Gresham House
Specialist investment

Sustainable investment update: Forestry

July 2025

Real Assets

What makes our approach different

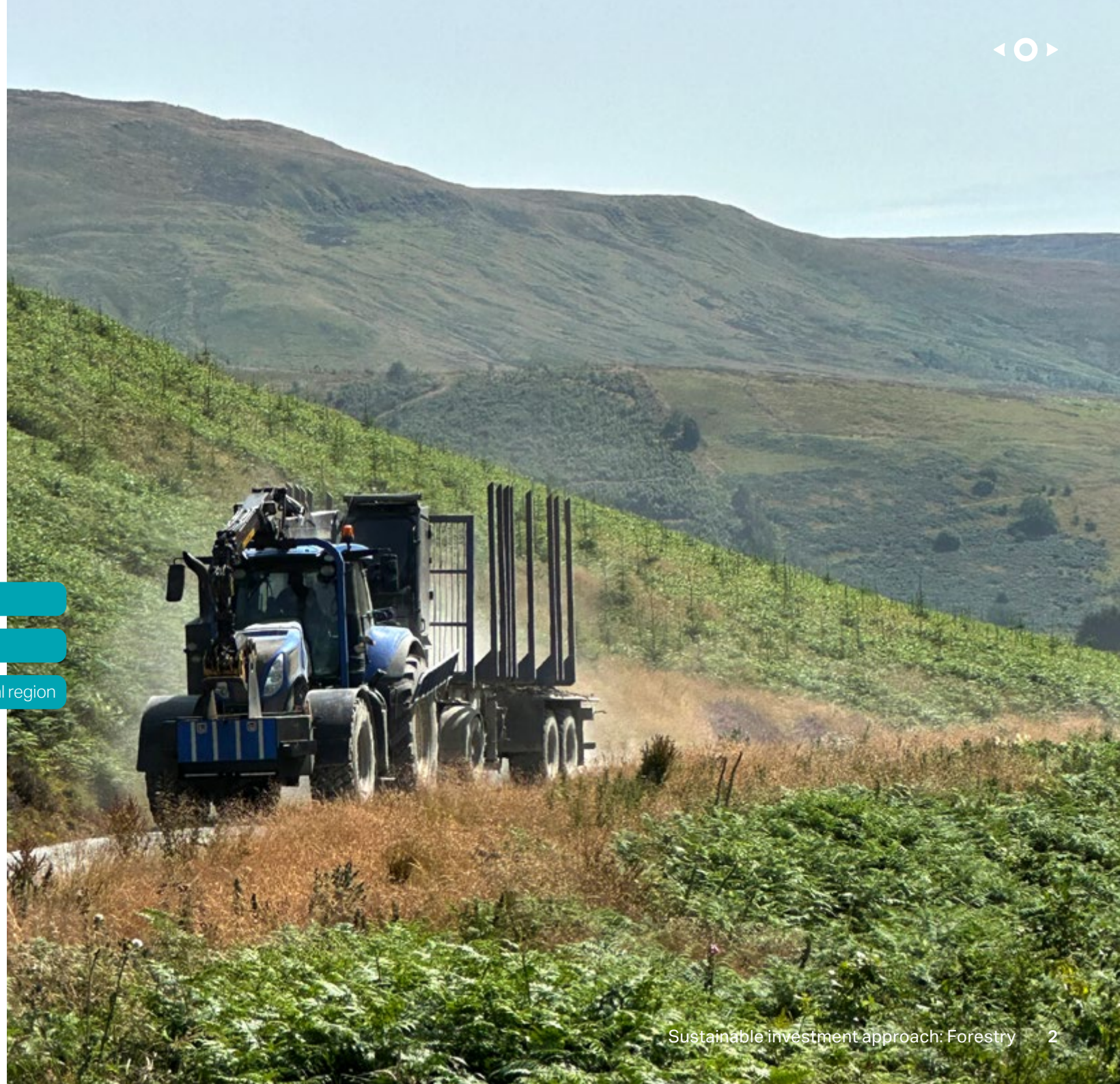
We partner with our clients to help them achieve their financial and sustainability ambitions.

Within our Real Assets divisions, clients come to us to help them invest in assets that help them achieve positive environmental and social outcomes.

Alongside achieving their financial objectives, we create investment solutions for our clients to:

1. Generate nature positive outcomes
2. Support their net-zero objectives
3. Create positive social impact within their local region

> We partner with our clients to help them achieve their financial and sustainability ambitions.



Forestry

Our 40+ year track record in forestry management makes us the largest sustainable productive forestry investment manager in the UK, as well as the tenth largest natural capital manager globally.[1]

We manage 191,900 hectares of primarily softwood forests in the UK, Ireland, Australia and New Zealand, but we are increasingly expanding our activities to other geographies.

Forestry is inherently a long-term asset class, and our approach to sustainable forest management aims to improve the value and lifespan of assets through mitigation of potential negative impacts and identifying opportunities to support and enhance the ecosystem. This approach drives our clients' financial objectives through the appreciation of land value and increased timber productivity, while also advancing their broader goals, such as supporting climate solutions as part of net zero strategies.

In 2024, our forestry division:

- Trialled a new form of biodiversity baselining using ecological surveys and the Wallacea Trust methodology to collect a number of metrics which can be remeasured at a later point to see the direct impacts of our management practices on biodiversity
- Worked with a tree nursery to increase the scope of our carbon footprint to include upstream emissions
- Engaged with a number of industry bodies, including governments and carbon crediting standards, advocating for the role of productive forestry in climate change mitigation

Real world outcomes	2023	2024
Area under management (ha)	187,900	191,900
Total trees planted	6,419,000	8,100,000
Of which were new trees	*1,714,000*	*1,900,000*
Of which were trees planted for restocking	*4,706,000*	*6,150,000*
Forests certified as a percentage of area	83%	87%
Certified timber sold (tonnes)	1,557,000	2,015,000
Area of forest land managed primarily for nature conservation or enhancement[2]	18%	23%
Estimated carbon sequestration of forests under management (tCO_2)[3]	1,874,000	2,200,000
Carbon stock in standing inventory (tCO_2)	41,135,000	53,800,000

1. IPE research Jan 2025

2. Metric updated in 2024. Value for 2023 shows area of land managed for biodiversity (ha).

3. Methodology aligned with the most current and widely accepted techniques and guidelines from the Intergovernmental Panel on Climate Change (IPCC). Figure is for the year to 31st December 2024.

