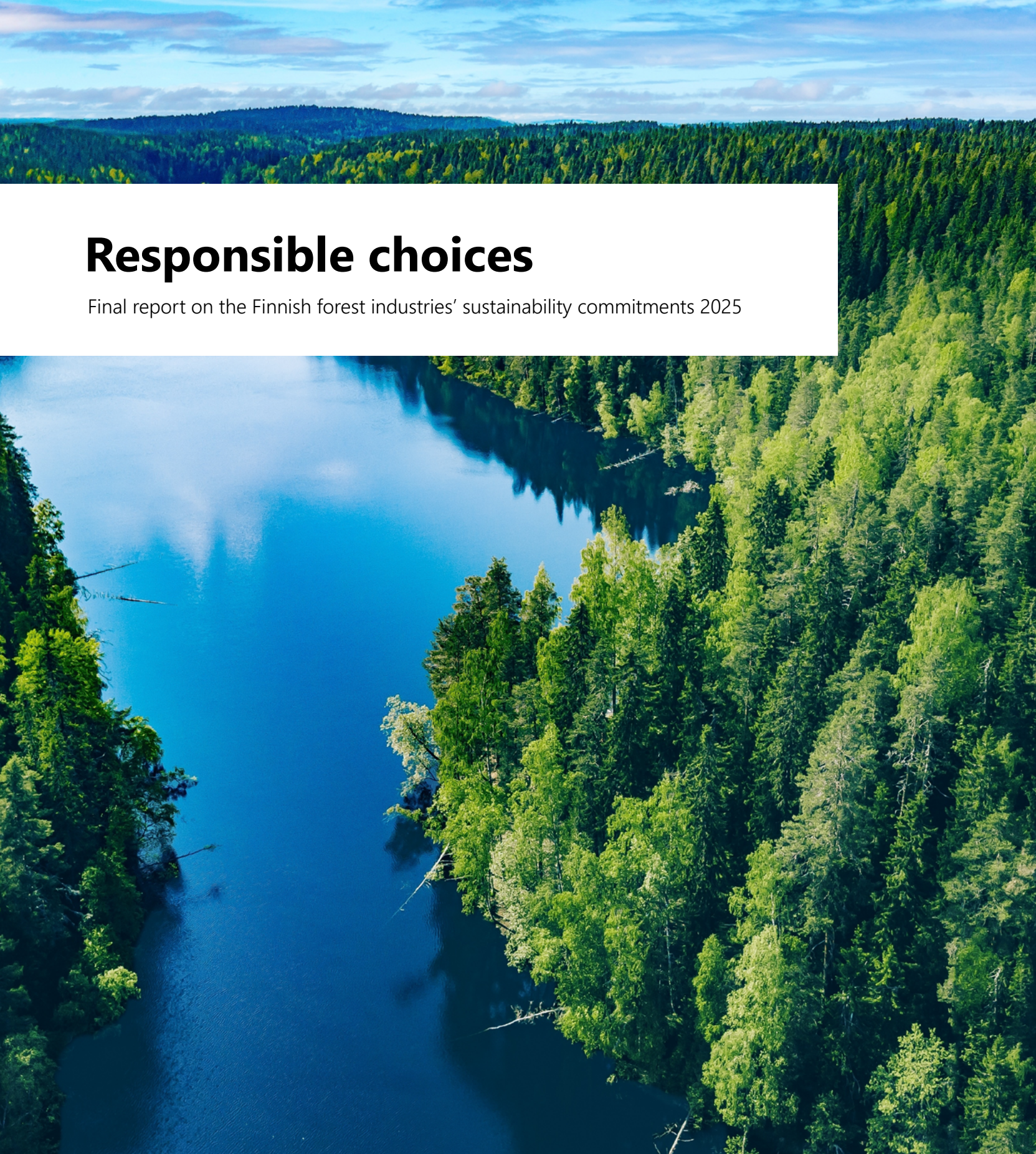


An aerial photograph of a serene forest landscape. A calm, deep blue lake occupies the lower half of the frame, reflecting the sky and the surrounding dense forest. The forest is composed of various shades of green, indicating different types of trees and their seasonal foliage. The lake's surface is mostly still, with a few small ripples and reflections of the surrounding trees. The sky above is a clear, pale blue with a few wispy white clouds. The overall scene conveys a sense of tranquility and natural beauty.

