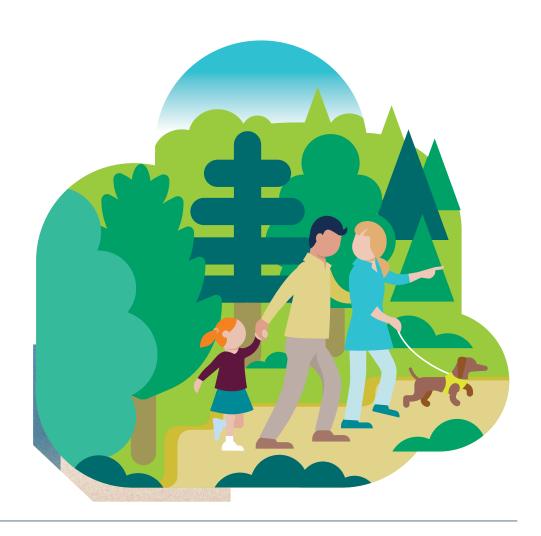
2026-31



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1. Foreword

The Scottish Crown Estate ('the Estate'), managed by Crown Estate Scotland ('CES'), is a remarkable resource; a unique portfolio of natural and built assets that spans seabed, coastline, rural estates, commercial property, housing, infrastructure and more.

How we manage and invest in the Estate is important to Scotland's long-term economic, social, and environmental prosperity.

The opportunities and possibilities that can be realised in the years to come are significant. With ongoing investment, careful stewardship, and an innovative approach to growth, the Estate can help businesses prosper, communities thrive, support nature throughout Scotland.

We're hugely proud of what Crown Estate Scotland has delivered since being established as a self-financing public corporation in 2017.

Our world-class offshore wind leasing is transforming the UK energy market and supply chain. Our work in farming and aquaculture is supporting food security and sustainability. Our collaborative relationships at a local, national and international level are unlocking and supporting inward investment. We have created new opportunities for communities to access resources and assets to help them thrive. In addition, we have returned £270m for public spending and in FY23-24, we supported tenants to generate an economic impact of £2.1bn Gross Value Added (GVA) and almost 17,000 jobs.¹

We now want to deliver even more for Scotland.

With over 2000 customers and more than 4000 commercial agreements, our work touches many people, communities, and businesses. But whilst our reach is broad, our remit as set in the Scottish Crown Estate Act 2019 ('the Act' or 'the 2019 Act') is specific: to maintain and seek to enhance the value of the assets we manage, and the income generated from them, in the way best calculated to advance sustainable development and promote social, economic, and environmental value. The Act enshrines an ethos of responsible business in what we do and how we do it. It sets up Crown Estate Scotland to be, at its core, a purpose-led business.

This draft plan is based on our purpose - investing in property, natural resources, and people to create lasting value for Scotland — with five strategic priorities - that in combination reflect our statutory duties to provide sustainable returns, while stewarding the assets under management, and furthering sustainable development.

Through sound stewardship of - and investment in - the Estate, Crown Estate Scotland can generate wealth for the nation and pioneer responsible investment for the long term.

Euan McVicar (Chair) & Ronan O'Hara (Chief Executive)

The Economic Impact of Crown Estate Scotland - BiGGAR Economics

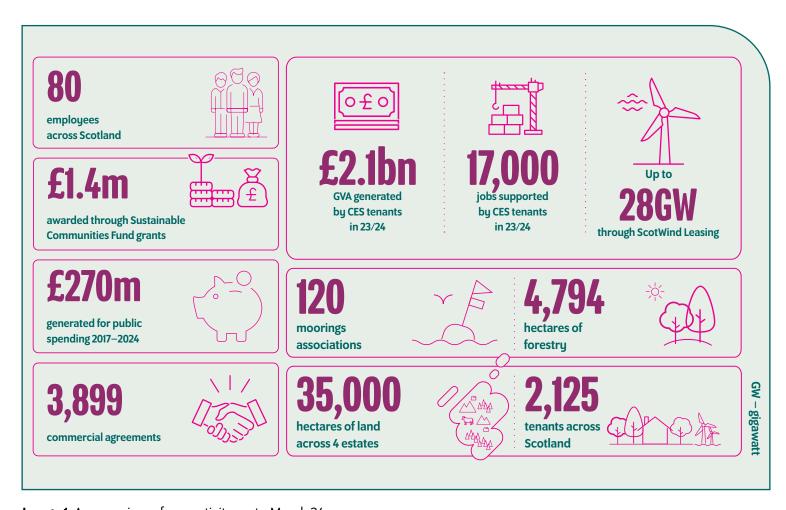


Image 1: An overview of our activity up to March 24

2. Introduction and how to respond to this consultation

Over the last three years we've carried out a wide-ranging programme of research and engagement, asking staff, partners, and stakeholders, what they think the biggest opportunities and challenges are for us.