Case study: Measuring our biodiversity baseline at Priesthaugh forest

Modern, sustainably managed forests are complex ecosystems comprising a mosaic of diverse habitats.

Effectively managing the impact of forestry operations on local biodiversity requires a robust understanding of these dynamic communities of animals and plants.

Over the last two years, Gresham House has explored the use of systematic sampling methodologies that can provide such robustness. In 2023 we piloted the use of environmental DNA ('e-DNA') sampling. While this method generated significant volumes of data, it proved challenging to aggregate for meaningful comparisons across habitats and sites.

Following extensive research and consultation, we selected the Wallacea Trust methodology as the most suitable approach for productive UK landscapes. This methodology is open-source, scientifically rigorous, and designed to be accessible for people from non-ecological backgrounds.

To implement this approach, Gresham House engaged rePLANET, a nature-based consultancy, to conduct a biodiversity baselining study at our Priesthaugh forest site. The aim of the study was to establish a foundational biodiversity dataset to inform the continued development of our biodiversity management strategy.

Adopting the Wallacea Trust methodology, rePLANET surveyed multiple locations across the site to produce a biodiversity baseline. The baseline is a measure of the biodiversity that exists in a given area before changing forest management practices. In order to do this, rePLANET collected data across five key metrics:

- The DEFRA metric, developed by the UK government assessing structural components of the habitats present.
- Abundance and species richness of plants.
- Abundance and species richness of breeding birds.
- Abundance and species richness of above-ground invertebrates (such as mayfly, woodlice, dragon fly).
- Abundance and species richness of detritivores (organisms that feed on detritus or organic waste).

Key findings

The biodiversity baseline for Priesthaugh revealed several notable insights:

- Non-productive habitats such as blanket bog and fenland are vital reservoirs of biodiversity. These areas contain habitat types of high distinctiveness and support species of regional conservation importance. Protecting and enhancing these habitats is essential for sustaining site-level biodiversity and ecological integrity.
- Productive forest areas contribute significantly to the biodiversity of the forest. Looking at invertebrate and bird populations, mature plantations support unique assemblages of woodland specialists that would otherwise be absent.
- Young plantation habitats have emerged as an overlooked yet important source of biodiversity. Despite being graded as 'poor' under the DEFRA metric, this habitat has supported levels of biodiversity comparable with, or higher than, non-forest habitats across all metrics.
- Floristic diversity within the site contributes significantly to 'alpha diversity' (diversity within a particular area or ecosystem) across taxonomic and functional groups. This underlines the ecological value of diverse vegetation structures, even within productive forestry landscapes.
- The Wallacea Index, a composite measure of biodiversity health, showed positive results across the site. Priesthaugh compared favourably with non-forest habitats, supporting our view that sustainable forestry can deliver measurable benefits for nature.

ESG integration

Our forestry investments are inherently long term and we proactively seek to enhance the value and lifespan of assets through sustainable forest management.

The Gresham House Forest Charter sets out our verifiable commitments and targets relating to sustainable forest management which align with, and aim to go beyond, international forestry standards. The charter includes key performance indicators, covering themes including climate change, biodiversity, and community engagement, which we measure and report on an annual basis.

ESG considerations, including climate and nature, are integrated throughout the investment lifecycle.

1 Sourcing

We identify high-quality commercial forests across diversified age groups, sourcing both on and off market. We assess a range of characteristics including geographical location, species composition, size, forest growth rates, and conservation or species protection designations. For afforestation projects, we conduct detailed surveys to ensure the land is appropriate for forestry.

2 Due diligence

The acquisition team conducts a rigorous, multi-disciplinary due diligence process. We use our ESG Decision Tool to evaluate each forest for material ESG risks and opportunities and to assess alignment with our sustainability objectives, including the potential for third-party certification under international and/or national standards.

We aim to carry out site visits to verify that the due diligence assessment aligns with the data collected onsite. Third party specialists are often employed to measure the volume of timber currently available on site or to prepare an indicative forest design. Additional surveys will be completed for new planting schemes to assess characteristics including bird populations, archaeology sites and peat levels.

3 Acquisition

All Investment Committee submissions include a summary of ESG findings. Once an investment is approved, an offer is submitted. If the offer is accepted, a comprehensive acquisition report, including an ESG section, is shared with clients. Concurrently, legal due diligence, including title verification, is carried out by appointed legal counsel.

4 Ongoing management

We work closely with forest managers to ensure forest management plans are implemented in line with our sustainability commitments. These plans include detailed approaches to managing material ESG aspects throughout the life of the investment.

All certified sites undergo independent audits by accredited bodies. In addition, we conduct internal audits to assess performance against the Forest Charter, certification standards, and our own management objectives.

Climate-related disclosures

Productive forests, when managed sustainably, can be considered climate solutions as they capture carbon in the soil and their biomass as they grow, and their timber provides low-carbon alternatives to traditional carbon intensive materials such as steel and concrete.

At the same time, forestry assets are likely to be impacted by climate change due to their long-term investment horizon and their dependency on a stable climate for growth. It is therefore essential for our forestry strategy that climate-related opportunities and risks are identified and integrated into the investment process.