Responsible choices

Final report on the Finnish forest industries' sustainability commitments 2025

Sustainability is the lifeline of success and growth

The continuous development of sustainability is at the core of operations in the forest industry. As a sector, we first established joint sustainability commitments in 2012, and these commitments have since been expanded and made more concrete. Today, the commitments comprehensively cover all areas of sustainability.

The progress of sustainability work has also been monitored consistently and systematically through various indicators, targets, and reporting. This report summarises the results over the years across six focus areas and 17 individual commitments.

This final report presents positive developments in most sustainability commitments, using both descriptive text and data-based graphs. In addition, each commitment is assessed using a traffic light indicator to illustrate its level of fulfilment. The information presented in this report has been compiled by the Finnish Forest Industries Federation and is primarily based on data provided by our member companies and expert assessments.

Sustainability work in the forest industry will continue intensively, even though the monitoring and reporting approach will now change. In the future, efforts will be carried out under companies' own sustainability actions and commitments, with information available on the websites of the Finnish Forest Industries Federation and forest industry companies. In addition to voluntary commitments, sustainability work is driven by increasingly stringent EU legislation as well as growing consumer awareness and expectations. Sustainability is the lifeline of the forest industry's success, and its continuous development spans the entire value chain—from forest to global markets.

Europe and the wider world are currently facing a period of uncertainty. Multiple conflicts, combined with climate and biodiversity challenges, make the operating environment difficult. The forest industry is and will remain one of the key sectors in the clean transition. Our daily work is guided by a determination to find new solutions to replace fossil-based materials and energy, and to strengthen domestic and European self-sufficiency. We are strongly committed to this work.

Forests are a key source of well-being for Finland and its people. They offer numerous opportunities for sustainable and responsible choices, benefiting both the environment and society. We must ensure top-quality operations and a supportive operating environment every day. In doing so, we also contribute to solving global climate and biodiversity challenges.

Sustainability commitments have been an important tool for the entire sector and have encouraged other industries in their sustainability efforts. They provide a strong foundation for progressing towards even more ambitious sustainability work and future success.

A handwritten signature in blue ink, appearing to read 'P. Lehtomäki', with a stylized flourish at the end.

Paula Lehtomäki
CEO
Finnish Forest Industries Federation

Progress towards sustainability commitments

Progress towards sustainability commitments

- The target has been achieved or is expected to be achieved by 2025.
- Progress has been made towards achieving the target, but attainment by the deadline remains uncertain.
- The target has not been achieved or is not expected to be achieved by 2025.

PROMOTING A SUSTAINABLE ECONOMY AND WELL-BEING

- 1 We promote a sustainable economy and increased well-being by creating added value, paying taxes, and providing employment opportunities across Finland, both directly and through our value chain.
- 2 We offer safe and environmentally sustainable products manufactured from renewable raw materials. We develop our existing products and operating practices and create new innovations that enable increasingly versatile uses of wood for the benefit of people and society.
- 3 We operate with the same high standards of responsibility both nationally and internationally and ensure the sustainability of our supply chains.

A RESPONSIBLE EMPLOYER

- 4 We continuously work to improve occupational health and safety, with the aim of achieving accident-free workplaces.
- 5 We support employee well-being at work and the continuous development of skills and competencies.
- 6 We identify changes occurring in society and provide a variety of pathways into employment within the sector. We promote apprenticeship training and youth employment by offering diverse summer job and internship opportunities.

PROMOTING SUSTAINABLE FORESTRY AND BIODIVERSITY

- 7 We ensure the origin and legality of the wood we use. We promote the use of forest certification systems. Our goal is that at least 90 per cent of the wood and fibre used by the forest industry will be certified by 2025.
- 8 We promote nature management in commercial forests as well as the voluntary conservation of forests and peatlands, with the aim of reversing the decline in forest species.
- 9 In our own operations, we are committed to reducing the impact of forestry on water bodies and to promoting measures that decrease water pollution associated with forest management and use.

