

Measure this!

The value of SFI in global reporting frameworks

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TNFD / Forest sector guidance

A1: Risk and opportunity identification

Guiding question:

What are the corresponding risks and opportunities for our organisation?

Forestry, pulp and paper sector organisations can leverage the data and processes already in place for risk assessment and risk mitigation for compliance with forest certification and other relevant standards.

Table 11: Illustrative examples of highly relevant targets for the forestry, pulp and paper sector.

Topics	Illustrative target	Illustrative indicator
Sustainable land management	Maintain sustainable forestry practices on all land owned/leased/managed	Share of all owned, leased and managed forests certified (%)
Sustainable sourcing	By 2025, have 100% of fibre sourced certified by robust third-party certification standard	Share of fibre sourced certified by third-party certification standard (%)

Table 15: Additional sector disclosure indicators and metrics

Metric category	Metric subcategory	Metric no.	Indicator	Additional sector metrics	Source
Response	Dependency, impact, risk and opportunity management: Value chain	FP.A22.0	Forest certification	The proportion of forest area (%) certified by broadly recognised third-party certification systems with a global presence, such as: the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) and Sustainable Forestry Initiative (SFI). 'Controlled Wood', 'Controlled Sources' or 'SFI Fiber Sourcing' are excluded.	WBCSD-FSG KPI

Source: TNFD, accessed 13 May 2025.
<https://tnfd.global/wp-content/uploads/2024/06/Additional-Sector-Guidance-Forestry-and-paper.pdf?v=1719526698>

WBCSD / Nature Metrics Portal

Key defined parameters for P&M metrics

Prioritized product categories

 Timber and wood products



 Pulp and paper



 Biomass energy



 Innovative bio-based products



Prioritized frameworks

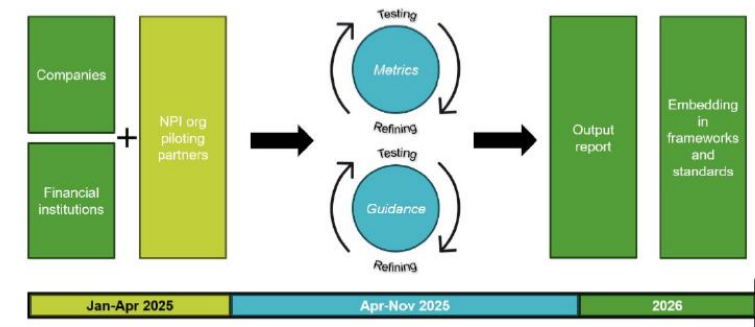
High priority

- GRI (Biodiversity, Water, Waste)
- CDP (Biodiversity, Water)
- TNFD (Forestry & Paper)
- CSRD-ESRS (E2 Pollution, E3 Water, E4 Biodiversity, E5 Resources)
- SBTN (Freshwater)
- SASB (Forestry Management, Pulp & Paper, Building Products & Furnishings)
- ISO 14001

Nature Positive initiative pilot program

Piloting program recap

Purpose: Testing with companies and financial institutions that metrics can be measured and input into real use cases



EU / Taxonomy & SFDR



An official website of the European Union How do you know? ▾

Substantial contribution criteria

3. *Guarantee of permanence*

3.1. In accordance with national law, the forest status of the area in which the activity takes place is guaranteed by one of the following measures:

- a. the area is classified in the permanent forest estate as defined by the FAO⁽⁴⁶⁾;
- b. the area is classified as a protected area;
- c. the area is the subject of any legal or contractual guarantee ensuring that it will remain a forest.

3.2. In accordance with national law, the operator of the activity commits that future updates to the forest management plan or equivalent instrument, beyond the activity that is financed, will continue to seek the climate benefits as determined in point 2. Besides, the operator of the activity commits to compensate any reduction in the climate benefit determined in point 2 with an equivalent climate benefit resulting from the conduct of an activity that corresponds to one of the forestry activities defined in this Regulation.

- Using SFI certification instead of EU Taxonomy compliance as indicator of sustainable investment



Source: <https://giphy.com/explore/but-why>



Here's why:

- OBJECTIVE 1. FOREST MANAGEMENT PLANNING
- OBJECTIVE 2. FOREST HEALTH AND PRODUCTIVITY
- OBJECTIVE 3. PROTECTION AND MAINTENANCE OF WATER RESOURCES
- OBJECTIVE 4. CONSERVATION OF BIOLOGICAL DIVERSITY
- OBJECTIVE 5. MANAGEMENT OF VISUAL QUALITY AND RECREATIONAL BENEFITS
- OBJECTIVE 6. PROTECTION OF SPECIAL SITES
- OBJECTIVE 7. EFFICIENT USE OF FIBER RESOURCES
- OBJECTIVE 8. RECOGNIZE AND RESPECT INDIGENOUS PEOPLES' RIGHTS
- OBJECTIVE 9. CLIMATE SMART FORESTRY
- OBJECTIVE 10. FIRE RESILIENCE AND AWARENESS
- OBJECTIVE 11. LEGAL AND REGULATORY COMPLIANCE
- OBJECTIVE 12. FORESTRY RESEARCH, SCIENCE AND TECHNOLOGY
- OBJECTIVE 13. TRAINING AND EDUCATION
- OBJECTIVE 14. COMMUNITY INVOLVEMENT AND LANDOWNER OUTREACH
- OBJECTIVE 15. PUBLIC LAND MANAGEMENT RESPONSIBILITIES
- OBJECTIVE 16. COMMUNICATIONS AND PUBLIC REPORTING
- OBJECTIVE 17. MANAGEMENT REVIEW AND CONTINUAL IMPROVEMENT



SFI 2022 FOREST MANAGEMENT STANDARD

SECTION 2



forests.org



Here's why (our version):

- Not everything can be measured—and not every measurement matters
- A metric is merely a measurement; a key performance indicator (KPI) is a measurement *with meaning*.
- Third-party sustainability certification programs define materiality on a sector-specific basis, set out clear principles and objectives for operating in a sustainable manner that are relevant to that sector, identify a range of practices that could be employed to achieve those principles and objectives, and then evaluate the extent to which those practices are, in fact, being followed.
- Certification's external auditing process ensures rigor and verifiability of the sustainability claims being made. The KPI percent certified can convey much greater meaning through validation of outcomes than a large amount of data provided for data's sake.
- One of the strongest demonstrations of our commitment to sustainability is the extent to which our managed lands are third-party certified. We favor outcome-based sustainability standards with a continuous improvement component...Today, we certify all eligible timberland investments to at least one credible certification program.



May 27, 2022

Investing in nature: measuring what matters

How do we measure—meaningfully—the positive or negative impact of timberland and farmland assets on their local environments and communities?

Dashboard

Capabilities

Viewpoints



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Source: Manulife Investment Management, accessed 13 May 2025.

<https://www.manulifeim.com/institutional/global/en/viewpoints/private-markets/investing-in-nature-measuring-what-matters>

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With the proliferation of ESG standards and regulations over the past few years, and in particular the advent of the EU's sustainability finance taxonomy and SFDR, forest certification continues to prove its relevance.



We were managing our forests to rigorous certification programs—which are essentially ESG standards for forest management—long before the concept of sustainable or ESG investing became mainstream.



SFI certification is a comprehensive mechanism for credibly demonstrating sustainable asset management and, critically, it provides independent assurance to our stakeholders that we are operating sustainably.

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