We integrate climate considerations throughout the lifecycle of our forestry investments, guided by the climate-specific commitments outlined in the Gresham House Forest Charter. These include:

- Managing the long-term carbon stock of all forests and where possible increasing carbon sequestration of all forests over the period under management.
- Measuring the operational carbon footprint of all forests under management and reducing operational emissions over time where possible.
- Measuring and reporting on the carbon stored in standing stock and carbon dioxide sequestered, regularly reporting these metrics to stakeholders, in line with independent third-party standards.
- Not converting any high carbon stock areas (peatlands, wetlands and grasslands) of land purchased for afforestation, unless within local regulatory guidelines.

KPIs are used to track the progress that our assets are making against their ESG and climate-related ambitions, and to what extent climate-related risks are being managed effectively.

Examples of climate-related KPIs that are monitored include:

Metric	2023	2024
Estimated carbon sequestration of forests under management (tCO_2)[1]	1,874,000	2,200,000
Carbon stock in standing inventory (tCO_2)	41,135,000	53,800,000
Area of afforestation (ha)	10,600	11,000
Scope 1 & 2 emissions (tCO_2e)[2]	40,723	40,082
Scope 3 emissions (tCO_2e)[3]	295,664	291,012
Carbon intensity (tCO_2e/£m invested)[4]	98	98

1. Methodology aligned with the most current and widely accepted techniques and guidelines from the Intergovernmental Panel on Climate Change (IPCC). Figure is for the year to 31st December 2025.
2. Calculated using an intensity metric based on onsite activities during planting, establishment, thinning, and clear fell stages
3. Calculated using an intensity metric based on supply chain emissions from our nurseries and sawmills. Nursery emissions were added to the metric in 2024, so 2023 values have been restated to include this.
4. Restated from 2023.

Climate opportunities

Our Forestry assets offer solutions to key climate challenges:

- Timber can support the decarbonisation of residential and commercial construction by replacing carbon intensive building materials, such as concrete, steel and aluminium. During production, 1 tonne of concreate releases 159kg of CO_2, steel releases 1,240kg of CO_2, and aluminium releases 9,300kg of CO_2, whilst timber absorbs a net 1,700kg of CO_2[5]
- Over the next 30 years, Gresham House expects global timber consumption to rise by an average of 3.1% per annum, driven by increasing urbanisation and rising GDP per capita.[6] Sustainable forestry and afforestation may help to contribute to the avoidance of deforestation of natural forest by ensuring that an ever-larger portion of the world's future timber demand is met by harvesting trees grown in forests that are sustainably managed.

5. GH GTO 2020 & Building the Bioeconomy, European commission, Oct 2021
6. Gresham House Global Timber Outlook, 2020

Climate risks

Forestry portfolios are susceptible to both transitional and physical climate risks.

Examples of climate-related risks facing the division are outlined in the following table and include

- Physical risks: Climate-driven events like storms, droughts and the spread of pests and disease can damage tree health and reduce yields. We plan and manage all forests to enhance their resilience to climate change through diversification of geography, species, age and resilient forest planning.
- Transitional risks: Regulatory and reputational risk arising from the stigmatisation of the sector, including increasing stakeholder expectations around native species planting and biodiversity. We actively engage with regulators and communities to align our practices with emerging climate-resilient forestry standards. We operate in geographies with strong legal and institutional frameworks that support land-based investments and long-term climate policy stability.

Risks & opportunities: Forestry

Risk/ opportunity	Risk: policy & legal	Risk: physical	Opportunity: products and services	Opportunity: market	Opportunity: energy source
Description	Regulation leading to species restrictions and diverse planting requirements	Increased extreme weather events leading to fires, storms and floods	Demand for new sustainable timber products	Demand for new forestry services and natural capital markets, such as tourism	Increased demand for biomass leading to increased timber prices
Likelihood	Medium	Low	Medium	Medium	Medium
Potential impacts	Increased costs, reduction in revenues	Damage to existing assets, reduction in revenues	Increase in revenue and diversity of income	Increase in revenue, access to new markets and diversity of income	Increase in revenue and diversity of income
Time period	Medium-term	Long-term	Short- & Medium-term	Short- & Medium-term	Short- & Medium-term
Divisional commentary	We play a very active role in engaging with governments and the local community on such issues. We only operate in geographies with strong legal systems that support land-based investments with stable political systems to support our long-term investment horizon	Forests planned and managed to enhance their resilience to climate change, including through the diversification of geography, species, age and end-product use. We make use of modelling to select sites where current and future climates are supportive of the growing of softwood timber	We recognise the importance of homegrown timber to improve natural resource and reduce dependence on imports. Strategy aligns with national goals to increase tree cover and the promotion of timber as a low-embodied-carbon material for building construction	Division constantly exploring new revenue diversification opportunities. Natural capital services increasingly understood, valued and regarded as viable climate solutions	Increased demand for biomass could add diversity to timber products and supports a higher price for timber byproducts. Some forest sites well suited to renewable energy projects
Example KPIs/ trends to monitor	▪ Forest composition ▪ # community engagements ▪ # biodiversity assessments ▪ Public access to forests	▪ Long-term climate projections ▪ Rainfall/ temperature patterns ▪ Windblow and fire insurance events	▪ UK and global timber demand ▪ Revenues from forestry assets ▪ FSC certification of forests	▪ Revenue mix ▪ Diversity of forestry assets	▪ Biomass demand in the UK ▪ Sawmill output ▪ # assets with potential for renewable energy generation

Scenario analysis

Physical climate risk analysis is embedded within each stage of the forestry investment process and ongoing risk management. This ensures long-term resilience of our assets to future climate conditions.

Pre-investment due diligence process includes an assessment of climate-related risks such as extreme weather events and wildfire exposure. These insights inform forest design, including species selection and planting layout.

