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# Sustainability documents

For customers



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## Sustainable wood raw material

All wood raw material used in SCA's products must originate from responsibly managed forests. This applies to SCA's own forest and the wood raw material we purchase from other forest owners. For this purpose, SCA is certified according to applicable FSC™ (FSC C004466) and PEFC (PEFC/05-23-131) Forest Management Standards, and FSC and PEFC Chain of Custody standards.

SCA's own forest accounts for approximately 50% of SCA's wood supply and have been certified in accordance with the requirements of FSC (Forest Stewardship Council™), since 1999 and since 2011 also in accordance with PEFC (the Programme for the Endorsement of Forest Certification). Wood purchased from other forest owners accounts for the remaining 50%.

All wood raw material bought by SCA is covered by Chain of Custody (CoC) certification and must at least fulfil the requirements of the FSC Controlled Wood Standard (FSC CW). The Controlled Wood standard points out five unacceptable categories of sources. This means that the wood must not originate from these sources, which includes wood that was illegally harvested or harvested in violation of traditional and human rights, wood from forests where high conservation values are threatened by management activities or forests that have been substantially converted to plantation or other forms of land use and neither from forestry using genetically modified trees.

SCA works actively to continuously increase the percentage of wood raw material from certified forests and encourages its external suppliers to certify their forest operations. SCA also encourages landowners to consider harvesting that corresponds to FSC's requirements when SCA is performing the harvesting for them.

Our wood raw material procurement procedure covers all types of wood raw material and is a supporting document to SCA's sustainability policy. Through responsible sourcing of wood, SCA works systematically to ensure good working conditions and appropriate nature conservation measures, also outside the company's forests.

## Wood raw material declaration

SCA Skog AB is responsible for sourcing wood raw material<sup>1)</sup> within the SCA Group. Purchases are made in accordance with the Sustainability policy and the Instruction for sourcing wood raw material.

SCA ABs forest holdings are certified according to FSC™ and PEFC forest management standards. Furthermore, SCA is certified according to FSC and PEFC Chain of Custody standards, which enables traceability of the wood raw material through the supply chain and prevents wood raw material from unacceptable/controversial sources.

We ensure compliance with the EU Timber Regulation (EUTR 995/2010) and UK Timber Regulation.

Additional information can be provided, when asked, if this is necessary for carrying out a risk assessment by the organization.

Sundsvall, 17 January 2024



**Jonas Mårtensson**  
President, SCA Skog AB



The mark of  
responsible forestry



1) In this context, "wood raw material" refers to wood fiber used in the production of solid-wood products, pulp, and paper products.



## Principles in SCA's Sustainability Policy

Sustainability will be a fundamental, guiding principle for all operations within SCA. SCA is strongly committed to the sustainable development of its business, taking economic, environmental and social aspects into account. SCA feels that transparency about its sustainability work is an important basic principle. SCA seeks dialog with various stakeholders in order to develop its practices and make relevant priorities. SCA demands the same transparency from its suppliers and subcontractors. SCA's Code of Conduct serves as the foundation for the Group's sustainability work.

SCA is to:

- Actively strive to constantly improve health and safety at the workplaces and have a vision of zero workplace accidents
- Develop together with the communities in which the company is active
- Be an inclusive employer that advocates diversity and enables its employees to achieve their full potential
- SCA will conduct its business where the impact on people, environment and assets are at a minimum and in a way that, at the very least, corresponds to the applicable regulatory requirements
- Strive to increase resource efficiency both in its own operations and through its products and services
- Assess the environmental impact of its products in various stages of their life cycle and include suppliers and customers in this process
- Promote the use of appropriate and recognized standards for environmental management
- Continuously review and challenge its objectives and targets in order to reduce the company's environmental and climate impact
- Adopt a long-term perspective in its efforts. A prerequisite for this is the Group's profitability
- Make continuous improvements and develop the competencies of employees in order to achieve the Group's targets and long-term strategy

# Instruction for sourcing of wood raw material

SCA will actively work to ensure that forests are managed responsibly, both through the management of its own forest holdings, and through the responsible sourcing of wood raw material. All wood raw material used by SCA shall be sourced from responsibly managed forests and as a minimum meet FSC's standard for Controlled Wood. SCA aims at maximizing the proportion of wood raw material sourced from FSC™ - and/or PEFC-certified forests.

This instruction covers all types of wood raw material and is a supporting document to SCA's sustainability policy. In this context, "wood raw material" refers to wood fiber used in the production of solid-wood products, pulp, and paper products.

