

CLIMATE SMART FORESTRY

SFI's Revised Standard and New Requirements

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Sustainable Forestry Initiative

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Our Vision: A world that values and benefits from sustainably managed forests.

Our Mission: To advance sustainability through forest-focused collaborations.



SFI BOARD

ECONOMIC











ENVIRONMENTAL













Black Family and trust, inc.

SOCIAL











SFI ADVANCES SUSTAINABILITY THROUGH FOREST-FOCUSED COLLABORATIONS









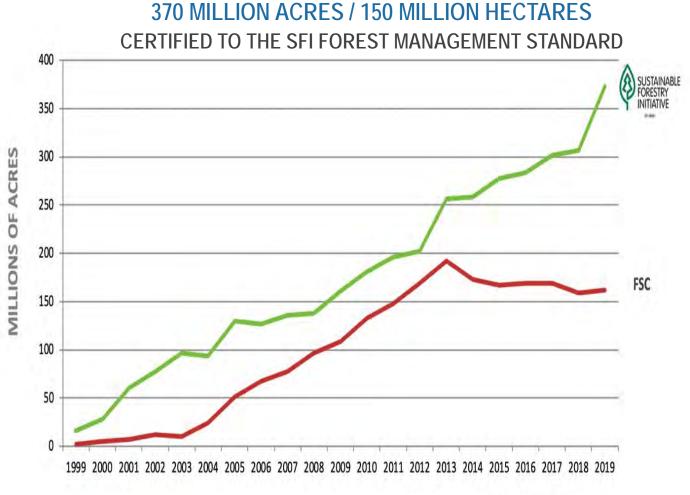






SFI 2022 FOREST MANAGEMENT STANDARD

- Applies to organizations that own or manage forestlands in the United States and Canada.
- SFI's Forest Management Standard addresses multiple values (biodiversity, water, social, etc).
- Our scale allows SFI to be a major voice for responsible forest management not only in the US and Canada but globally.





SUSTAINABILITY, NEWS, STORE MANAGEMENT



Environmental sustainability top priority for one in five consumers

Research indicates consumers have gradually become more and more concerned about the sustainability of the products they buy

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The global eco-wakening: how consumers are driving sustainability



Nature is worth \$44 trillion to the global economy, according to a recent World Economic Forum estimate. Image: Caleb Jones/Unsplas

18 May 2021	This article is part of the Climate Breakthroughs: The Road to COP26 and Beyond		
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CLIMATE CHANGE AND CARBON: DRIVING FORCES OF SUSTAINABILITY

ILACKROCK'S 2020 LETTED TO CLIENTS

Sustainability as BlackRock's New Standard for Investing

Dear Client,

Since BlackRock's founding in 1988, we have worked to anticipate our clients' needs to help you manage risk and achieve your investment goals. As those needs have evolved, so too has our approach, but it has always been grounded in our fiduciary commitment to you.

Over the past few years, more and more of our clients have focused on the impact of sustainability on their portfolios. This shift has been driven by an increased understanding of how sustainability-related factors can affect economic growth, asset values, and financial markets as a whole.

CONSUMERS CARE ABOUT THE ENVIRONMENT

WHEN IT COMES TO CONSUMER CHOICE AND CLIMATE CHANGE:

71% OF CONSUMERS SAY THAT IT IS A GOOD IDEA TO BUY WOOD PRODUCTS FROM SUSTAINABLY MANAGED FORESTS

IF YOU ARE SEEKING WAYS TO COMBAT CLIMATE CHANGE 72% OF CONSUMERS SAY THAT IT IS A GOOD IDEA TO BUY PAPER OR CARDBOARD PRODUCTS FROM SUSTAINABLY MANAGED FORESTS

IF YOU ARE SEEKING WAYS TO COMBAT CLIMATE CHANGE



Source: Nationwide Public Opinion Research conducted by Abacus Data June 2020

WHY CLIMATE CHANGE AND CARBON?