- The Forestry team make use of the Ecological Site Classification (ESC) Tool, developed by Forest Research, which incorporates Intergovernmental Panel on Climate Change (IPCC) projections for 2050 and 2080. This Tool generates species suitability maps that can be used to adjust management plans to better suit future climate conditions.

In 2024, we undertook a portfolio-wide physical climate risk analysis across our real asset strategies using multiple climate scenarios. The proportion of forestry area under management expected to experience a change in each climatic variable by 2050 is displayed in the table below:

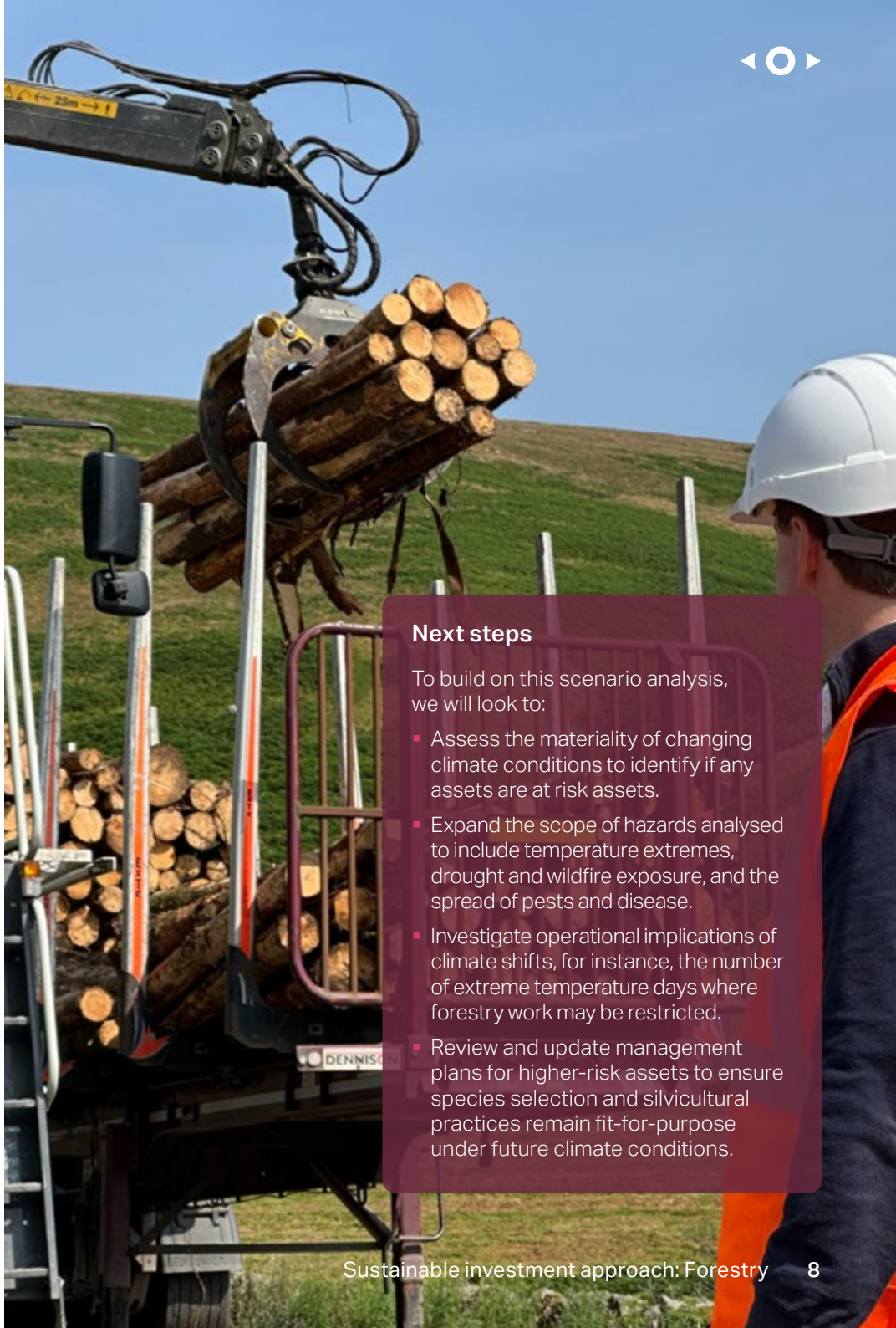
Key findings

Temperature increases: The most material finding from this analysis is the proportion of our assets expected to face an increase in average daily temperature of more than 0.5°C by 2050 under most scenarios. This shift could affect growing conditions and species viability over time, potentially increasing risks where existing species are poorly suited to future climate conditions.

However, this also presents an opportunity: adapting forest management plans to introduce more climate-resilient species could enhance productivity, resilience, and carbon sequestration potential.

Precipitation patterns: The middle scenario is expected to have the greatest change in precipitation, rather than the worst-case. This may be due to warmer and wetter winters than a lower temperature rise scenario, but less intense periods of drought than higher temperature rise scenarios. Further analysis will be necessary to confirm this.

	Below 2°C	Business-as-usual	Worst Case
Water stress	1%	1%	1%
Precipitation	0%	37%	0%
Temperature	27%	98%	100%
Wind	0%	0%	0%



Next steps

To build on this scenario analysis, we will look to:

- Assess the materiality of changing climate conditions to identify if any assets are at risk assets.
- Expand the scope of hazards analysed to include temperature extremes, drought and wildfire exposure, and the spread of pests and disease.
- Investigate operational implications of climate shifts, for instance, the number of extreme temperature days where forestry work may be restricted.
- Review and update management plans for higher-risk assets to ensure species selection and silvicultural practices remain fit-for-purpose under future climate conditions.