This draft plan reflects the feedback received to date (and a summary is also available in Annex 2). It includes a strategic framework bringing together our purpose, vision and core values and it sets out a range of activity focussed on five strategic priorities.

We also outline a vision for how the Estate may evolve out to 2050, aligned with the Scottish Ministers' Strategic Management Plan (SMP) for the Estate.

This proposed plan aligns with wider Scottish Government policy including the National Performance Framework. It's not spatial and does not relate directly to regulatory compliance and / or planning consents, which are not within our remit. We welcome your feedback on this document in advance of submitting a final plan for approval by Scottish Ministers later in 2025. You'll find a questionnaire at Crown Estate Scotland. This will remain open until 1 August 2025. In 2026, we will publish a summary of feedback, the final plan and impact assessments.



Image 2: The Scottish Crown Estate

On land, the Scottish Crown Estate is comprised of:

- Four rural estates totalling 35,000 hectares
- · Around half of the foreshore
- Rights to fish wild salmon and sea trout in river and coastal areas
- Rights to naturally occurring gold and silver across most of Scotland
- Some commercial properties
- The 'ZeroFour' development land near Montrose

Across the Exclusive Economic Zone - from 12 nautical miles out to 200 nautical miles - Crown Estate Scotland manages rights related to renewable energy, cables and pipelines, the storage of gas and the use of the seabed and its subsoil (other than for hydrocarbons).



Almost all of Scotland's territorial seabed - from the high watermark out to 12 nautical miles - is managed by Crown Estate Scotland, which grants leases to use it for a range of activities including aquaculture, offshore energy, cabling and pipelines.

To explore the leases we have granted in more detail, visit our interactive map at https://www.crownestatescotland.com/resources/map or by scanning the QR code.



3. Who we are and how we work

Our core purpose is investing in property, natural resources and people to generate lasting value for Scotland.

Delivering our purpose includes providing excellent customer service, enhancing revenue and capital value and, ultimately, creating long-term social, environmental and economic benefit. We want to help ensure families, businesses and communities can use the assets to live, work and thrive.

Our work contributes to the Scottish public sector's overall purpose of creating a more successful country, with opportunities for all of Scotland to flourish through supports wellbeing, and sustainable and inclusive economic growth. Scottish ministers' vision for the Estate is that it is 'managed sustainably, responsibly and fairly, and in a transparent and inclusive manner, to deliver financial benefits and wider and long-term social, economic and environment benefits for Scotland and its communities'.

Our strategic framework aligns with this. It includes three different roles for Crown Estate Scotland and our values. The latter provide the foundation for our behaviour as an organisation and as employees and non-executives: how we deliver is as important as what we deliver.

The Estate is a unique mix of land, property and rights, with a total property value at March 2024 of £665.6m. It includes ancient rights held by The Crown (e.g. wild salmon fishing) as well historically acquired property (e.g. Glenlivet Estate).

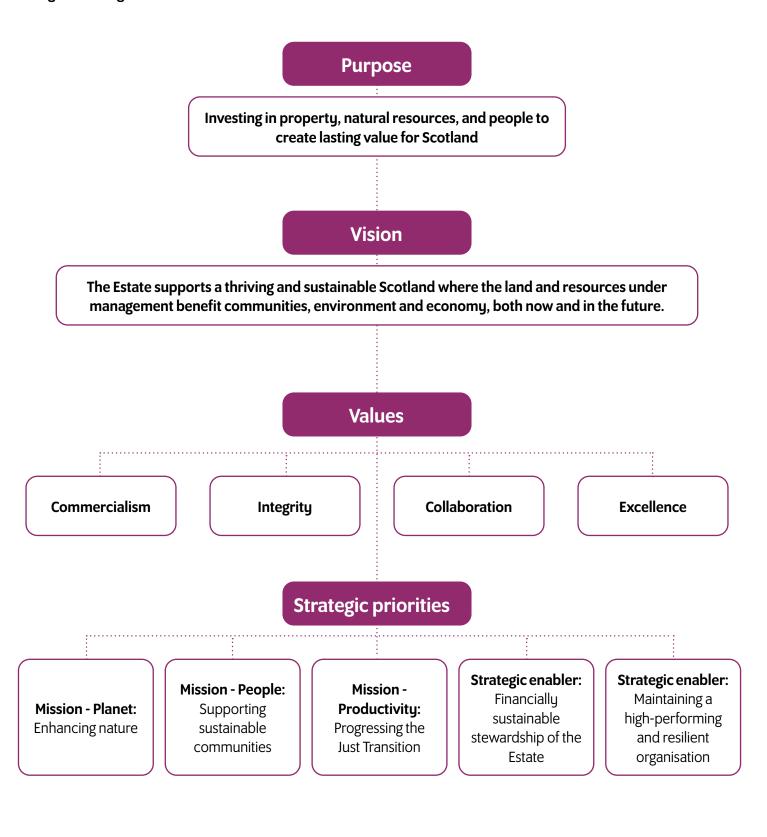
Ownership of the Estate lies with the Monarch and management responsibility sits with Scottish Ministers who in turn delegate to Crown Estate Scotland. Our Framework Document sets out our roles and responsibilities. More on our governance structure is in Annex 3.