Climate change remains a "top of mind" issue for many consumers and stakeholders.

Brand owners and companies now have sustainability goals that include climate and/or carbon.

Investment and ESG often target climate and carbon metrics.

SFI-certified companies are helping to mitigate climate change through their use of new SFI standards (Objective 9).





CLIMATE CHANGE AND FOREST CARBON

SUSTAINABLY MANAGED FORESTS CAPTURE CARBON FASTER AND STORE MORE CARBON, HELPING US FIGHT AND MITIGATE CLIMATE CHANGE



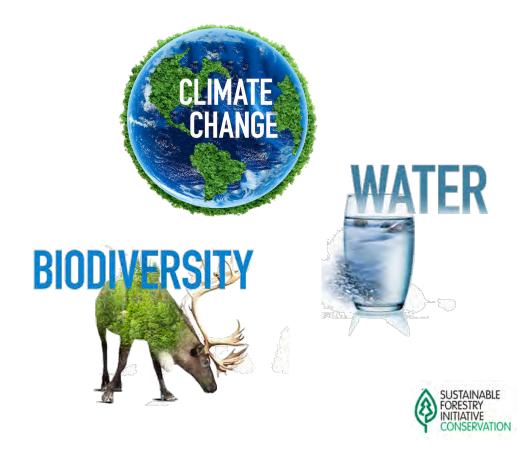


COLLECTING THE DATA SFI ANNUAL PROGRESS REPORT SURVEY

SFI's Annual Progress Report Survey is an <u>annual</u> <u>requirement</u> for organizations certified to the Forest Management Standard or Fiber Sourcing Standard



CONSERVATION IMPACT THEMES



COLLECTING THE DATA SFI ANNUAL PROGRESS REPORT SURVEY

CLIMATE-RELATED

CLIMATE-RELATED

PROJECTS

Resiliency, Carbon 16% Initiatives, **PROJECTS BY SUBTOPIC** 26% **Emissions**, 16% Modelling, 5% Weather, 11% Adaptation, Working Group, 11% 16%



SUSTAINABLE

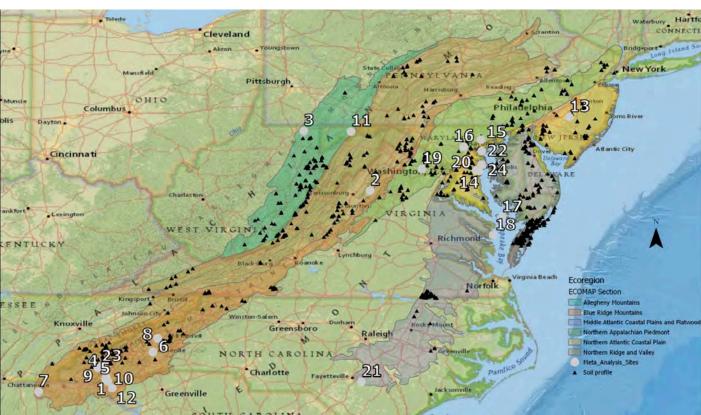
COLLECTING THE DATA THE CONSERVATION IMPACT PROJECT

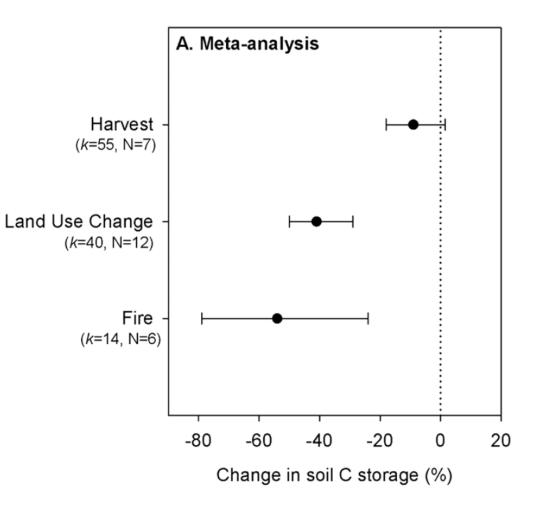
- Help quantify the impact of sourcing from SFI certified forests and of the SFI Fiber Sourcing Standard
- Help Certified Organizations and their customers understand and convey the impact of their sourcing
- Help conservation stakeholders to better understand the value of certification
- Facilitate continual improvement in SFI through improved understanding