Nature-related disclosures

Forestry is inherently dependent on nature, both through the provisioning of timber products and through the long-term value of land which is tied to the health of the ecosystems present. As such, understanding and managing our impacts and dependencies on nature is fundamental to our investment and management approach.

Gresham House is committed to certifying all forests held within discretionary managed funds under internationally recognised sustainability standards, including the Forest Stewardship Council® (FSC®), Programme for the Endorsement of Forest Certification (PEFC) or equivalent local standards. These standards provide globally recognised frameworks for how forests should be managed to preserve biological diversity and benefit the lives of local people and workers, while ensuring continued economic viability.

In alignment with these standards, our Forest Charter outlines specific, measurable nature-related commitments. Where feasible, we seek to go beyond baseline certification requirements to actively enhance biodiversity and promote nature-positive outcomes across our forestry portfolio.

Key nature-related commitments include:

- Maintaining, conserving and enhancing the biodiversity of all forests under management. In the UK and Ireland, this includes delivering the minimum of 15% of the area being managed primarily for conservation and enhancement of biodiversity. Opportunities for enhancing biodiversity will be considered in forest management plans for all forests.
- Planting and managing a diversity of species across our forests. Forests will at least meet relevant local standards for species diversity including minimum areas of land planted with native species and maximum areas of land planted with a single species type.
- No invasive species will be intentionally used or released into our forests, and non-native tree species will only be introduced when evidence and experience show that any invasive impacts can be controlled effectively.

KPIs are used to track the progress that our assets are making against their nature-related ambitions, and to what extent nature-related risks are being managed effectively.

Examples of nature-related KPIs that are monitored include:

Metric	2023	2024
Area managed for nature conservation and enhancement of biodiversity as the primary objective (%)	18	23
Area of total forest land allocated to a single species (%)	57	58
Area of forest land allocated to native species (%)	6	7

Proximity analysis

Forestry assets occupy large areas of the rural landscape, and as a result are often in close proximity to areas important for biodiversity.

To locate our interface with nature and identify assets with the potential to both negatively and positively impact high value ecosystems, proximity analysis has been conducted.

This determined which of our assets:

- contain a designated site
- have a designated site downstream of a waterbody that passes through the site and could therefore be impacted by a pollution event
- are within 10km of a designated site, and could have less direct impacts such as noise or air pollution

We conduct an annual woodland manager questionnaire, where our site managers report on various KPIs including the area of a site that falls within a designated conservation area. This has been used to verify the geospatial analysis conducted.

Of Gresham House's asset classes, forestry has the greatest interface with, and dependency on nature. Aligning our management practices with certification standards both highlights the potential impacts of forestry activities, and provides guidance on how to mitigate and manage these.

	Area Under Management
Designated site downstream of river passing through forest	35%
Designated site within forest boundary	34%
Designated site within 10km	100%

Dependencies, impacts & mitigants

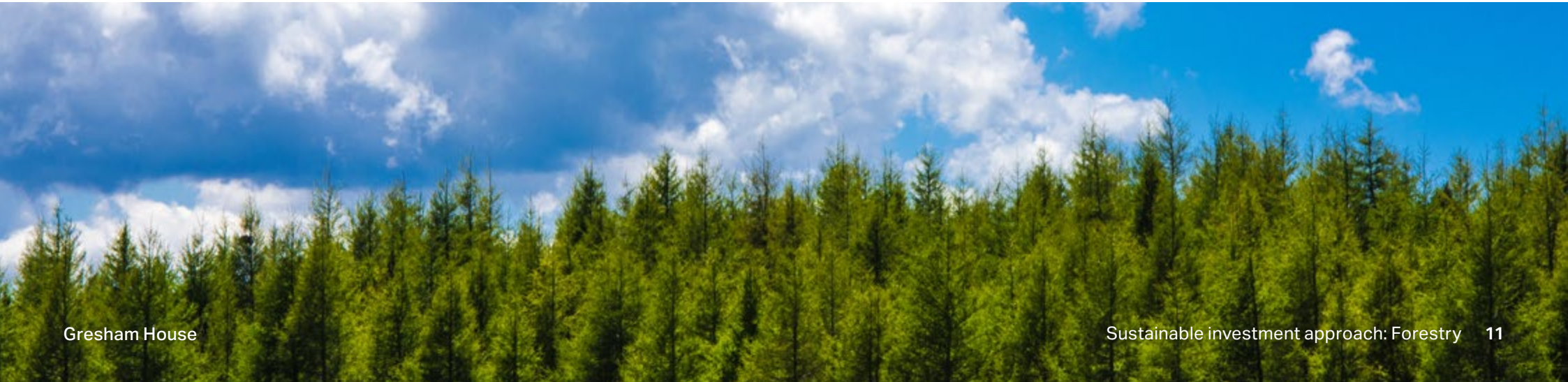
A requirement of the UK Woodland Assurance Standard (UKWAS), to which we align our certified forestry assets, is to assess the positive and negative impacts of the proposed operations on environmental values during woodland management planning.

This includes ecological assessments, consultations with relevant stakeholders, and integration of findings into ongoing operations.

We used the ENCORE tool to identify the material nature-related impacts and dependencies of forestry activities. Alongside this, we highlighted the actions required under UKWAS that are integrated into our forests' management plans that mitigate and manage each of the risks identified.

