

News Advisory

Timberland Investment Resources Europe LLP successfully closes TIR Europe Forestry Fund II with \$200m from institutional investors

London, 19 July 2021

Timberland Investment Resources Europe LLP (TIR) has closed its second Forestry Fund II, successfully meeting its target of \$200m of committed capital.

The success of the fund is in part linked to timberland as an asset class receiving increased interest from pension schemes and investors. Timberland has the ability to provide stable returns, and a diversified portfolio, along with being an inflationary hedge.

Demand for sustainable investment alternatives continues to escalate in the institutional investment sector and for pension schemes as part of their wider commitments to climate change and sustainability. Timberland is increasingly being viewed as a great alternative investment for environmental, social and governance (ESG) purposes.

Timberland Investment Resources Europe (TIR Europe) has seen demand for its timberland sustainable investments increasing over the past year. As at 31 March 2021 TIR group as a whole had assets under management of \$1.65bn comprising of 835,961 acres of forest across the U.S.

Hugh Humfrey, Partner, TIR Europe commented: "We are proud to deliver both financial and social returns to investors. We are seeing a huge rise in the number of institutions and pension schemes looking at ESG alternatives for their portfolios that deliver consistent returns. At TIR we practice sustainable forestry on all of the forest assets we manage for investors and we will continue to pursue the highest environmental stewardship and expertise in managing the forests."



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GianPaolo Potsios, Partner, TIR Europe added "TIR can offer institutional investors access to a solid asset class that offers good returns. Real assets such as timberland have a compelling role to play in an investor's portfolio offering regular dividends as well as a solid source of alternative yield."

Timberland as an investment is likely to see increased interest following initiatives such as climate change mitigation, a universal consideration of the SFI standard¹, which acknowledges the impact on the use of sustainable forestry practices can have on the capacity of working forests to sequester carbon and other greenhouse gas emissions.

Separately with climate-related reporting now mandatory for premium-listed companies in the UK, as of January 2021, many businesses are seeking to offset their carbon footprints by planting trees and forests and purchasing carbon credits.

TIR Europe expects the trend to grow following the UN's Principles for Responsible Investment forecast that corporate demand for carbon removal and offsetting could USD800 billion annually for investors by mid-century.

Timberland Investment Resources tracks forest carbon storage levels by property based on timber stocking data and projected biological growth rates. This information is rolled up and reported on a portfolio basis to clients each quarter. TIR is seeing an increase in the role of carbon sequestration in forests.



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1 TIR is a member of the Sustainable Forestry Incentive Sustainable Forestry Initiative - Timberland Investment Resources LLC-10884 (sfidatabase.org)

About TIR Europe tireurope.com

Timberland Investment Resources Europe (TIR Europe) is dedicated to providing investors with superior risk adjusted returns through the acquisition, management and sale of forestry and related assets. We are an affiliate of Timberland Investment Resources LLC (TIR) which at 31 March 2021 has AUM of \$1.65bn comprising 835,961 acres.

We are committed to managing your timberland holdings with a strong stewardship ethic. Our senior team average over 25 years of experience and have a long track record of delivering consistent, sustainable returns for pension funds and institutional investors. TIR is 3rd party certified under the Sustainable Forestry Initiative (SFI). Investors can participate either directly or via a fund structure.

TIR is authorized and regulated by the SEC and TIR Europe is authorized and regulated by the Financial Conduct Authority. We are a privately owned investment management partnership headquartered in Atlanta, Georgia. We maintain offices in Boston, Massachusetts; Charlotte, North Carolina; Dalton, Georgia; Lufkin, Texas; and London. Specialties: Ethical and sustainable investments. Investment management company specializing in the acquisition, management and sale of forestry and related assets.