MITIGATING CLIMATE CHANGE

- 10 We support the transition to a carbon-neutral society by offering climate-positive products and contributing to the achievement of the objectives of the Paris Agreement.
- 11 We will increase the share of renewable energy production as part of the evolving forest industry. Our goal is for renewable energy to account for 90 per cent of energy production within the forest industry by 2025.
- 12 We are committed to the continuous improvement of energy efficiency.

IMPLEMENTING SUSTAINABLE PRODUCTION AND THE CIRCULAR ECONOMY

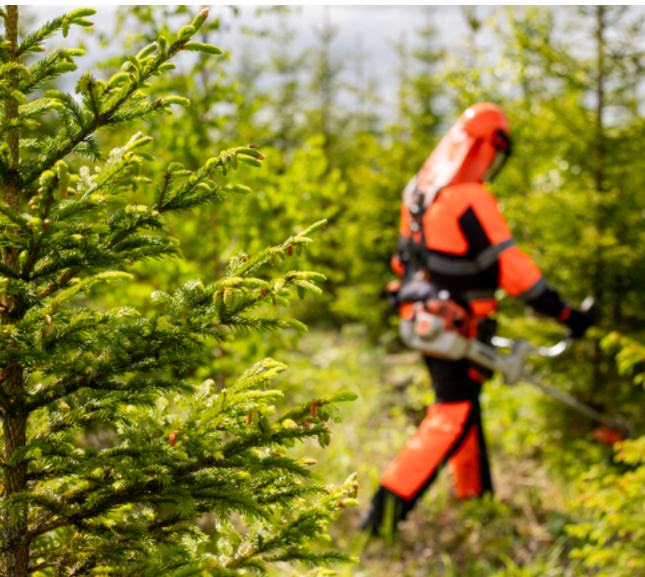
- 13 We will continue to improve water-use efficiency and systematically reduce water pollution. Our goal is to reduce nutrient emissions from production facilities by 15 per cent per tonne of production by 2025 (baseline year: 2016).
- 14 We are committed to improving material efficiency and promoting nutrient recycling. We develop solutions to increase the value derived from side streams, including through industrial symbioses.

A MORE RESPONSIBLE ORGANISATION THROUGH COLLABORATION

- 15 We communicate openly about environmental and sustainability matters and maintain active dialogue with our key stakeholders.
- 16 We promote sustainable development in society by implementing sustainability projects with our partners and collaborating with local communities.
- 17 We contribute to the achievement of the United Nations Sustainable Development Goals.

PROMOTING SUSTAINABLE ECONOMY AND WELFARE

- **COMMITMENT 1:** We promote a sustainable economy and increased well-being by creating added value, paying taxes, and providing employment opportunities across Finland, both directly and through our value chain.
- **COMMITMENT 2:** We offer safe and environmentally sustainable products made from renewable raw materials. We develop our existing products and operating practices and create new innovations that enable increasingly versatile uses of wood for the benefit of people and society.
- **COMMITMENT 3:** We operate with the same high standards of responsibility both nationally and internationally and ensure the sustainability of our supply chains.



How the work will continue

Examples of actions:

- ➔ Supporting domestic employment: we provide diverse job opportunities across Finland.
- ➔ Continuing to develop and export wood-based products globally.
- ➔ Continuously improving supply chains through responsible choices.

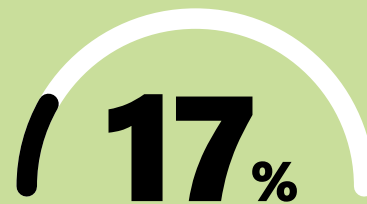
The forest industry is a key driver of well-being and economic growth in Finland. The entire value chain directly and indirectly employs nearly 100,000 people across the country and accounts for approximately 17% of Finland's goods exports (2025). Since a large share of forest industry products are made from domestic wood and Finnish labour, an exceptionally high proportion of export value—on average around 70% (2023)—remains in Finland. The industry also creates extensive demand for other sectors, enabling investments that are essential for national competitiveness and the transition away from a fossil-based economy.