	Description	Mitigating actions
Dependency: water supply	The provision of water by ecosystems ensures sufficient quantity and quality of water for tree growth. Many communities are dependent on water supplies from water sources within our forests and there is a risk of water depletion or pollution as a result of modern forestry activities.	Management plans should include areas and features of critical importance for watershed management as part of a conservation area network, for which the primary objective is the conservation of environmental and biodiversity values, ecosystem services, and community needs. Through engagement with local people, private water supplies should be identified and recorded, with management plans agreed in consultation with downstream users.
Dependency: climate regulation	Climate regulation and climate change mitigation provided by ecosystems maintains the climatic conditions necessary for the cultivation of woodlands and reduces the frequency and intensity of major climate events that could damage the cultivation site.	Productive forests contribute to climate change mitigation by sequestering and storing carbon from the atmosphere. Forestry management plans should take into account the positive and negative impacts of activities on the carbon sequestered in trees, soil and wood-based products. For example: ▪ There should be an appropriate choice of silvicultural management, ground preparation technique and species selection. ▪ Prolonged fallow periods before restocking should be avoided as this can exacerbate soil carbon losses ▪ Previously planted peatland, wetland or wet woodland should be assessed for potential restoration to their original habitat type to provide carbon and biodiversity benefits.
Dependency: soil health	Forestry activities rely on healthy soil and nutrient cycling for tree growth. The depth and quality of soil influence the rate at which trees grow and accumulate biomass, which in turn provides more healthy and resilient forests. Sediment retention provides a stable substrate, erosion control, and landslide mitigation for the forest area.	Soil surveys should be conducted to inform woodland location and design. Timber harvesting particularly seeks to avoid damage to soil during felling, extraction and burning. Practises such as whole tree harvesting are only used where there is demonstrable management benefit and negative impacts including soil erosion and nutrient loss are considered

	Description	Mitigating actions
Dependency: flood and storm mitigation	Forestry activities are dependent on flood and storm mitigation ecosystem services to protect trees and infrastructure and to maintain the conditions for tree growth.	Species selection is used to improve the long-term resilience of the forest, including the potential impacts of climate change. Flood risk assessments should be carried out as part of the planning process, and mitigation incorporated into design plans.
Impact: invasive species	Forestry activities often involve introduction of new tree or non-tree species to increase productivity, which can lead to the spreading of invasive species. Forestry activities can also contribute to spread of invasive forest species by improper timber waste disposal and accidental spread of seeds.	Native species are preferred to non-native. Where non-native species are used, it must be shown that they will clearly outperform native species in meeting objectives or in achieving long-term forest resilience. The relative benefits of introductions should be balanced against the risk of any unintended consequences Non-native species can only be introduced when it can be evidenced that invasive impacts can be controlled effectively. New introductions will be monitored, and effective mitigation measures shall be implemented.
Impact: land use change	Forestry activities require large areas of land and can contribute to the degradation of land in their proximity.	New woodlands should be located and designed in a way that will deliver economic and/or social benefits and/or ecosystem services, and in a way that maintains or enhance the visual, cultural and environmental values of the wider landscape.
Impact: pollution from chemicals and equipment	The use of herbicides, pesticides and heavy machinery can release toxic soil and water pollutants into surrounding soil and waterways. Harvesting can also contribute to increased runoff of mercury, metal and base cation from the soils which can significantly increase concentrations in waterways and lead to changes to acidity and temperature.	Management practices prevent pollution by: ▪ Identifying pollution risks to water, habitats and conservation features and the measures needed to avoid those risks ▪ Clearly marking buffer areas before work commences ▪ Monitoring of conditions, especially changes in weather and soil conditions Incident reporting should be included in any pollution prevention and control plan and appropriate spill kits and pollution prevention equipment are available.



Case study: Forest to bog restoration, south Scotland

UK peatlands are landscapes of international importance, containing around 20% of the world's blanket bog habitats and storing over 3bn tCO_2e.

They also play an important role in flood management and water security. Despite this, peatlands in the UK are becoming degraded as a result of historic land management practices, such as drainage for agricultural improvement and intense planting for timber production.

As our understanding of the impact of such practices on the carbon storage, hydrology and biodiversity of peatlands has increased over recent decades, so UK forest policy has shifted to protect peatlands and their associated habitats such as blanket bogs and fens. In the forestry sector, the removal of plantations and the restoration of peatland habitats is gaining traction where the net climate or biodiversity benefits outweigh the benefits associated with timber production.

