

2019

Sustainability Report in brief





From the CEO

Skogssällskapet was formed in 1912. The original aim was to replace the deforestation in southwest Sweden with sustainable production forests with strong growth. Sustainability was a driving force for Skogssällskapet right from the start, and we plan to continue in the same spirit.

Today, the world's countries have agreed on Agenda 2030, with 17 tangible sustainable development goals relating to economic, ecological, and social aspects. We will be increasingly integrating these goals in our business operation in the future. One important part of our work on sustainability is our long-term commitment to follow FSC¹ and PEFC standards. In addition to ecological and economic goals, the commitment also includes ensuring a healthy work environment and the safety of employees and contractors. For us, this is an important part of sustainable development of forest management.

“By managing forest and land on the basis of the owner’s goals, we are contributing to greater variation in how forests are used.”

Skogssällskapet works to promote forest management and nature conservation and, by managing forest and land on the basis of the owner’s goals, we are contributing to greater variation in how forests are used.



Calle Nordqvist
CEO Skogssällskapet

¹FSC-C017993

News

Bark beetles and wood prices

PESTS In summer 2019, there was an unusually large infestation of spruce bark beetle in Swedish forests, something that has also affected many other European countries. Henrik Möllerberg, Quality Assurance and Production Development Manager at Skogssällskapet, explains:

“When a spruce has been infected and is dying, the bark flakes off, and the wood is attacked by blue stain and storage decay. The wood is then placed in a lower class, and must be sold as energy wood instead of pulpwood or saw timber, which reduces the price considerably. Despite this, harvest volumes have continued to be high during the year, because it is important to remove the damaged wood from the forest. At Skogssällskapet, we have helped clients find damaged trees and remove them before the insects swarm. This reduces the risk of serious infestation in the subsequent year.”



Photo: Göran Liljeberg



Photo: Ulrika Lagerlöf

Healthy ash trees wanted

RESEARCH The ash is a critically threatened species, at risk of extinction. Skogssällskapet has funded research on the issue, in a project led by Michelle Cleary, SLU, and Lars-Göran Stener, Skogforsk. The project aims to create nurseries, using seeds from vital ash trees, which contain genes with a natural resistance to dieback. Skogssällskapet, the public, and the forest sector have helped the researchers locate healthy ash trees to ensure diversity in the seed bank.

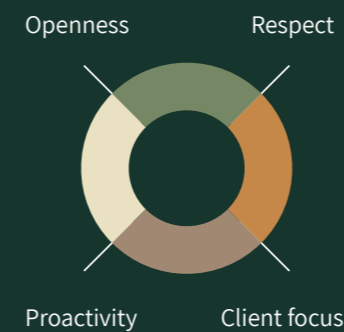
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Skogssällskapet’s vision: We bring added value to forests and forest owners.

- We show that sustainable development of forest, land and water benefits both forests and forest owners. A development where ecological, economic and social values go hand in hand.
- By supporting research, and applying experiences from our own forests, we are contributing to new knowledge. This gives us the courage to challenge outdated practices.
- We are regarded as the leading independent forest management organisation, and offer modern business support to both forest owners and employees.

Skogssällskapet’s values:



Anna-Karin S. Öjerskog Photo: Julia Sjöberg

Skogssällskapet’s values

Skogssällskapet’s HR Manager, Anna-Karin Santonen Öjerskog, explains:

“Our values are about creating the strong culture we want at Skogssällskapet. Our values generate engagement, cohesion, and an inclination to change. These are important factors for achieving success in all dimensions of the sustainability perspective. The values start making a difference when we use them in our everyday activities – how we treat each other as colleagues, and how we treat our clients and partners. In decision-making and prioritisations, we are supported by our values.”

Corruption

Skogssällskapet takes a firm stand against all forms of corruption, and works continually with training and random checks to counteract corruption. Skogssällskapet conducts operations in Sweden, Finland, Latvia, and Lithuania. In Sweden and Finland, current legislation is deemed sufficient to regulate the business operations so that corruption is prevented. In the Baltic States, the risks of corruption in certain aspects are regarded as higher, so specific measures have been taken there to counteract corruption. Examples are procedures regarding ownership change, procurement of contractors, and trading forms for wood sales.

Health and safety

Skogssällskapet works continually with issues regarding health and safety. One example is the training programme in health and safety that is held annually in collaboration with the Latvian Forest Service and local training companies. The business is audited internally and through FSC, and is monitored by the Latvian work environment authorities. In Sweden, a training course in stress management was initiated in 2019 for employees and managers. One serious workplace-related incident occurred during the year.

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Sustainability

How we define sustainability

The concept of sustainability has an ecological, social, and economic foundation. For Skogssällskapet this means:

- > Active and responsible productive use of forest, land, and water, in a way that generates profit.
- > A business operation that aims to promote diversity, equality, and competitiveness.
- > Recruitment of staff with the right skills, and ability to retain these employees.
- > Retained or increased climate benefit in our forests and those of our clients.
- > Constant work with innovation and improvement based on research and experience.
- > Actively disseminating knowledge, incorporating the aim to drive development towards ever-increasing sustainability.

”Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

The Brundtland Definition, 1987

Sustainability goals

For Skogssällskapet, sustainability issues are high on the agenda, and have been so since the start. Today, we are working to link together social, economic, and environmental sustainability, so during 2019 we set up a number of new sustainability goals.