SCA's business area Forest is responsible for the sourcing of all wood raw material to SCA's industries except for the sourcing of sawn timber for further processing that is handled by SCA's business area Wood. The sourcing is to be done in a responsible way that supports:

- The overall objectives of the SCA Group and policies
- SCA's overarching ambition to create health forests for future generations

SCA actively works to exclude wood raw material originating from:

- Illegally harvested forests
- Forests where high conservation values are threatened by harvesting. In Sweden, this applies to any timber that comes from woodland key habitats that are harvested contrary to recommendations from the Swedish Forest Agency
- Forests that have been substantially converted to plantation or other forms of land use
- Forestry using genetically modified trees
- Forestry that breaches any of the core conventions of ILO in respect of forced and/or child labor, freedom of association and collective bargaining or discrimination and harassment
- Forests harvested in violation of traditional and human rights
- Sources that are not compliant with EUTR, the EU timber regulation

This is ensured by:

- SCA's forest management of its Swedish forest holdings being certified in accordance with FSC's and PEFC's Swedish standards for responsible forest management
- Forestry conducted by SCA on its forest holdings in other countries being carried out in a responsible manner and certified in accordance with FSC's and PEFC's national standards
- Procuring wood raw material from other sources that is, where possible, either FSC or PEFC certified
- Encouraging private forest owners to certify their forest management or apply the SCA standard for conservation (SCA-hänsyn)
- SCA's entire wood raw material sourcing organization is third-party certified in accordance with FSC's and PEFC's international Chain of Custody standards

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EU Timber Regulation Information\_SCA

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## EUTR (European Timber Regulation 995/2010)

**The European Timber Regulation (EUTR) is a law intended to prevent illegal harvesting and trade with illegally harvested timber. The law in short:**

1. Prohibits the placing of illegally harvested timber and products derived from such timber on the EU market.
2. Requires EU traders who place timber products on the EU market for the first time to exercise due diligence.
3. Obligates traders to keep records of their suppliers and customers in order to keep traceability through the supply chain.

**Due diligence is a risk management method minimizing the risk of placing illegally harvested timber, or timber products containing illegally harvested timber on the EU market. There are three key elements in the process:**

- **Information:** The operator must have access to information describing the timber and timber products, country of harvest, species, quantity, details of the supplier and information on compliance with national legislation.
- **Risk assessment:** The operator should assess the risk of illegal timber in his supply chain, based on the information identified above and taking into account criteria set out in the regulation.
- **Risk mitigation:** When the assessment shows that there is a risk of illegal timber in the supply chain, that risk can be mitigated by requiring additional information and verification from the supplier.

Timber and timber products covered by valid FLEGT or CITES licenses are considered to comply with the requirements of the Regulation.

The Regulation also states that timber and timber products are “legal” if it complies with applicable legislation, in the country of harvest, covering the following matters:

- Rights to harvest timber within legally gazette boundaries
- Payments for harvest rights and timber including duties related to timber harvesting
- Timber harvesting, including environmental and forest legislation including forest management biodive conservation, where directly related to timber harvesting
- Third parties legal rights concerning use and tenure that are affected by timber harvesting
- Trade and customs, in so far as the forest sector is concerned



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Containerboard 2023\_SCA  
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## Origin of wood raw material delivered to SCA Containerboard 2023

Wood raw material delivered to SCA Containerboard has its origin mainly in middle/northern part of Sweden. The rest of the wood raw material is harvested in Latvia, Estonia and Finland. The transportation of wood raw material is done by boat, trucks, or railway.

During 2023 the distribution of wood raw material was according to below:

Country of origin	Percentage of total (%)	Species
Sweden	94.3	<i>Pinus Sylvestris, Pinus</i>
Latvia	2.5	<i>Contorta, Picea Abies,</i>
Estonia	2.2	<i>Betula Pendula,</i>
Finland	1.0	<i>Populus Tremula</i>

A more detailed list of the origin:

### Sweden:

Mostly middle and northern part, some from southern part.  
33 % from our own certified forests.  
67 % from other certified forest companies and from private landowners.

### Latvia:

Mainly from Latvian forests in the northern, north-east part (Vidzeme, Latgale regions) and from the north-west. Can also be small amounts from Estonian forests very close to the Latvian border.

### Estonia:

North-east, south-east, south-west and middle regions.

### Finland:

Eastern landscapes.