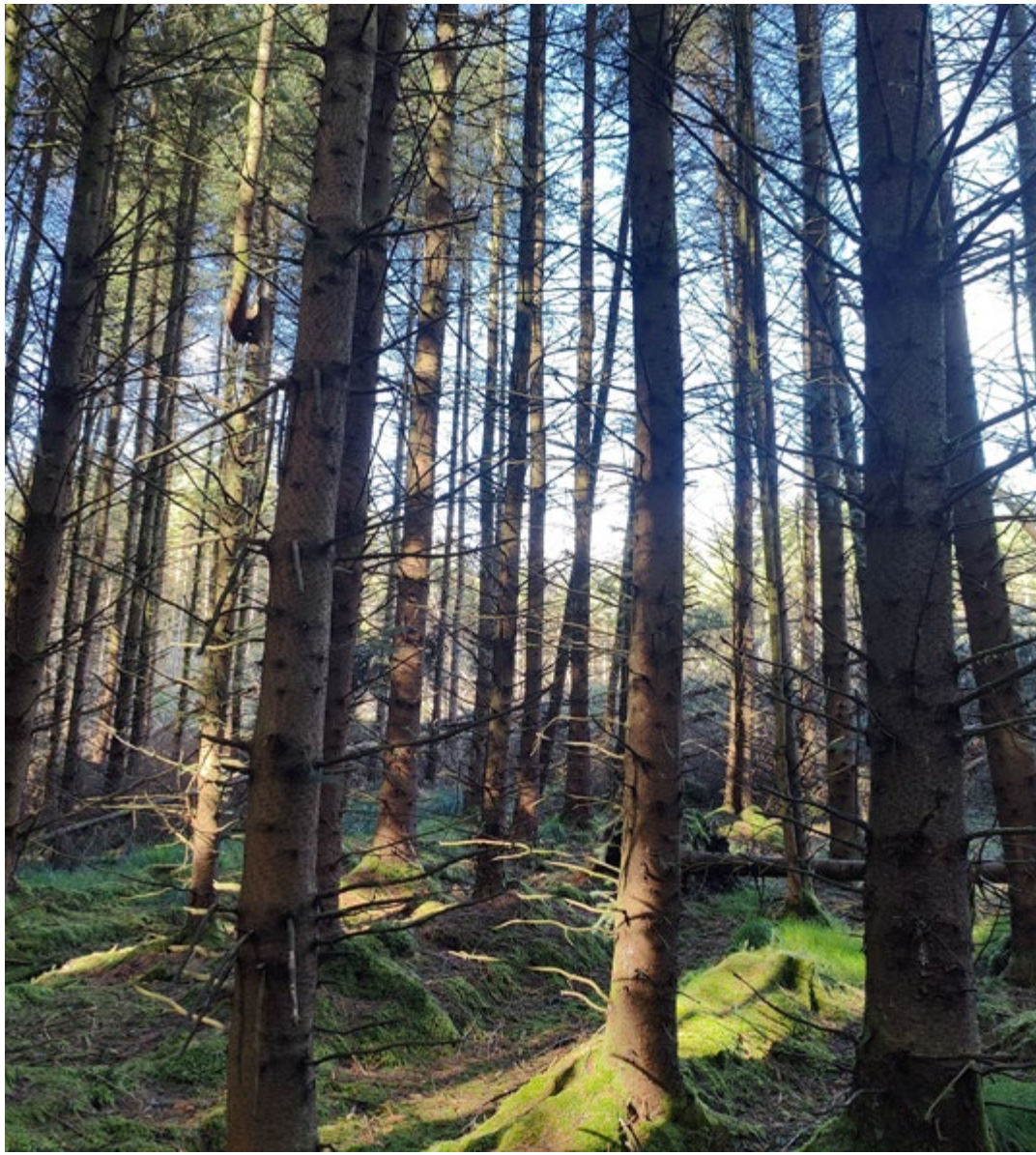
Auchenlongford was purchased by Gresham House in October 2024. Extending to 662 hectares, the property is a mixed-age productive forest, planted between 1971 and 1994 with productive conifers, including Sitka spruce, as well as native broadleaved species.

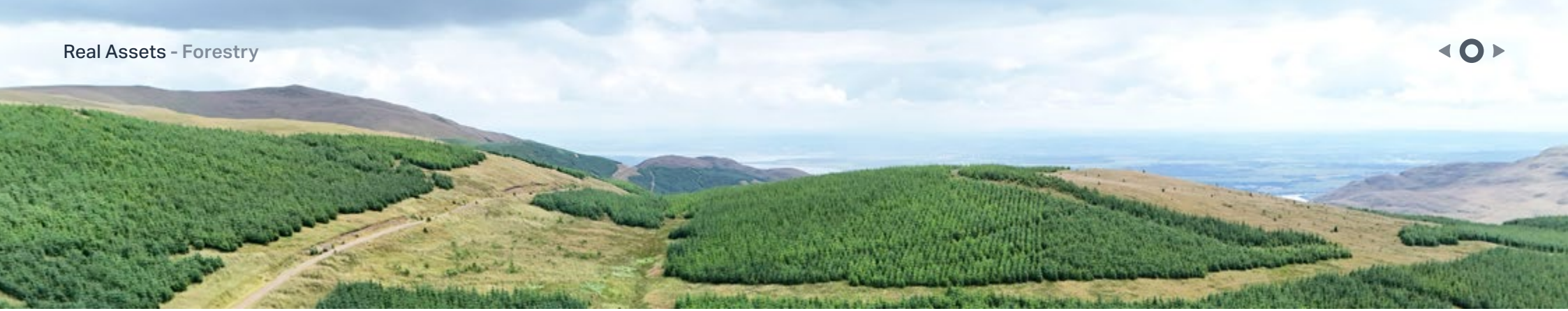
Part of the forest was planted in the early 1970s on moorland that has subsequently been designated as a part of a Site of Special Scientific Interest (SSSI) and a Special Area of Conservation (SAC) known as Airds Moss.

Airds Moss is a 1,600 hectare blanket bog facing many challenges – erosion, overgrazing and disruption of hydrology, leading to declines in populations of important plant species such as heather, cotton-grasses, deergrasses and Sphagnum mosses, which in turn impact dependent invertebrates and birds. About 15% of Airds Moss lies within Auchenlongford.

As part of the acquisition process, a plan was developed to restore the blanket bog habitat onsite. Working with Scottish Forestry and NatureScot, we will aim to remove around 50% of the productive conifers from the site over the forest plan period.

This process will realign the footprint of the forest away from deep peat soils and allow native vegetation to reform in these ecologically important habitats. This will be a long-term process, taking 15 to 20 years to complete and demonstrates the long-term planning required to successfully deliver nature restoration in productive landscapes.





Engagement

Gresham House continues to take an active leadership role in engaging with policymakers, industry groups, and stakeholders across the forestry sector. In 2024, our engagement efforts were focused on the carbon markets, and their potential to unlock funding for afforestation. Key activities included:

- Responding to a joint UK government consultation (including the governments of Scotland, Wales, and Northern Ireland) on the integration of GHG removals in the UK Emission Trading Scheme (ETS), advocating for the inclusion of nature-based removals to ensure the ETS drives investment into high-integrity carbon sequestration solutions.
- Contributing to the Woodland Carbon Code consultation on additionality requirements, where we highlighted barriers that currently limit new woodland development for the purposes of generating woodland carbon units.
- Engaging with Ecobase, a carbon project developer, who launched the first European afforestation project under the Verra carbon credit standard using a methodology that incentivises the creation of new woodlands in the UK.