As a public corporation, we are distinct from other forms of public bodies. Ministers appoint our Chair and Board, we appoint staff (who are not civil servants), and we manage our own budget. Scottish ministers are ultimately accountable for the management of the Scottish Crown Estate and all associated commercial activity.

All our revenue profit goes to the Scottish Consolidated Fund and, ultimately, to Scottish Government to decide how to distribute and use. Capital remains the property of the Monarch and must be reinvested in the Estate.

This strategic framework will guide what we do and how we do it.

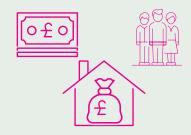
Image 3: Strategic framework





Asset Manager:

Asset management across
4000 agreements forms the
bulk or our work. It involves
commercial, financial, data & IT
specialists as well as specialist
asset teams, managing agents
and legal advisors.



Investor:

Investing in, for example, development to enhance value. This includes essential capital expenditure to meet health & safety and other standards (e.g. energy efficiency), much of which does not generate financial returns.



Enabler:

Empowering others by supporting local plans and projects; funding development roles with partner organisations; breaking down barriers to sector growth, and providing investment to support sustainable development.

Image 4: Crown Estate Scotland's roles

Roles

Crown Estate Scotland has three key roles: asset manager, investor, and enabler. In any given activity or project, we may adopt one role only or two to three different roles. For instance, we may invest in an asset to acquire and develop it, then become an asset manager.

Asset management forms most of our work across the Estate. It requires a wide range of inhouse and outsourced skills and capabilities to ensure we fulfil our responsibilities across a diverse portfolio of onshore and offshore assets.

The investor role is critical in ensuring we carry out our statutory duties of maintaining and enhancing financial and non-financial value derived from the Estate. Like any property portfolio, the Estate requires a base level of reinvestment just to maintain income and capital value, and a higher level of investment for higher returns in the longer-term.

To carry out our manager and investor roles, and deliver good practice, we must recycle capital through divestment (and other types of transactions) and raise capital through the annual statutory transfer from revenue provided for in the 2019 Act.

The enabler role relates to how we work with and support sectors (e.g. offshore wind, aquaculture, agriculture) and partners (e.g. community bodies, public bodies and government agencies) to promote sustainable development on the Estate.

Operating principles

In addition to delivering on our statutory duties in a way that aligns with Scottish Ministers' policies and plans, we will:

- think and act for both the short and long-term
- strive to provide the highest quality of customer service
- take a commercial and risk-based approach to deploying resources
- continue to prioritise health & safety
- take a plan-led approach to leasing where appropriate to align with local priorities and impact assessments
- embed diversity & inclusion in our culture and in how we manage the Estate
- be open and transparent
- work in partnership
- take evidence-based decisions

4. Operating environment and look ahead

In developing this draft plan, Crown Estate Scotland analysed the external operating environment to take account of emerging trends and changes.

This included policy and PESTLE analyses, a scenarioplanning session and hosting discussions and workshops with stakeholders. These have informed the assumptions listed below.²

Some of the assumptions underpinning this plan are that:

- There is a supportive policy and regulatory context that mitigates the strategic risks associated with decarbonising UK energy generation, such as lack of grid capacity and flexibility, consenting challenges, and the need to attract significant amounts of inward investment
- Statutory net zero targets (2045 in Scotland and 2050 in the UK) remain unchanged
- The global supply chain can support offshore wind projects in Scottish waters
- Our statutory duties under the Act remain unchanged, our powers remain either unchanged or are enhanced to maintain parity with comparable organisations in other jurisdictions, and our governance and ways of working reflect our status as a self-financing public corporation

- We are granted between 13% and 27% per annum transfer from revenue to capital over the period 2026-31 to reinvest in the Estate
- We successfully utilise a minimum of £50m capital over the period 2026-31 to create value from the Estate to unlock long-term financial and non-financial value for Scotland
- Changes in land values do not materially affect our ability to invest and divest
- Any tightening in the labour market or any other uncertainty beyond our control – does not materially impact CES's ability to attract and retain talent
- Offshore wind and aquaculture yields are in line with forecast estimates

In this context, our 2026-31 activity will strike a balance between the immediate term, by delivering on existing commitment, while at the same time unlocking new opportunities for the future.