An exceptionally large share of export value remains in Finland.

Wood has many uses. The forest industry develops products and solutions from renewable raw materials that are central to the circular and bioeconomy. Over just more than a decade, the sector's product portfolio has diversified significantly. In addition to traditional products such as pulp, paper, paperboard and sawn timber, new solutions have been developed in areas including fibre-based packaging materials, textiles, bio-based chemicals, bioplastics, and construction products. Innovation also extends to production processes and the efficient utilisation of side streams. Fossil-based products can be replaced with wood-based alternatives, whose role may continue

to grow particularly in textiles, packaging and biochemicals.

Sustainability actions are implemented at every stage of the forest industry value chain. Companies operate both in Finland and internationally in accordance with high standards and principles, emphasising transparency, respect for human rights and environmental responsibility. They also set ambitious, measurable targets and participate in international initiatives. Continuous development of responsible supply chains is a central part of the industry's operations.



Share of forest industry exports in goods exports: 17% (2025)

RESPONSIBLE EMPLOYERS

- **COMMITMENT 4:** We continuously work to improve occupational health and safety, with the aim of achieving accident-free workplaces.
- **COMMITMENT 5:** We support employee well-being and the continuous development of skills and competencies.
- **COMMITMENT 6:** We identify changes taking place in society and provide a variety of pathways into employment within the sector. We promote apprenticeship training and youth employment by offering a diverse range of summer job and internship opportunities.



How the work will continue

Examples of actions:

- ➔ Investing in occupational safety and risk management.
- ➔ Improving workplace well-being and employee engagement.
- ➔ Supporting continuous skills development.
- ➔ Providing diverse pathways into employment within the sector.

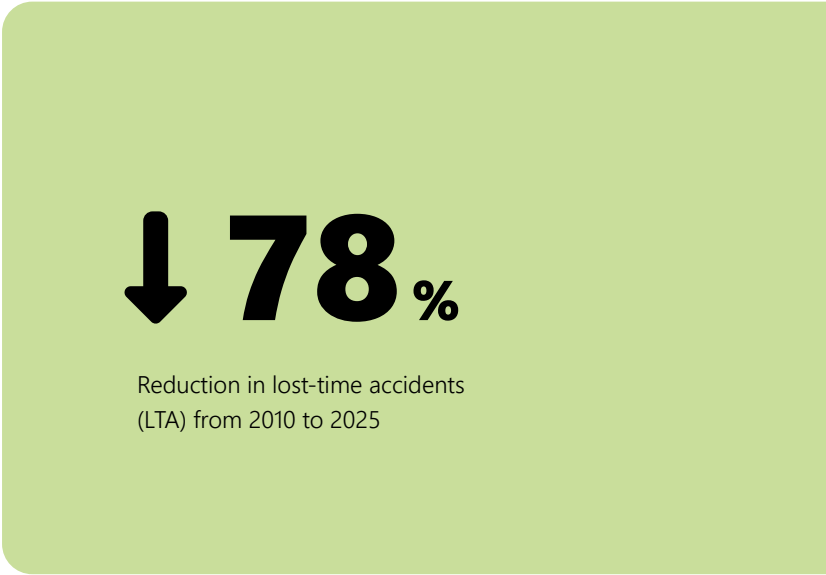
The forest industry is committed to developing sustainability as an employer. Continuous improvement in occupational safety, employee well-being and skills development is considered a key element of responsible business. The aim is to ensure a healthy and skilled workforce, safe working environments and a vibrant sector going forward.

The industry has carried out long-term work to achieve accident-free workplaces, yielding clear results: the number of lost-time accidents (LTA) decreased by 78% between 2010 and 2025. During the same period, the lost-time accident frequency rate (LTAF) fell by 72%.

The forest industry provides diverse pathways into employment.