RECENT COLLABORATIONS CLIMATE CHANGE & CARBON

BMPs on SFI certified lands (e.g., slash retention) helps conserve carbon in soils.









SFI CONSERVATION GRANT

RECENT COLLABORATIONS CLIMATE CHANGE & CARBON





BETTER SOILS FROM BETTER FOREST MANAGEMENT KEY TO A BETTER CLIMATE FUTURE

Forest soils are informing SFI objectives related to soil productivity, carbon storage, and conservation.

Project Partners: University of Maine, Cooperative Forestry Research Unit, Center for Research on Sustainable Forests, Northeastern Soil Monitoring Cooperative, University of Toronto



RECENT COLLABORATIONS CLIMATE CHANGE & CARBON



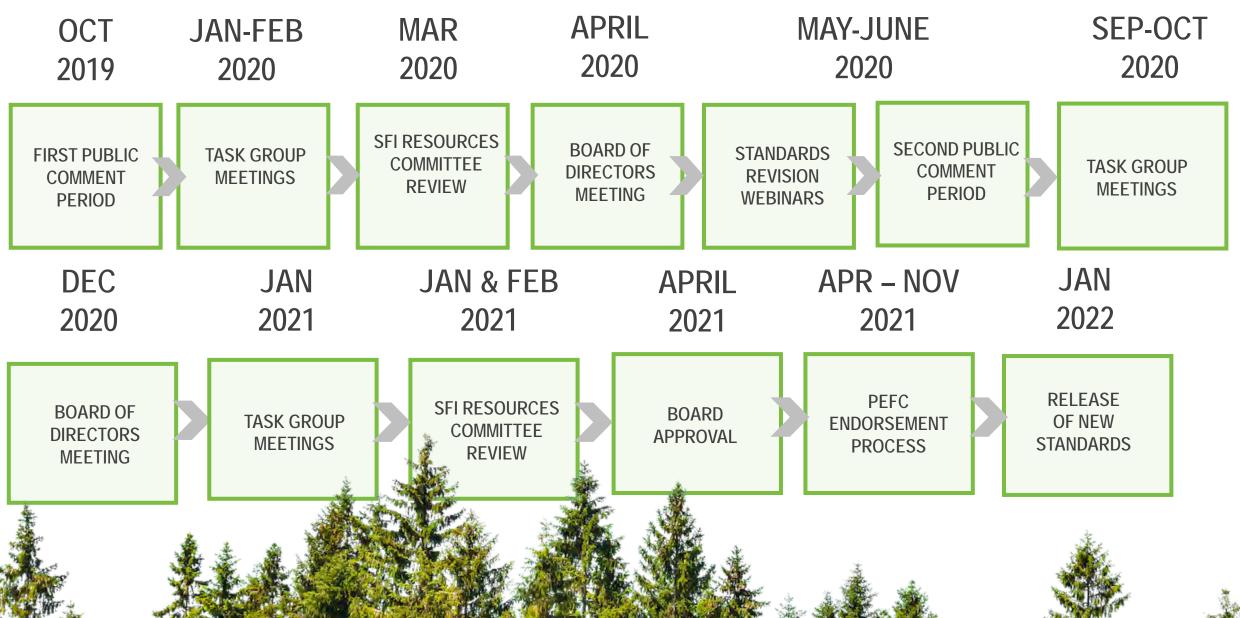
SFI certified lands store massive amounts of carbon, an amount increasing every year *after* accounting for emissions from harvesting and fire.