² We have also aligned this draft plan with relevant Scottish Government policy. We are monitoring progress of the emerging National Marine Plan 2 (NPF2), the Community Wealth Building Bill, the Land Reform Bill, and the Agriculture and Rural Communities Bill, and will align the final plan with these as appropriate.

An evolving Estate

Looking ahead to 2050, long-term trends in the UK that are relevant to our activity include:

- Use of natural resources being optimised, balancing private and public interests and short- and long-term value
- Decentralised and decarbonised generation supporting national energy security
- Opportunities for Scotland to become a global powerhouse in key growth areas such as offshore wind and carbon capture and storage
- · Innovation improving food security
- · Pressures on biodiversity
- Carbon sequestration offshore and on land operating at scale
- Property being used in new ways for family, work, and community activities
- Buildings becoming more energy efficient and circular resource use becoming embedded in production and consumption
- New economic opportunities creating high quality jobs
- Integrating climate resilience and adaptation into asset management planning and decision making

For the Estate and for Crown Estate Scotland, this means:

- Decarbonisation of our operations and the Estate, supporting harder-to-abate sectors that are key to rural communities such as forestry, land and agriculture
- Innovation enabling sustainable growth in aquaculture and agriculture
- Providing access to seabed for offshore wind and carbon capture and storage
- Managing the assets to respond to the changing climate and environment
- Delivering a resilient and responsive asset management service that supports economic, social, and environmental needs
- A data driven and enabled business model that supports effective and efficient operations
- We generate significant and sustainable contributions to public spending while increasing the value of the Estate
- We deliver environmental, social and economic benefits to Scotland – and demonstrate to others how to make healthy financial returns in a sustainable way

Realising this long-term vision between 2026 and 2050, means Crown Estate Scotland can:

- Create long-term wealth for Scotland
- Play a leading role in fulfilling Scotland's obligation to mitigate climate change
- Act as a bridge between the public and private sectors, operating commercially for the benefit of local communities and the wider nation
- Support a new sustainable economy which serves both people and planet
- Inspire new and different ways of living and working



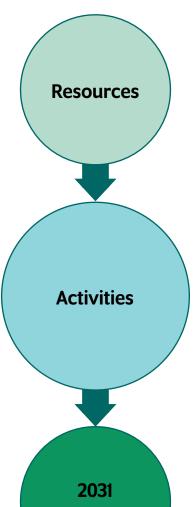
Image 5: How the Scottish Crown Estate can evolve up to and beyond 2050.

5. What we will deliver

In this section, we set out our strategic priorities which consist of three missions and two enablers. We aim to deliver clearly defined outcomes against each of these by 2031. We will also set out how we will contribute to Scotland's National Performance Framework and the UN's Sustainable Development Goals. Annual business plans will provide more detailed actions and progress will be documented in our annual reports.

Mission - Planet: Enhancing Nature

Nature has become an area of increasing focus for CES. Moving forward we want to ensure the Estate is managed in a way that enhances biodiversity and supports nature. We will collect baseline data to better understand the current status of biodiversity across the Estate and deliver projects and programmes to promote biodiversity and enhance nature through woodland creation, peatland restoration and removal of invasive non-native species.



- Rural and marine assets combined with staff skills and expertise
- External consultancy expertise
- Public sector partners
- Tenants
- · Capital and revenue monies
- Enhance Scotland's marine biodiversity through partnership working
- Collect baseline biodiversity and carbon data across the rural estate
- Woodland creation and peatland restoration
- · Removal of invasive and non-native species
- Innovate in terrestrial natural capital by piloting opportunities with tenants
- Support wild salmon initiatives
- Create opportunities through support for new farming entrants, tenant farmers and next generation farmers

Net biodiversity loss on rural estates is halted
Outcome
Marine and terrestrial enhancement projects enabled







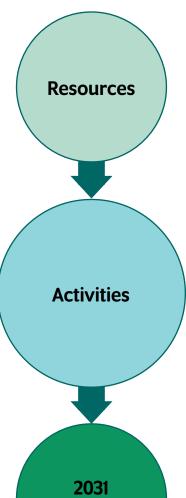


Mission-People: Supporting Sustainable Communities

Community wealth-building has been a focus for CES since 2017: we have a responsibility to ensure the Estate is managed in a way that benefits and strengthens local communities.

In 2026-31, we want to build on previous successes by developing the Sustainable Communities Fund to support our tenants and community organisations across Scotland.

The right investments in built development can help unlock value and opportunities for communities in the blue and green economies, as well as helping to counteract income volatility across the wider estate.



