

2023 Key Performance Indicators

→ Results

As a sign of shared commitment, and as a condition of membership, members of the Forest Solutions Group (FSG) endorse and adhere to a set of Membership Principles & Responsibilities, and report annually on a set of Key Performance Indicators (KPIs) to track and disclose their progress on implementing the commitments made in the Forest Sector SDG Roadmap.

This document provides an overview of the 2023 KPI results (based on 2022 data) and trends through Compound Annual Growth Rates (CAGR) when available.



Working Forests

We are committed to bringing more of the world's working forest under sustainable management

To promote sustainable forest management practices that are inclusive, and contribute to nature recovery and climate change mitigation, in 2022:

- **98%** of the **20 million hectares** of forests that FSG members directly manage were certified by an independent third party (CAGR 2014–2022: 1%)
- FSG members reached a total of **50,000 smallholders** directly through programs designed to support the adoption of sustainable forestry practices or manufacturing, and/or building capacity to obtain and retain certification

- In addition to the conservation measures in their productive forests, FSG members have set aside on average **24%** of their land primarily for nature conservation or restoration purposes, representing an area of **5 million hectares** (CAGR 2020–2022: 0%)
- To promote impact at scale they also contributed to the conservation and restoration of around **271,000 hectares** of land beyond the boundaries of their own landholdings to promote impact at scale



Bioeconomy

We are committed to scaling up the sector's contributions to a circular bioeconomy

To bring to market low-carbon and circular wood fiber products, in 2022:

- On average, FSG members invested **0.77%** of total revenues into R&D to bring to market innovative wood fiber products that substitute for less sustainable alternatives (CAGR 2019–2022: 7%)



Circularity

We are committed to bringing resource-efficient, bio-based and circular business models to scale

To drive circularity at every stage of the forest products value chain, in 2022:

- On average, FSG members reused **73%** of their process residuals and waste generated either as raw material input in their own value chain or as a feedstock for other industries (CAGR 2020–2022: 1%)
- On average, **27%** of the total fiber used in FSG member's paper & board production was recycled fiber (CAGR 2020–2022: 1%)
- **75%** of FSG members systematically apply circular design principles or guidance to maximize products recovery potential
- **83%** of FSG members are actively contributing to improving the recovery rate of wood fiber products by collaborating with actors in their value chain, and with local or regional authorities



Climate

We are committed to advancing and strengthening the role of forests, wood fiber products and the forest sector in global climate change mitigation and adaption

To drive emissions reductions and improved resource efficiency across the full value chain, in 2022:

- **88%** of FSG members have set time-bound and verified CO₂ reduction targets using the GHG Protocol and aligned with climate science
- FSG members consumed on average **31,908 GWh** of energy, of which **64%** came from renewable sources mostly through the use of woody biomass derived from harvesting, processing and manufacturing wood fiber (CAGR 2014–2022: 0%)
- FSG members reported an average GHG emission intensity of **0.41 mt CO₂eq per ton of saleable product** (CAGR 2020–2022: 0%)
- **65%** of FSG members have included Scope 3 emissions in their reductions target

To strengthen the role of working forests in climate change mitigation and adaptation, in 2021:

- FSG members planted a total of approximately **421 million trees** to supplement naturally regenerating forests, regrow forests harvested for their wood supply, or for restoration activities
- To do so, they grew a total of around **528 million seedlings** in their nurseries
- On average, **38%** of total seedlings grown were sold or donated to local communities, suppliers, NGOs and other regional partners



Water

We are committed to expanding context-based water stewardship approaches

To drive water stewardship in their manufacturing operations, in 2022:

- FSG members withdrew **29 m³** of water per ton of saleable production, of which **92%** was returned to water sources, suppliers or third parties for reuse nurseries (CAGR 2014–2022: 0%)
- As a measure of water quality, FSG members reported an average of **5.9 kg Chemical Oxygen Demand (COD)** per ton of saleable production (CAGR 2014–2022: -2%)
- On average, **17%** of total water consumption took place in high water stress regions. **80%** of FSG members' manufacturing operations in these regions have water consumption reduction plans in place (CAGR 2020–2022: -2%)



People

We are committed to enhancing the sector's attractiveness, diversity, inclusiveness and safety

To attract and retain talent, and enhance workforce diversity, in 2022:

- **65%** of FSG members reported having a numerical, time-bound target on increasing inclusion and diversity
- Of the **26%** average share of female employees, **27%** were in senior management positions (CAGR 2020–2022: 4%)

To drive progress on health & safety in the sector, in 2022:

- FSG members provided an average of **19 training hours per employee** (CAGR 2019–2022: 0%)
- FSG members reported an average Total Recordable Incident Rate (TRIR) of **0.82 per 100 full time employees** (CAGR 2020–2022: 1%)



Communities

We are committed to enhancing the livelihoods and supporting the resilience of forest-dependent communities and local economies

To enhance livelihoods and support the resilience of forest-dependent communities, in 2022:

- FSG members invested an average of **10 million USD** in community initiatives (CAGR 2020–2022: -7%)
- **92%** of FSG members included a provision on minimum wage in their supplier code of conduct

- **94%** of FSG members had a remedy in place for workers found to have been subjected to human rights abuse



Procurement

We are committed to strengthening and enhancing responsible procurement practices, transparency and traceability throughout the value chain

To uphold and enhance responsible procurement practices, in 2022:

- FSG members evaluated on average **75%** of their suppliers for compliance based on a code of conduct (CAGR 2016–2022: 3%)

To ensure transparency and traceability throughout the value chain, in 2022:

- On average, **69%** of the total volume of wood fiber product intake from FSG members was certified by an externally recognized certification scheme (CAGR 2014–2022: 1%)
- **95%** of the total volume of non-certified wood fiber products was covered by due diligence and traceability systems (CAGR 2020–2022: -1%)

The KPI results are based on 2022 data from the following FSG member companies: Drax Group, Empresas CMPC, Enviva, Manulife Investment Management, Timberland and Agriculture, International Paper Company, Mondi Group, New Forests, Congolaise Industrielle des Bois (CIB), Philip Morris International, Sappi Group, SCG Packaging, Smurfit Kappa Group, Stora Enso, Sumitomo Forestry, The BTG Pactual Timberland Investment Group, The Navigator Company, Weyerhaeuser.