Companies also invest in safety culture, proactive risk management, and employee engagement. Measures supporting well-being and work ability are reflected in stable sickness absence levels and positive impacts on workplace atmosphere, productivity, and efficiency. Continuous learning is seen as essential to maintaining competitiveness: most production sites offer employees opportunities for training alongside work, ranging from short courses to degree programmes.

The forest industry also takes responsibility for ensuring the availability of skilled labour. The sector provides multiple routes into employment by developing apprenticeship schemes and cooperating closely with educational institutions. Companies offer thousands of summer jobs, internships, and thesis opportunities annually, as well as work experience placements for young people across Finland. At the same time, the industry responds to changes in the operating environment by increasingly utilising international expertise.



↓ 78%

Reduction in lost-time accidents (LTA) from 2010 to 2025

PROMOTING BIODIVERSITY AND THE SUSTAINABLE USE OF FORESTS

- **COMMITMENT 7:** We ensure the origin and legality of the wood we use. We promote the use of forest certification schemes. Our goal is that at least 90 per cent of the wood and fibre used by the forest industry will be certified by 2025.
- **COMMITMENT 8:** We promote nature management in commercial forests, as well as the voluntary conservation of forests and peatlands, with the aim of reversing the trend of increasing endangerment among forest species.
- **COMMITMENT 9:** We are committed to reducing the impact of forestry on water bodies in our own operations and to promoting measures that reduce water pollution associated with forest management and use.



How the work will continue

Examples of actions:

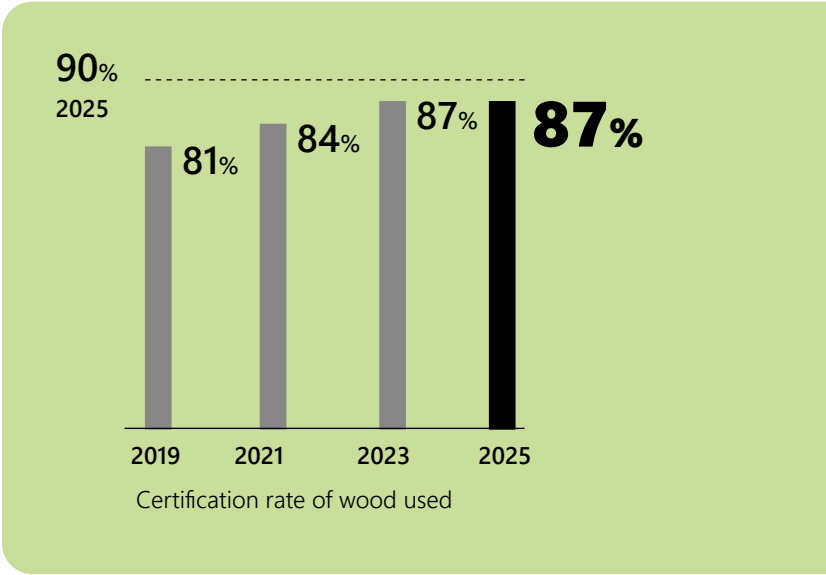
- ➔ Promoting FSC and PEFC certification systems.
- ➔ Supporting the implementation of the METSO and Helmi programmes.
- ➔ Continuing efforts to halt biodiversity loss.
- ➔ Developing water protection practices, training, and cooperation throughout the value chain.
- ➔ Producing a water roadmap for the wood-processing industry.

The Finnish forest industry ensures the legal and sustainable origin of the wood it uses. In 2025, 87% of the wood used in member company mills was certified. In Finland, 83% of commercial forests are PEFC-certified and 13% FSC-certified (2025). Updated certification standards introduced in 2023 further strengthened biodiversity and water protection requirements. The Finnish forest industry actively promotes certification and sustainable practices internationally as well.

Healthy forests are essential for the industry's operations. In 2023, the wood-processing industry published its own biodiversity roadmap. Studies associated with the roadmap show that several key structural features important for biodiversity have improved. For example, the number of large trees has increased nationwide, and the volume of deciduous trees has nearly doubled in southern Finland. Deadwood volumes have also doubled in southern Finland over the past 25 years. Future outlooks indicate that known biodiversity-enhancing measures will significantly increase these important structural features.