- · Glenlivet, Applegirth and Whitehill estates
- · Coastal and commercial portfolio
- Staff and managing agents
- Consultancy support
- Scottish public bodies
- Capital and revenue monies
- Place-based investment across the existing Estate to bring forward land for 1500 homes
- Community wealth building initiatives including expanding the Sustainable Communities Fund, place-based partnerships and wider investment activity to unlock opportunities for communities
- Investment in green & blue economy activities including coastal development sites e.g. ZeroFour Montrose
- Support Scotland's rural and farming communities through opportunities for renewable energy and by implementing significant maintenance and improvement programmes.
- Advance a visitor development programme and community planning project for Glenlivet looking towards 2050

2031 Outcome

- Communities across Scotland have benefitted from Crown Estate Scotland funding
- Investment and direct support has enabled communities on the Scottish Crown Estate to thrive



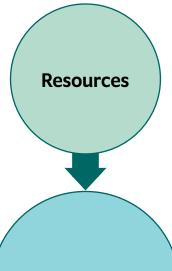






Mission - Productivity: Progressing the Just Transition

This section focusses primarily on energy and food production. Scotland has a once-in-a-lifetime opportunity to ensure we transition to a sustainable economy in a way that truly creates value for all. We are uniquely placed to pilot new and progressive approaches to asset management that support sustainable economic development and champion a just transition. In aquaculture, we'll support innovation to sustainably develop finfish farming such as closed containment, sites further offshore, and new ways of working with communities. Shellfish and seaweed farming offer significant potential for green economic growth that benefits communities through the development of new by-products. For agricultural tenants, we will provide support to transition to more sustainable practices.



- Scottish seabed
- · Rural and coastal portfolio
- · Staff and managing agents,
- · Consultancy support
- · Scottish and UK public bodies

Activities

- Support development of Scotland's offshore wind pipeline
- Launch Scotland's first CCS leasing offer
- Leasing and enabling activities across wave & tidal, emerging technologies, local systems and hydrogen
- Support tenants' development of critical infrastructure such as electrical transmission route and telecommunications cabling
- Enable research projects and local collaboration to further innovation and sustainable growth of aquaculture
- Launch the Farming for the Future programme

2031 Outcome

- · New market opportunities in energy enabled
- · Increased renewable energy capacity under lease
- Support provided to farming tenants to transition to more sustainable practices
- Opportunities for aquaculture and marine ecosystem services developed







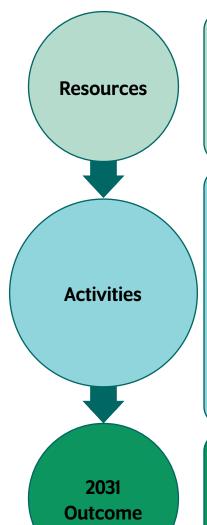


Strategic enabler: Financially sustainable stewardship of the Estate

Responsible stewardship of the Estate sits at the core of our statutory duties and is the foundation on which we deliver ongoing financial and non-financial value for Scotland. Investment in the Estate is essential for Scotland to continue benefitting from it in the years and decades ahead. Active asset management will deliver capital and revenue growth, excellent customer service, and wider non-financial value throughout Scotland. There will be increased focus on the Estate becoming more resilient and adapting to the changing climate.

We will invest in customer service to support businesses, families and communities who use the Estate, and deploy capital in new and existing assets to protect revenues and enhance capital returns.

Better data will enable risk-informed decision-making that delivers improvement in the condition of terrestrial assets and the value they deliver for Scotland.



- The Scottish Crown Estate (the 'Estate')
- Staff
- Customers
- Technology
- · Capital and revenue monies
- Delivery partners
- Manage approximately 4000 commercial agreement with 2000 customers
- Be a responsible asset manager and investor
- Refresh our Investment Strategy
- Implement our Data Strategy to support data driven decision making informed by financial and non-financial data
- Develop a sustainability framework for corporate and estate activity
- · Enhance customer service
- Optimise use of Scotland's seabed as a national strategic asset
- Continue to progress land registration to secure registered interests

 Active asset management has delivered capital and revenue growth, excellent customer service, and wider nonfinancial value for Scotland.









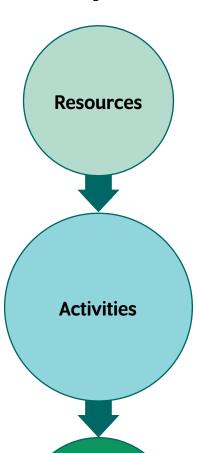
Strategic enabler: Maintaining a high-performing and resilient organisation

Since 2017, Crown Estate Scotland has delivered significant value for Scotland's communities and businesses, returning £270m to public spending. We now want to do more and must ensure the organisation is set up to deliver.

