quality, robust voluntary carbon standard;
- a transparent UK Woodland Carbon Registry;
- a scientific methodology to predict and monitor carbon sequestration; and
- independent validation and verification of projects.

This means that:

- carbon buyers and offsetters have reassurance that they have invested in a responsible scheme and can see the benefits that will be provided;
- woodland creation in the UK now has recognised procedures and standards, both in terms of woodland management and carbon accounting; and
- carbon credits are being generated in the UK as a result of local CO_2 reduction.

Once a woodland creation scheme is submitted to the WCC it will assess the area and species to be planted and based on agreed criteria will forecast the level of CO_2 that will be sequestered by the scheme.

Once the trees are planted, the woodland creation scheme will be issued with Pending Issuance Units (PIUs), which represent the expected carbon sequestration of the project.

Over time as the trees in the scheme grow, this growth is validated and the PIUs corresponding to the respective growth are converted into WCUs i.e. units of carbon representing the tonnage of CO_2 that has been sequestered by the trees.

Once the PIUs are converted into WCUs they can then generally be sold to a third party, or retired against the registered owner's carbon emissions.

PIUs and WCUs can only be generated under specific conditions: the area planted must be on non-organic soil that has not had trees on it for at least 25 years. The scheme must also pass an additionality test to demonstrate that the land would not have been planted without the additional support of a WCU. It should be noted that no existing forestry is eligible for the generation of WCUs or any form of carbon credit under the WCC.

Once harvested the carbon sequestered by the trees is stored in the resulting wood products for the duration of their life. The total carbon storage capacity of the forest and its associated wood product chain therefore increases over time when properly managed.

6. NASA earth observatory
7. IPCC, 2018

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Sustainable forest investment

Gresham House fully integrate environmental, social, governance (ESG) and economic benefit considerations across the lifecycle of each investment as part of our sourcing, due diligence, acquisition, and ongoing management of assets.

We use the Gresham House Sustainable Investment Framework to structure our analysis and monitoring of ESG considerations, ensuring that key considerations across the framework's ten ESG themes are specific to forestry investments and reflect the sustainability commitments we make in our Gresham House Forest Charter.

Gresham House Forest Charter

Sustainable forest management involves ensuring that all forest benefits are maintained over the long term. This is achieved when the environmental, economic, and social functions of forests interact in support of each other.

We apply a strict sustainable forest management approach to the ongoing management of our clients' forests, with the aim of minimising negative impact on the environment or communities, whilst enhancing positive environmental, economic, and social impact.

Our Forest Charter defines our approach to sustainability in relation to key elements of sustainably managed forests. It sets out our verifiable commitments and targets for forest management as well as ongoing sustainable and natural capital development, and confirms the key performance indicators that we can be measured against, which we believe are aligned with - and go beyond - national and international standards.

Examples include:

- Ensuring 100% of timber sold is certified to national or international standards
- Maintaining, conserving and enhancing biodiversity
- Increasing carbon sequestration and reducing operational emissions where possible
- Protecting rights of local communities and historic sites

The Gresham House Forest Charter can be made available upon request.

Gresham House will further seek to add value to forestry assets via natural capital enhancements, such as biodiversity, flood defence, improved air quality, reduced soil erosion and outdoor recreation.

Sustainable Investment Framework application

Environmental		Social		Governance	
Climate change and pollution	Optimisation of carbon sequestration and stores; reduction in operational emissions; climate transition opportunities; pesticide minimisation	Employment, health, safety and well-being	Workers' rights protected; commitment to discrimination free, safe and fairly-paid employment	Governance and ethics	Good forestry management practices; clear policies and accountability; ethical business conduct
Natural capital management	Optimisation of woodland biodiversity; protection of priority habitats and species; considered pest, disease, soil and water management approach	Marketplace responsibility	Certification of forests in line with sustainable forestry standards; production of certified timber; transparent and robust carbon credit generation	Risk and compliance	Robust risk, compliance and auditing processes
Waste management	Sustainable management of waste arisings from forestry operations	Supply chain sustainability	Alignment of suppliers to our own sustainability commitments; alignment of woodland managers to certification standards	Commitment to sustainability	Measurement and monitoring of key sustainability metrics; proactive management of potential negative ESG impacts
		Community care and engagement	Good practice community relations and engagement; respect of local community rights; public access, education and recreation		