The forest industry actively supports the implementation of the METSO and Helmi programmes. The METSO programme (2026–2040) aims to expand the protected area network by 50,000 hectares and promote biodiversity management in commercial forests over 30,000 hectares by 2030. In the most recent threatened species assessment (2019), 833 forest species (9%) were classified as threatened. Overall trends are tracked using an index, which has declined by only 0.2% for forest species over the past decade. The industry continues its efforts to halt biodiversity loss.

Water impacts are reduced through improved practices, training, and cooperation across the value chain. The sector carries out restoration projects and aims to prevent harm at the planning stage through various water protection solutions. Despite these efforts, climate change complicates water protection by accelerating soil processes and altering hydrological conditions. The forest industry nevertheless continues active measures, including a water roadmap project launched in 2025 to reduce water loading from forestry.



COMBATING CLIMATE CHANGE

● **COMMITMENT 10:** We support the transition to a carbon-neutral society by offering climate-positive products and contributing to the achievement of the objectives of the Paris Agreement.

● **COMMITMENT 11:** We will increase the share of renewable energy production as part of the evolving forest industry. Our goal is for renewable energy to account for 90 per cent of energy production within the forest industry by 2025.

● **COMMITMENT 12:** We are committed to the continuous improvement of energy efficiency.



How the work will continue

Examples of actions:

- ➔ Exploring carbon capture, storage, and utilisation of biogenic CO₂.
- ➔ Increasing the share of renewable energy sources.
- ➔ Broad participation in energy efficiency agreements.
- ➔ Reducing emissions in logistics chains.

The forest industry has played and will continue to play an important role in advancing the transition to a carbon-neutral society. Forest industry products can replace many fossil-based alternatives, while the sector also actively works to reduce fossil emissions in production. The industry's updated climate roadmap (2025) indicates that mills in Finland could operate without fossil fuels by the mid-2030s.

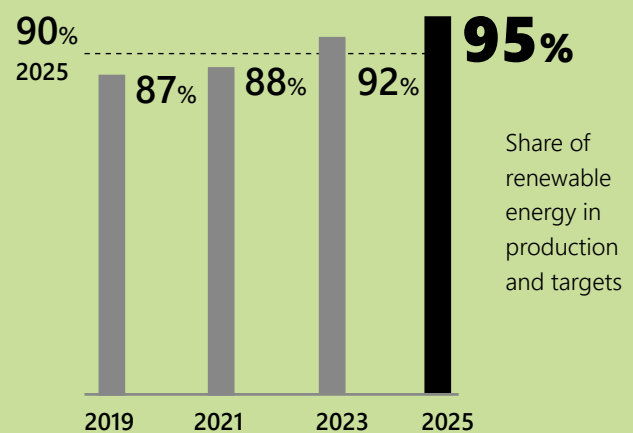
The share of renewable fuels in mills increased to 95%.

The forest industry operates at the core of a climate-positive circular economy: wood absorbs carbon dioxide as it grows, and wood-based products store carbon throughout their life cycle while replacing emission-intensive alternatives. Logistics emissions can also be reduced further, for example by shifting transport to rail and using larger vehicle combinations. The industry is also exploring carbon capture, storage, and utilisation of biogenic CO₂, which could create new business opportunities in the 2030s if technologies, markets, and regulation evolve favourably.

The share of renewable energy has been increased through long-term use of production side streams such as bark and bio-sludge. By 2025, renewable fuels accounted for 95% of mill fuel use, clearly exceeding the target. This has strengthened energy self-sufficiency and reduced dependence on imported fuels in a changing geopolitical context.

Improving energy efficiency remains a key competitive factor. In 2024, mills saved over 807 gigawatt-hours of energy—equivalent to the annual consumption of approximately 43,400 detached houses. These savings were achieved through process optimisation, automation development, and efficient in-house energy production.