FOOTPRINT	CARBON STORED (CO2E)	CARBON SEQUESTERED ANNUALLY (CO2E/YEAR)	CARBON SEQUESTERED PER HECTARE PER YEAR
Lower 48 States	>20 billion tons	>235 million tons	8.8 tonnes per year
Canadian Sample (18.3%)	>22 billion tons	>4.5 million tons	0.2 tonnes per year



STANDARDS REVISION TIMELINE





STANDARDS REVISION REVIEW PROCESS

3 STANDARDS REVISION TASK GROUPS

FOREST MANAGEMENT FIBER SOURCING CHAIN OF CUSTODY



FOREST MANAGEMENT (5) FIBER SOURCING (3) CHAIN OF CUSTODY AND LABELING (3) TECHNOLOGY AND AUDITING (1)

100 PEOPLE PARTICIPATED

participated on one of the Subgroups



From October 2019– January 2021

 $\frac{36}{\text{MEETINGS}} \text{ SUBGROUP }$

5 RESOURCES COMMITTEE MEETINGS

6 BOARD MEETINGS



SFI STANDARDS REVIEW PROCESS SECOND COMMENT PERIOD MAY 1 – JUNE 30, 2020

NEARLY **2,300** INDIVIDUALS AND ORGANIZATIONS

REGISTERED FOR THE WEBINARS AND SUBMITTED COMMENTS ON THE FIRST DRAFT OF THE SFI 2022 STANDARDS



FOCUSED ON KEY THEMES

Forest conservation Recognizing and respecting Indigenous Peoples' rights Logger training requirements Avoidance of controversial sources Investigating a new urban forestry standard

DIVERSITY OF PARTICIPANTS IN THE SECOND-COMMENT PERIOD INCLUDE

Conservation organizations Landowners Forest product manufacturers Indigenous Peoples Academia Researchers Brand owners Resource professionals Educators Local communities Government agencies





CLIMATE SMART FORESTRY

FOREST MANAGEMENT STANDARD – OBJECTIVE 9

- Forests play a critical role in addressing climate change and storing carbon.
- Increasing global focus on climate and increased understanding about forests gives SFI an opportunity to play an important role.
- Elements of the standard already aid in addressing climate through resiliency, reforestation, and forest health.
- SFI developed a **new objective** focused on climate change mitigation and adaptation.







ASSESSMENT OF CLIMATE BENEFITS OF SFI FOREST CERTIFICATION

Examined the climate benefits of SFI Forest Certification, including a qualitative analysis of SFI programmatic documents, observations of SFI training activities, and interviews with certification professionals. Documented "Climate Smart" forestry in 3 categories

Project Partners: Michigan State University, USDA National Institute of Food and Agriculture, Michigan SFI Implementation Committee, and Weyerhaeuser



CLIMATE SMART FORESTRY

Objective:

- Program to identify climate change risks to forest and forest operations and the development of adaptation objectives and strategies.
- Program to identify opportunities to mitigate climate-related impacts associated with forest operations.





FIRE RESILIENCE AND AWARENESS

WHY IT MATTERS

- The link between wildfires and climate is welldocumented.
- The planet is warming with many regions experiencing increased incidence of wildfire and the undesirable impacts that are the result.
- Undesirable impacts are those threaten public safety, human health, property, carbon emissions, water quality and quantity, air quality, and species *habitat*, or have the capacity to destroy forests on a scale that significantly impacts the inherent values of these forests.





FIRE RESILIENCE AND AWARENESS

SFI STANDARD REQUIREMENTS:

ON LANDS OWNED OR MANAGED

SFI-certified organizations limit susceptibility to undesirable impacts of wildfire, promote healthy and resilient forest conditions, and support restoration of forests following wildfire damage.

COMMUNITY ENGAGEMENT EFFORTS

SFI-certified organizations engage in efforts to raise awareness of and take action towards benefits of fire management and minimization of undesirable impacts of wildfire.





CONTACT INFO

THANK YOUI

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