Section 6

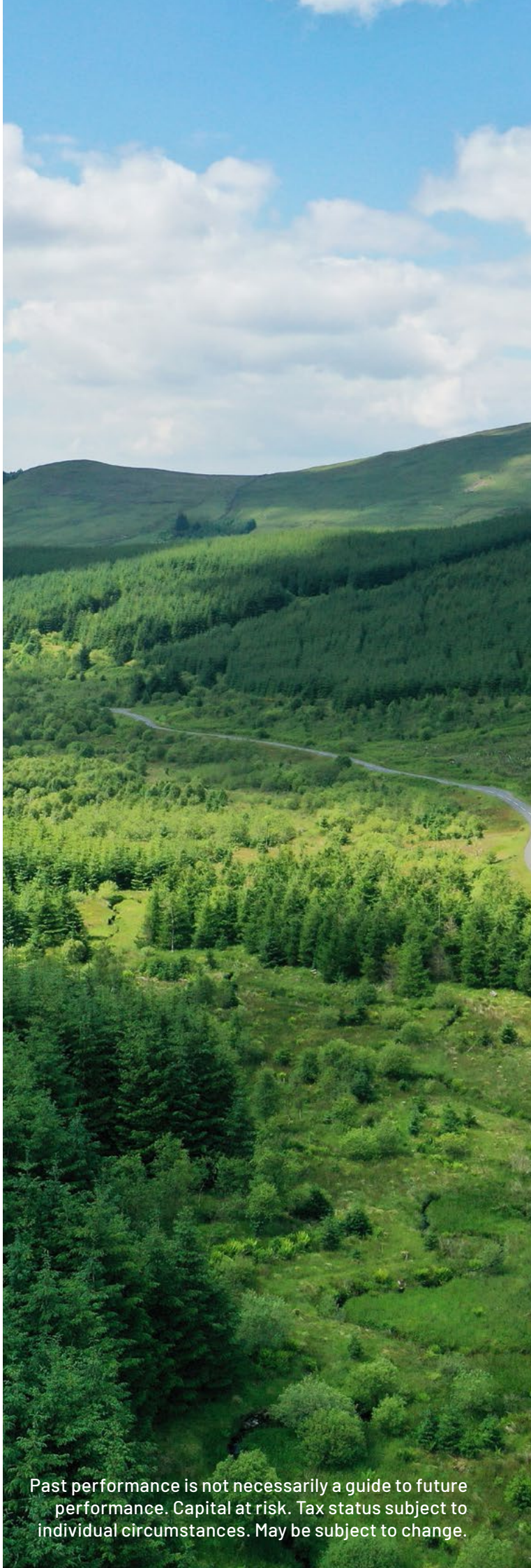
UK forestry taxation

Investment in commercial forestry is subject to favourable taxation treatment in the UK. Under current UK tax law there is no liability to income tax, corporation tax or capital gains tax (CGT) arising from growing timber. As a consequence, the majority of income resulting from a forestry investment is free of tax.

Commercial forestry should qualify for 100% relief from inheritance tax (IHT), through Business Property Relief (BPR), once held for two years.

Gresham House does not provide taxation advice. Prospective investors are advised to consult their own professional advisers in relation to the financial, legal, tax, National Insurance Contribution liabilities and other implications of investment in forestry, which will vary in relation to their own particular circumstances.

Prospective investors should be aware that any change in the level and/or basis of taxation, in tax reliefs or in HMRC or Revenue Scotland practices, may adversely impact the value of a forestry investment and therefore returns to investors.



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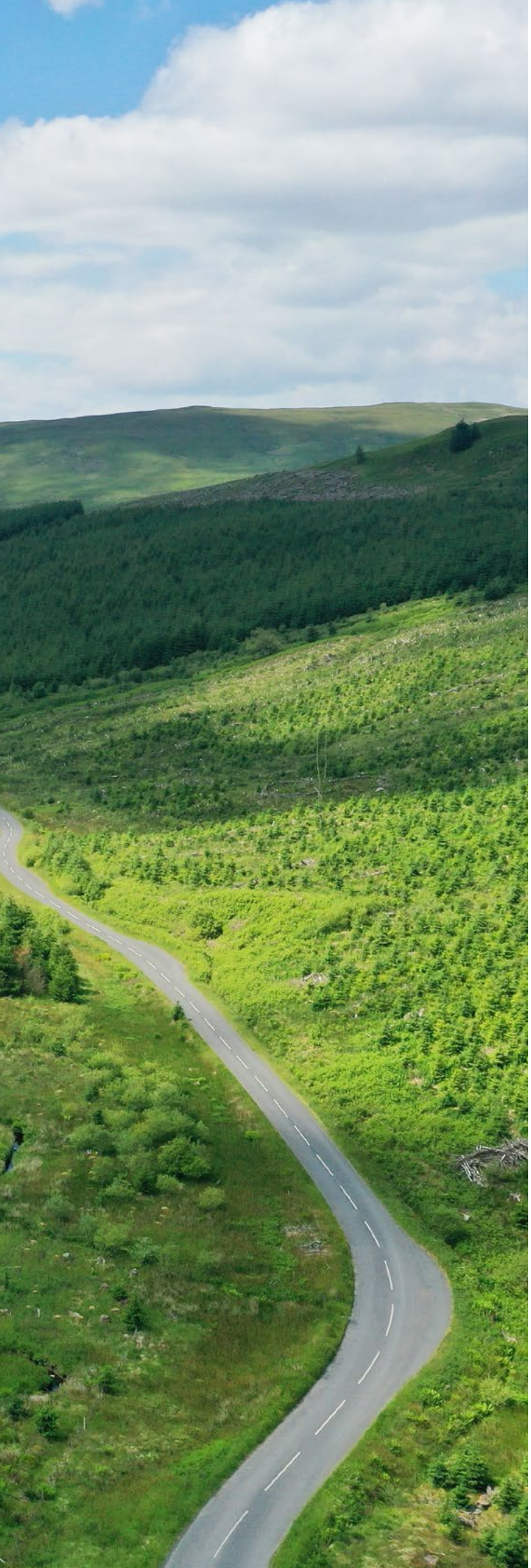

Section 7

Forestry risks are clearly identified and managed

With forecast increasing demand and continuing supply constraints, the major risks to forestry are not economic, but physical.