Overarching sustainability goal: Increase the area of certified forests

We regard forestry certification according to FSC and PEFC as one of our most important tools for attaining sustainable forestry, and aim to increase the certified area in 2020 to 65% of the total managed area. All forests that Skogssällskapet owns are certified according to FSC and PEFC, and we offer our management clients membership in the group umbrella

certifications that Skogssällskapet owns and administers. Skogssällskapet’s business operation is certified according to ISO 14001 (environmental management).

Protection of forest soils

At least 90% of all production sites will have no ground damage, and machines will cause no serious ground damage.

Nature conservation management

Every year, nature conservation management measures will be implemented on one-tenth of the total area where the main objective of management is to increase natural values (target class NS, Nature Conservation Management).

Regenerations

In soil preparation, the proportion of the surface affected will be reduced to a maximum of 20% on average on prepared regeneration sites. Three years after planting, 80% of orders must satisfy the original order specification. The proportion of genetically improved plants will increase.

Skogssällskapet creates values

At Skogssällskapet, we see diversity in ownership of forest as positive. The various goals of the forest owner can promote greater variation in how the forest is used, thereby creating a range of values in the forest.

Economic values

Through active and persistent production in our own forests and those of our clients, economic values are created in the form of both direct yield and greater growth in the value of managed forests. These values benefit both our clients and society. The economic surplus generated is distributed as grants to research and knowledge development in forest management and nature conservation.

Ecological values

Ecological values can be created and preserved in many ways. Skogssällskapet works actively in its own forests with nature conservation management, setting aside forest areas for



nature conservation purposes, burning, and restoring wetlands. Certification is an important tool in this work.

Social values

By social values, we mean the aspects that affect people in the forest. For those who work in the forest, agreements that regulate responsibilities, salaries, and work tasks are important. For nearby residents and the local population, dialogue in conjunction with forest measures is important. We contribute to people’s well-being in the forest by creating lookout points, clearing paths, and thinning to create mixed forests with attractive deciduous trees.



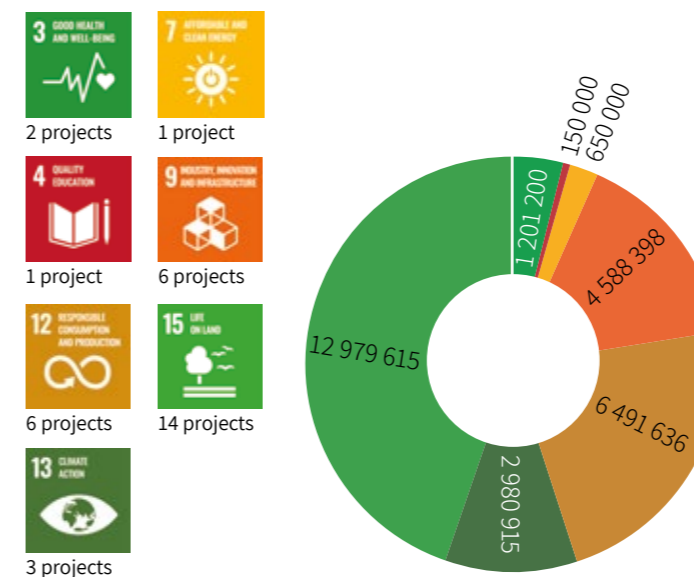
Skogssällskapet and research

Every year, Skogssällskapet awards grants to projects that develop and disseminate knowledge. It is important that project results are of practical use out in the forest – then Skogssällskapet is contributing to the shift towards greater sustainability that the foundation wants to achieve.

In 2019 Skogssällskapet awarded SEK 15 million to 17 projects. Beneficiaries included Skogforsk, the Swedish University of Agricultural Sciences, and Forest in School. Funded projects included studies of grazing patterns of ungulates in multi-species systems, bats in the landscape, environmental impact of soil preparation, and plant selection in a changing climate, and grants were awarded to outdoor educational activities for children.

Figure 1. Funded projects

The diagram shows the Agenda 2030 goals to which funded projects contribute. The figures show the total amount in SEK linked to each goal. (The total amount shown in the diagram is SEK 30 million instead of 15 million, because each project is linked to two sustainability goals.)



How forest contributes to a sustainable bioeconomy



Growing forest absorbs

carbon dioxide from the air. The trees grow by taking nutrients and water from the soil. It is the Sun’s energy that drives the process. The ability of trees to grow by utilising solar energy and using nutrients from decomposed biomass in the soil makes wood a sustainable raw material.

At Skogssällskapet, we are proud of being part of this process, because we are contributing to the production of renewable raw materials that can help to build a sustainable bioeconomy.

+1.7 million m³ stem volume

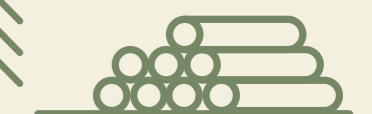
... forest increment in 2019 on the land that Skogssällskapet owns or manages in Sweden.

620 000

... tonnes of carbon dioxide absorbed in 2019 by the forest that Skogssällskapet owns and manages.

1.25 million m³ solid volume under bark

... amount of wood entering the market in 2019 through Skogssällskapet’s activities.



(This volume comprises wood from Skogssällskapet’s own forests, managed forests, and external purchases.)

Skogssällskapet is a public service foundation whose main objectives are to ensure sustainable forest and land management. We manage and develop forest properties for private and public forest owners in Sweden, Finland, Latvia and Lithuania.

THE SUSTAINABILITY REPORT

This is a summary of Skogssällskapet's Sustainability Report for 2019. For more detailed information, please read the full report (in Swedish) or contact the Director of Sustainability.

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