To achieve this, our People Strategy will deliver a range of activities designed to ensure we can attract, retain, and develop talent in a competitive labour market. It will also cover how we will embed equality, diversity, and inclusion – meeting and going beyond our duties under the Equality Act 2010 – and ensure we continue to implement Fair Work principles.

At Crown Estate Scotland, we approach our work with a sense of responsibility, dedication, and creativity. 2026-31 will see us further develop our culture so that we continue to achieve our goals efficiently and effectively, rising to the challenges of the changing world around us.

To support delivery and best value throughout our activity, we will embed a new approach to programme, risk, and performance management.



- The Scottish Crown Estate (the 'Estate')
- Staff
- Customers
- Technology
- · Capital and revenue monies
- Delivery partners
- Implement our People Strategy and Strategic Workforce Plan
- New delivery and reporting mechanisms including non-financial value
- Refreshed business case processes
- Refreshed risk management frameworks
- External engagement and communications strategy
- Evolve our approach to health & safety
- Strengthen governance and data security
- Streamline processes and enhance efficiency
- Review procurement processes

2031 Outcome Organisational development has empowered our people, made our knowledge and data more robust, and created a resilient organisation that is delivery-focused









Summary: What we will deliver

Mission	Local	National	World Leading	Outcome
Planet: enhancing nature	Baseline data gathered for the rural estate and programmes implemented to limit biodiversity loss.	Peatland restoration and woodland creation on the rural estates. Partnership working to deliver marine enhancement projects.	Through the Glenlivet 2050 project pioneer opportunities for tenants and landlord to equitably share in decarbonisation and natural capital opportunities.	We have halted net biodiversity loss on rural estates. Marine and terrestrial enhancement projects delivered.
People: supporting sustainable communities	Up to £2m deployed to communities through our Sustainable Community Funds	Sustain 130 highly skilled direct jobs dispersed across Scotland Land for 1500 homes made available across Scotland	Advance place- based investment opportunities across the Estate including Montrose ZeroFour.	Communities across Scotland have benefitted from Crown Estate Scotland investment and direct support.
Productivity: progressing the Just Transition	£5m investment in renewable energy solutions installed in homes across the Estate	Farming for the Future programme supporting tenants to shift to more sustainable ways of working	Advance Scotland's first Carbon Capture Utilisation and Storage (CCUS) leasing offer. Support the delivery of ScotWind, unlocking supply chain benefits throughout Scotland. Support marine innovation in aquaculture and ecosystems	We have helped unlock new market opportunities in energy, increased renewable energy capacity in leases, supported farming tenants to transition and develop opportunities for mariculture and marine ecosystem services.

Strategic Enabler	Local	National	World Leading	Outcome
Financially sustainable stewardship of the Estate	100% compliance with the 2019 Act and the Strategic Management Plan.	Between £489m and £515m projected to be returned to the Scottish Consolidated fund (SCF). Minimum of £50m capital reinvested to deliver sustainable growth.	Collaborate with GBE and others to leverage transformational investment in Scotland	Active asset management has delivered capital and revenue growth, excellent customer service, and wider non- financial value for Scotland.
Maintaining a high- performing and resilient organisation to deliver value for Scotland	Maintain 100% H&S record for staff, tenants and visitors.	Deliver strengthened organisational capacity, capability, resilience and governance.	A data-driven and enabled business operation delivering effective and efficient operations, and advancing digital enablement with a view to unlocking the benefits of AI and the digital twin in the longer term.	Organisational development has empowered our people, made our knowledge and data more robust, and created a resilient organisation that is delivery-focused

6. Collaboration

As a 'commercial operator' we will work with the public, private and third sectors to deliver financial and non-financial value for the people of Scotland. We will deliver based on our new target operating model, mobilising investment through projects and programmes, operating at a local, national and cross-jurisdictional level.

We will work with a diverse range of public, private and third sector project partners and collaborators, from across Scotland and further afield, to create value through active asset management, commercial investment and an enabler of innovation.

Focus	Sample of collaborative partners
Local	Glenlivet Development Corporation, Cairngorm National Park Authority, Portgordon Community Trust, Highlands & Islands Enterprise, Highlands & Islands Regional Economic Partnership, Convention of the Highlands & Islands, Solway Firth Partnership, Clyde in the Classroom, local authorities, adjacent land owners and tenants, plus others
National	Scottish Government, Salmon Scotland, Scottish Land Commission, Scottish Renewables, COSLA, Community Land Scotland, DTAS, NatureScot, Scottish Islands Federation, British Marine (Scotland), Tenant Farmer Working Group, Scottish Marine Environmental Enhancement Fund, Fisheries Management Scotland, Scottish Offshore Wind Energy Council, Scottish National Investment Bank, Scottish Seaweed Industry Association, Crofting Commission, Prosper, Economic Development Association Scotland, plus others
Cross-Jurisdictional	Department of Energy Security and Net Zero, GB Energy, North Sea Transition Authority, The Crown Estate, National Electricity Systems Operator, National Wealth Fund, European Subsea Cables Association, plus others

7. How we will measure our impact

A performance framework including Key Performance Indicators (KPIs) will be used to monitor the delivery of the Corporate Plan. Delivery will be reported through our Annual Report and Accounts publications. KPI targets will be provided in the final plan.