As the largest private commercial forestry manager in the UK, Gresham House takes a leadership role, with members of the team holding a number of influential roles within forestry organisations:

- Confor, the industry association for sustainable forestry in the UK: Our Managing Director, Forestry, Olly Hughes, sits on the Advisory Board to support the strategic direction of Confor's work programme and provide advice on arising matters.
- International Sustainable Forestry Coalition (ISFC): Gresham house is a board member of this global alliance of 15 forestry managers with a presence across 35 countries. The coalition promotes the role of sustainable forest management in advancing climate, nature, biodiversity, and social objectives. We contribute through participation at key global events such as COP and Climate Week.
- The Forest Industry Safety Accord (FISA): We are represented on the landowners' board, working to raise the standard of health, safety, and welfare in forestry management.

For the management of our forestry assets, engagements are primarily with landowners, forest managers, host communities, and the wider market:

- The Certification Schemes we use, provided by our forestry managers to maintain compliance of our forestry assets to UKWAS are externally monitored by the Forest Stewardship Council® (FSC).
- The majority of our forestry managers work for organisations which hold the international standard ISO 14001 for environmental management, to maintain this certification they are subject to external audit by UKAS accredited assessors and must demonstrate continual improvement of their management of environmental risks.
- All our asset managers are members of either the Institute of Chartered Foresters (ICF) or the Royal Institute of Chartered Surveyors (RICS).
- We have service level agreements and standard conditions with our forestry managers which set out expected standards of forest management ensuring all services and work activities are provided in line with the UK Forestry Standard, where this is relevant to the country, and industry good practice.

Any major operations are carried out in consultation with forest neighbours and community councils. We undertake good practice public consultation where new woodlands or forests involve a change of land use and keep local communities informed of felling plans and other significant operational activities. We always seek to ensure any legitimate concerns are addressed.

Case study: Community led forestry design

Gresham House acquired a 3,450 acre site in North Ayrshire with the intention establishing a sustainably managed productive forest with several other complementary land uses, including peatland restoration and hydro-electric power generation.

The site, located on the edge of a medium sized town, received significant interest from the local community during the planning and consultation stages of the project. The initial tree planting application and environmental assessment took seven years to approve. During this time the design went through various iterations and the consultation process involved many meetings with local groups to discuss all aspects of the scheme.

The local community were specifically interested in ensuring access to the site was improved for recreational purposes, and that the character and landscape of the site was enhanced.

In response to feedback during the consultation process our forestry team:

- designed a considerable network of new footpaths which would link to existing paths to provide several different routes of varying lengths to be enjoyed by the community.
- designed the forest so that it did not adversely affect the landscape character of the site, through the careful siting of a variety of trees species including both productive conifer, and non-productive broadleaf species.

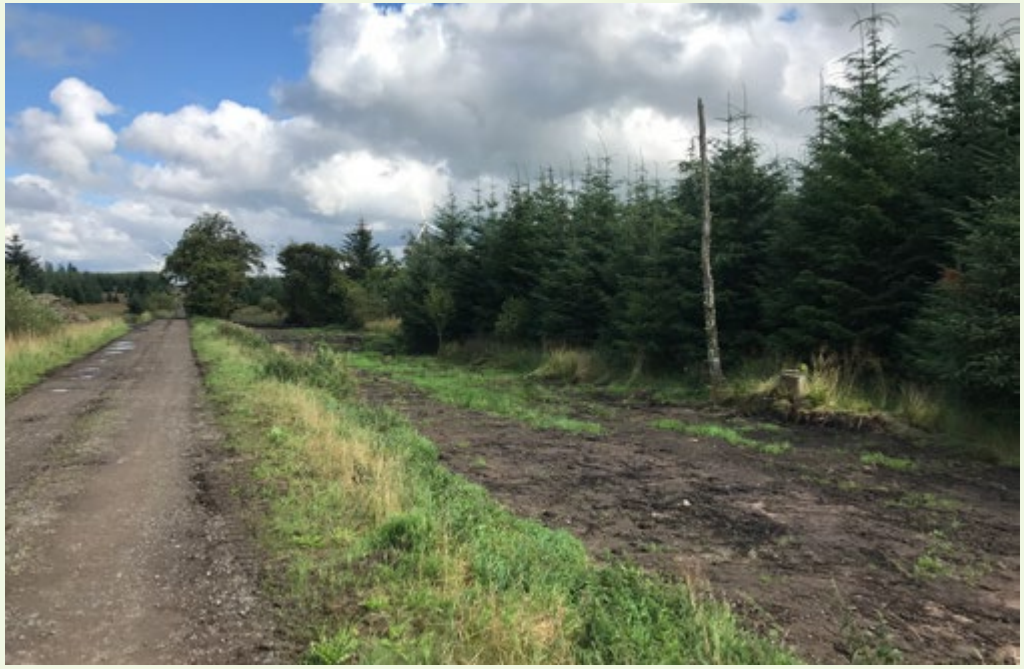
Outcome: The implementation of the scheme has largely followed this design, with broadleaf species planted on the most visible parts within the landscape and in riparian areas, and the conifer areas planted in the more accessible and productive areas of the site.

The initial footpaths have been built, and additional routes have been developed to connect specific parts of the site with other routes that exist outside of the property. The replacement of a key footbridge over a river has also occurred as part of the works in recent years.

An 'access group' has been set up which includes members of the local community and our forestry management team. The group continues to meet regularly to discuss further developments that could be made to the site to improve recreation and the site as a whole. As a result of this group, all-access gates and picnic benches have been installed, and further footpaths have been discussed that would connect to other neighbouring ground.

The management of existing footpaths is also discussed to ensure that they are kept free of weeds and safely maintained.

The forest is still being developed with trees currently in their establishment phase, but the commitment to work with the local community continues, to ensure the site can be fully enjoyed for recreational purposes as well as continue to deliver the client's objectives.



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