Mads Flarup Christiansen  
Executive Director  
Greenpeace Nordic  
Njalsgade 21G  
DK-2300 Copenhagen  
Denmark

Open answer to "Open letter" from Greenpeace

Dear Mads Flarup Christensen,

Responsible forest management is the very core of SCA’s business and values. SCA is Europe’s largest private forest owner and all of SCA’s operations and products are based upon the long-term management and use of this forest resource.

Our well-managed forests and our products are imperative in the greatest challenge of our time, combatting climate change. With higher sustainable growth our forests sequester larger amounts of carbon dioxide from the atmosphere and with a larger output of products based on the renewable raw material from our forests, the more products based on fossil raw materials can be substituted.

However, we acknowledge that there are more to responsible forest management than high forest regeneration. Both the preservation of biodiversity and concern for Sami reindeer-herding in the lands which we use together, are sustainability objectives of the highest importance. We devote substantial resources to both these ends. On our productive forest land, one tree out of five is left to live its life, to die from natural causes and to be part of nature’s own cycles.

In your address to SCA’s shareholders at our Annual General Meeting, you demanded transparency and honesty from SCA, demands that we sincerely welcome, since we are proud of what we achieved and of our plans for the future.

We would have been more impressed by your call for transparency if you had not illustrated your own video from this address with video images from the forest land in Västmanland in mid Sweden that had been devastated by forest fire in 2014. If you had wanted to share images from forests that SCA had harvested and replanted, we would happily share that we have.

In your letter you have five specific questions and we will answer them one by one.
1. The sourcing of our raw material is presented in our annual report and on our website, www.sca.com. More than 50 per cent of the raw material is sourced from our own forests and chips from our own sawmills. The large share of the rest of the raw material is procured from private forest owners in northern Sweden.

All in all, 93 per cent of SCA's raw material derives from Sweden. 6 per cent is procured from our neighboring countries Norway, Finland and the Baltic states, where we have recently acquired forest land. A remaining 1 per cent is pulpwood bought from Scotland and Spain.

All wood raw material is either FSC certified or fulfills the requirements in FSC's standard for Controlled Wood. SCA is one of the world's largest suppliers of FSC-certified forest products.

2. SCA aims at increasing the production of renewable products based on responsible forest management over the coming ten years, thereby contributing to combating climate change by keeping fossil materials where they belong - below ground. To what extent we can do this depends on a number of factors, including investment decisions that are the privilege of SCA's owners.

Our making use of the full potential of our existing industrial assets will increase our use of wood raw material. Our own forests are managed sustainably and we will not increase the harvesting in our own forests until our younger and well-growing forests are ripe for harvesting in a decade or two. We will source the volumes needed from the same sources as today. We aim to be a good partner to private forest owners in our region and hope to increase our procurement of timber from them. We will also source more timber from neighboring regions such as mid Sweden, Norway and the Baltic states.

3. For a number of reasons, there is no site-specific logging plan for the coming ten years. For our own forests, we have good information on the availability of timber for the years to come, but the actual harvesting plans are developed in a complex process which includes adaption to weather conditions, the industry's actual raw material needs and to important external factors such as the consultations with the Sami villages. As our forest management plans are developing year by year, sites that may be up for harvesting in the coming few years are reported to the Swedish Forestry Agency in a process with which you are well familiar.

When it comes to the raw material we source from other forest owners; that is a process with much shorter planning horizon than ten years. This process also has a commercial aspect where we may want to increase or decrease our sourcing depending on the actual cost of the wood.

4. We share your view that we can improve the availability of information about our set-asides, conservation areas and ecological landscape plans. 166 000 hectares,
8.2 per cent of our productive forest land, has been set aside from harvesting in our ecological landscape plans. Added to this 59 000 hectares, 2.9 per cent of our productive forest land, is managed in accordance with specific programs for preserving or enhancing biodiversity. On top of this, we retained conservation areas and buffer zones on 13 per cent of the productive forest land that was subject to final felling in 2018.

We have presented our set-asides on the Swedish Forest Industries’ website (https://www.skogsindustrierna.se/skogsindustrin/hallbarhet/hallbart-skogsbruk/frivilligt-avsatt-skog/karta/) together with our colleagues in other Swedish forest companies. The reason for this was that we wanted to give a good overview of the combined consideration for nature conservation values in Swedish forestry. However, the information presented here is not so detailed or have resolution enough for making it easy to identify these sites in detail in the forests. Since we are proud of our set-asides and of the nature qualities that we have managed to preserve in our forests, we want to make them more accessible for everyone.

We have started work to present SCA’s voluntary set-asides in detail in a user-friendly GIS application on SCA’s website, www.sca.com. On this site we will present our ecological landscape plans and set-asides in such detail that everyone can go there and enjoy their high nature qualities. We will carry out this task with the highest speed possible and before the summer.

5. SCA has extensive consultations with the Sami villages with which we share the use of our forest land. Last year we invested two full man-years in these consultations. The agendas in these consultations include a long list of measures. Contorta pine is one – important – item on the list. Nowhere within the reindeer grazing lands is contorta pine planted without the consent of the Sami village concerned and on several occasions we have agreed to remove contorta stands that have been in severe conflict with reindeer herding.

We acknowledge the fact that contorta pine planted on the wrong site can be a severe problem for reindeer husbandry. We want, however, to seek together with the Sami villages and with Sámi Riikarvi (SSR) opportunities to make good use of the contorta pine’s superior growth potential where it does not impede reindeer herding.

The use of contorta pine has also been part of the work within FSC, where both SSR and SCA are members. SCA’s use of contorta pine is within the requirements of the Swedish FSC standard.

We have, over time, had a good dialogue with representatives of Greenpeace regarding SCA’s forest management. We have listened to the concerns and viewpoints given and we have taken measures accordingly. We have not agreed on all items. But we hope
that this dialogue will contribute to SCA's forest management being even more in harmony with all the various stakeholder concerns that we meet.

We look forward to seeing you again in SCA's forests.

Yours sincerely,

Ulf Larsson