Mission	Outcome	KPI Description
Planet: enhancing nature	Net biodiversity loss on rural	Baseline data collection programme (% of land)
	estates halted Marine & terrestrial enhancement projects enabled	Projects enabled to support land and marine enhancement (£m)
People: supporting sustainable communities	Communities across Scotland have benefited from CES	Unlocking private sector funding for homes (£m)
	Investment and direct support has enabled communities on the SCE to thrive	GVA on place-based investment (£m)
Productivity: progressing the Just Transition	New market opportunities in energy enabled	% of offshore wind option agreements stepping through to lease
	Increased renewable energy capacity under lease	Enable Farming for the Future Projects (£m over the lifetime of the plan)
	Support provided to farming tenant to transition to sustainable practices	
	Opportunities for aquaculture and marine ecosystem services developed	

Strategic Enabler	Outcome	KPI Description
Financially sustainable stewardship of the Estate	Active asset management has delivered capital and revenue growth, excellent customer service, and wider non-financial value for Scotland.	Capital reinvested in Estate (£m) Improvement in tenant satisfaction surveys
Maintaining a high-performing and resilient organisation	Organisation development has empowered our people, made our knowledge and data more robust, and created a resilient organisation that is delivery focused.	Improvement in Employer Engagement score Data Strategy implemented supporting a digitally enabled and driven organisation

8. Summary budget

It is anticipated that the period 2026-2031 will be financially challenging for reasons beyond the direct control of Crown Estate Scotland.

Nonetheless Crown Estate Scotland will continue to be a net contributor to the Scottish Consolidated Fund (SCF) while ensuring the value of the assets are enhanced, that they are cared for and remain available to support and serve future generations.

We will adopt a prudent approach to our asset management and investment activities, balancing short-term returns against longer-term value and benefits, thereby ensuring our decision-making is not at the expense of future generations. We will balance revenue growth, capital growth, and the managers' obligation to maintain the Estate on behalf of the Crown.

In 2026-31, we will invest a minimum of £50m capital into new and existing assets, funded primarily through revenues Crown Estate Scotland raises being transferred to capital as provided for in the Act.

Every pound invested in the Scottish Crown Estate delivers a recurring net yield of 3.3% and every pound invested in a new asset will aim to achieve a net yield of between 4 and 6% to support public spending in Scotland.

With sufficient investment, there is a huge opportunity to create wealth for current and future generations.

9. Good governance

Crown Estate Scotland, established by The Crown Estate Scotland Order 2017, operates under that Order and in accordance with the provisions of the Scottish Crown Estate Act 2019.

Our annual Governance Statements are included in our annual report, published on our website.

Overview of risk management

Crown Estate Scotland maintains a well-established risk management framework, supported by the Audit & Risk Committee.

Risks associated with this plan will be identified through the processes in the new framework and will be monitored throughout the plan period. An overview of specific risks will be provided in the Annual Report and Accounts publications.

Risk mitigations include processes and controls, transferring liabilities, informing, and analysing emerging policy and close working with tenants and wider stakeholders.

The risk management system includes processes for the identification, evaluation, and mitigation of risk. Registers are maintained for strategic, tactical, asset and compliance (H&S) risks. Throughout 2026-31, as new or changed risks emerge, they will be identified, evaluated, reviewed for alignment with the business plan and escalated if appropriate.

All material risks are actively managed, reviewed and updated by the Leadership Team and reported to the Audit & Risk Committee on a quarterly basis and to the Board on at least an annual basis or as deemed appropriate.

Risks that may impact delivery against targets and / or our strategic priorities will be identified and monitored throughout the plan period.

10. Annexes

Annex 1. The Scottish Crown Estate Act 2019 Under the Act, we must

- maintain and seek to enhance value of and income from the Estate
- maintain the Estate as an "estate in land"
- obtain market value when we transact*
- manage the Estate in a way that promotes / supports / improves sustainable development, economic development, regeneration, social wellbeing, environmental wellbeing.
- have due regard to Scottish Ministers' plans and policy objectives and the Scottish Public Finance Manual

Under the Act, we cannot

- invest in the stock market, financial instruments or in a joint venture
- invest in assets which do not form part of the Scottish Crown Estate
- sell seabed without Scottish Ministers' consent
- * Except when Section 11(2) of the Scottish Crown Estate (2019) Act applies

Annex 2. Summary of feedback from preconsultation engagement

This draft plan reflects three years of engagement and qualitative and quantitative research with external stakeholders to explore what CES and the Estate may focus on up to 2031 and then 2050. This has covered local authorities, NGOs, government bodies, politicians, customers and tenants, children & young people, government officials, and range of specialists.