Companies' strong commitment to climate work is also demonstrated by widespread participation in voluntary energy efficiency agreements. A new agreement period began in 2026 with more ambitious targets.



IMPLEMENTING SUSTAINABLE PRODUCTION AND CIRCULAR ECONOMY

COMMITMENT 13: We will continue to improve water-use efficiency and systematically reduce water pollution. Our goal is to reduce nutrient emissions from production facilities by 15 per cent per tonne of production by 2025.

COMMITMENT 14: We are committed to improving material efficiency and promoting nutrient recycling. We develop solutions to increase the value derived from side streams, including through industrial symbioses.



How the work will continue

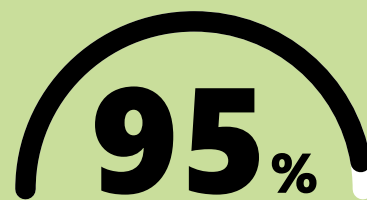
Examples of actions:

- ➔ Continuing to improve water efficiency and reduce water impacts.
- ➔ Reducing nutrient emissions.
- ➔ Achieving full utilisation of side streams by 2030.

The forest industry continues systematic work to improve water efficiency and reduce water impacts, including more efficient water recycling and improved treatment technologies. The target of reducing nutrient emissions by 15% per tonne of production has proved challenging; emissions decreased by 2% between 2019 and 2025. Production disruptions and lower output have influenced relative emission figures. However, phosphorus emissions were reduced by 24% over the same period.

Landfill waste has decreased to a minimal level.

In recent years, the forest industry has further strengthened its role as a pioneer of the bio-based circular economy. Wood is a renewable raw material, and most wood-based products are recyclable. The industry continuously improves material efficiency by utilising raw materials and side streams as fully as possible and by developing industrial symbioses. In 2024, 95% of side streams were utilised as materials or energy, and landfill waste has been reduced to a minimal level. The trend is promising, with companies aiming for full utilisation of side streams by 2030.



Side stream utilisation rate: 95% (2024)

INCREASED RESPONSIBILITY THROUGH COOPERATION

- **COMMITMENT 15:** We communicate openly about environmental and sustainability matters and engage in active dialogue with our key stakeholders.
- **COMMITMENT 16:** We promote sustainable development in society by implementing sustainability initiatives with our partners and collaborating with local communities.
- **COMMITMENT 17:** We contribute to the achievement of the United Nations Sustainable Development Goals (SDGs).



How the work will continue

Examples of actions:

- ➔ Continuing open communication on environmental and sustainability actions.
- ➔ Strengthening diverse stakeholder relationships domestically and internationally.
- ➔ Operating in line with the UN Sustainable Development Goals.

Cooperation and dialogue with key stakeholders are essential to sustainability work in the forest industry. The sector communicates openly about environmental and sustainability issues. The Finnish Forest Industries Federation's website, for example, compiles sustainability actions undertaken by companies. The industry also engages actively with stakeholders both in Finland and at EU level, maintaining dialogue with critical stakeholders and the scientific community.

Interaction is further strengthened through various projects, such as sustainability commitments, the climate roadmap, participation in national energy efficiency agreements and the biodiversity roadmap. These initiatives have facilitated dialogue with research institutions, authorities, NGOs, and forest owners, while events and outreach activities have increased mutual understanding.

International engagement has been reinforced by the opening of the Finnish Forest Industries Federation's Brussels office and showroom in 2023, providing a platform for EU decision-makers, media, and organisations to learn about the Finnish forest industry.

Looking ahead, the industry aims to increase young people's awareness of forestry. Initiatives include cooperation with schools, virtual work experience programmes and the nationwide "Forest of Opportunities" campaign.

The forest industry is committed to the UN Sustainable Development Goals (Agenda 2030), which are reflected both in joint sustainability commitments and in companies' own targets. The Finnish Forest

Industries Federation has also joined the UN Global Compact and its ten principles on human rights, labour, environment, and anti-corruption. This is a voluntary initiative and the world's largest global corporate responsibility initiative for companies and other organisations.





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