Physical risks that impact forestry are both identifiable and manageable. Incidences from these risks that actually result in a loss to investors (such as pests, disease and natural disasters) represent a tiny fraction of value over the long term.

The main physical risks in the UK which can be covered by insurance, are:

Fire

- Crops are generally most at risk up to ten years of age. Should damage occur the site requires clearing and replanting.

Windthrow

- Crops are generally at risk from 20 years of age upwards, however from 36 years of age upwards, mature crops can usually be salvaged with minimal loss of value or increased working costs.

Public Liability

- Each property is covered up to £10 million.

The main uninsured risk is from the loss of crop due to pests or disease. However, there is currently no evidence of any significant problem impacting Sitka spruce, the main commercial tree species in the UK.

This risk can be mitigated through a portfolio providing geographic diversification, spread of age classes and sound, pro-active management.

Most species of commercial conifer in the UK are vigorous and fast-growing, making them less susceptible to pests and disease than both slower growing broadleaves in the UK and commercial conifers with longer rotations in other regions.

After harvesting, a more diverse range of conifer species are typically planted on the next rotation in Gresham House managed forests. Gresham House are also supporting research into tree genetics.

Section 8

Gresham House's forestry management service

Background to Gresham House

Gresham House plc is an AIM quoted specialist alternative asset manager, with c.£6.5 billion in assets under management (AUM). The Group provides funds, direct investments and tailored investment solutions including co-investment, across a range of highly differentiated alternative investment strategies. Gresham House expertise includes forestry, renewable energy, housing and infrastructure, strategic public and private equity.

Gresham House aims to deliver sustainable financial returns and is committed to building long-term partnerships with clients (institutions, family offices, high-net-worth individuals, charities and endowments), to help them achieve their financial goals.

In May 2018, Gresham House acquired 100% of FIM, a specialist forestry and renewables asset manager. The deal combined two leading specialist alternative asset managers and cemented the Group's position as the leading forestry investment manager in the UK.

Gresham House's expertise encompasses all aspects of forestry investment management, from acquisition of properties, through long term asset stewardship, to realisation through timber harvesting or property sale. By remaining independent of woodland managers and timber buyers, Gresham House has no conflict of interest in relation to woodland management and timber harvesting activities.

The Group manages forestry investments in the UK, Australia and Ireland on behalf of a range of investors, including institutions, family offices, private clients and funds.

Gresham House: Providing the benefits of independent advice

Gresham House does not undertake or profit from capital expenditure, maintenance or restocking operations in the woodland. This ensures that:

- Acquisitions are assessed solely on their merits, with no concern to maximise future management or contracting work or to favour a particular location.
- Management is undertaken by skilled professionals at competitive prices. Gresham House advises the client on the appointment of appropriate woodland managers. Detailed knowledge of different woodland management companies enables us to maintain strategic and budgetary control and ensure the client obtains best value for money.
- The assessment of the optimum method of realising the investment, be it harvesting the timber or property disposal, is not distorted by any potential desire to secure harvesting or replanting work.

Signatory of: PRI Principles for Responsible Investment

UKSIF UK Sustainable Investment and Finance Association

UK STEWARDSHIP CODE

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Important information and risks to be aware of

This document is a financial promotion issued by Gresham House Asset Management Limited (Gresham House) as Investment Manager for Gresham House plc under Section 21 of the Financial Services and Markets Act 2000.

Gresham House is authorised and regulated by the Financial Conduct Authority with reference number 682776 and has its registered office at 5 New Street Square, London EC4A 3TW.

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Forestry investment is not suitable for all investors. Past performance is not a reliable indicator of how the investment will perform in the future. Your capital is at risk.

The value of investments may rise or fall, and investors may not get back the amount invested.

Prospective investors should seek their own independent financial, tax, legal and other advice before making a decision to invest. This document has not been submitted to or approved by the securities regulatory authority of any state or jurisdiction. This document is intended for distribution in the United Kingdom only.

Any dissemination or unauthorised use of this document by any person or entity is strictly prohibited. Please contact a member of the Gresham House team if you wish to discuss your investment or provide feedback on this document. Gresham House is committed to meeting the needs and expectations of all stakeholders and welcomes any suggestions to improve its service delivery.

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Gresham House
Specialist investment

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