Thank you to all who contributed their challenge, expertise, and insights, including:

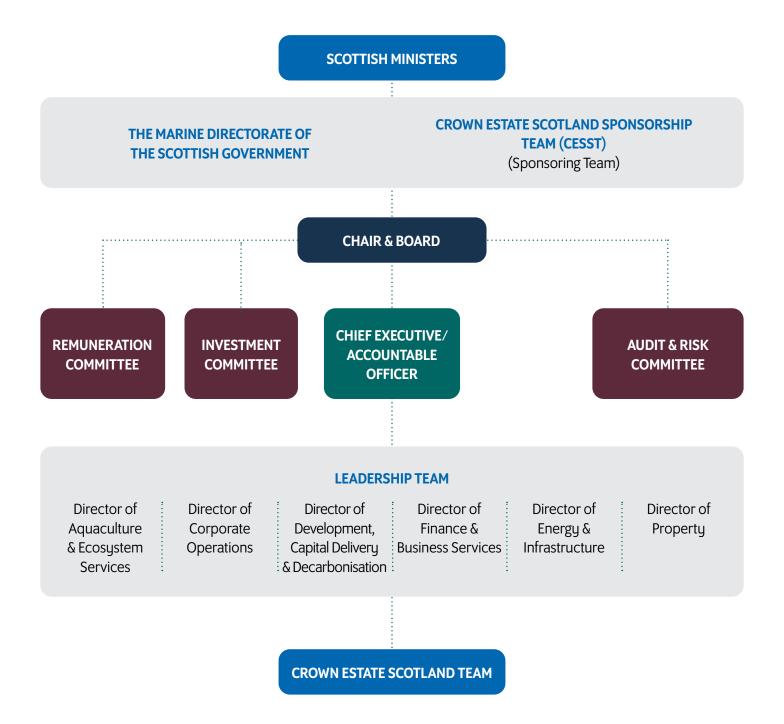
- Crown Estate Scotland staff and Board members
- Our guest speakers Marianna Mazzucatto, Sarah Birrell Ivory, Jim Brown, Dieter Helm, Diane Coyle, Andy Wightman, Susan Davies, Colin Campbell, Satwat Rehman, Stephen Thomson, and Chris Stark
- COSLA (for hosting a workshop with their members on 28 September 2023)
- Participants in the Diversity Dialogue workshop where representatives from a range of equality groups discussed how to evolve workplace diversity and inclusion and land and property
- Scottish Government policy officials including those who attended our workshops in January 2024 and 2025.
- MSPs who responded to the PA Advocacy survey questions on the long-term vision for the Estate (fieldwork conducted 4 September to 3 November 2023)
- Members of our children & young people's Future Forum. This group was set up in 2022 in support of NPF outcomes related to communities, education, and young people, and tasked with providing us with feedback and challenge to help shape Crown Estate Scotland's 2026-31 Corporate Plan

Opportunities discussed and suggested through this engagement include:

 Focus even more on delivery, building on CES's reputation for commercial success that delivers financial and non-financial benefits for the people of Scotland

- Climate identify opportunities, taking a holistic approach
- Be an exemplar landlord
- Contribute to energy & food security
- Support nature positive food production
- Support emissions reduction agriculture, peatland, afforestation, heat & built environment
- Explore innovation in finfish farming to enhance sustainability
- Continue our focus on coastal communities through, for example, natural capital and capacity-building initiatives
- Reset relationship between private and public e.g. use capital to intervene to unlock wider socioeconomic benefits, ensure right balance in agreements between wider public gain and enabling business / private sector.
- Beware the unintended consequences of landscapescale change
- Build relations with local authorities
- Don't 'put' too much on communities they have limits
- Focus on a few key areas don't spread ourselves too thin
- Be very clear with external stakeholders on CES expectations and aims
- Data and digitisation ensure CES can collect, analyse, leverage, share
- Develop enabler work / role
- Continue building understanding of local issues
- Progress the national discussion on a just transition to net zero
- Maximise regional economic impacts from commercial projects
- Use networks to test and validate policy
- Continue engaging with children & young people especially on local issues
- Raise awareness of career opportunities in renewables and other sectors to help progress the just transition
- Ensure Scotland's seabed is leased and used by those with responsible business practices

Annex 3. Governance structure



Annex 4. A hierarchy of plans





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