

Facts about Nordic forests

– what you should know about Nordic forests and forestry

The ability of trees to absorb CO₂ makes forests an important carbon sink; they are also valuable ecosystems, providing a home for many species, both flora and fauna. Forests also offer great recreational value. The majority of forests in Finland have been owned by families for generations.

Forests differ depending on where they are located; most Finnish forests are situated in the boreal zone and experience long winters and short summers. There is plenty of water available and the forests – which cover 75% of the land area of Finland (Source: [State of Europe's Forests 2020 report](#)) – grow without the need for irrigation. The vast majority of the wood used in Metsä Group's products originates from the Nordic forests of Finland.

REGENERATIVE FORESTRY

[We are committed to the principles of regenerative forestry.](#) Our goal is to verifiably strengthen the state of forest nature by 2030. As an example, Metsä Group has funded 67 different projects in Finland under the Nature programme with EUR 1.8 million. Regenerative forestry is carried out every day in Finnish forests, and we are constantly improving our forest management services.

We want to leave forests for future generations in a better condition than we have received them ourselves – more vibrant, diverse and climate resilient. In regenerative forestry, the aim is to increase the diversity of forests through various practical measures. In addition to a more diverse nature, the measures are financially profitable for the forest owner.

Our goal is to strengthen the value of natural capital together with the economic value generated by forests, as in addition to trees, commercial forests produce numerous vital natural benefits for both people and the environment. Nature benefits, or so-called ecosystem services, include, for example, clean water, pollinators, berries and mushrooms, recreational use and carbon sinks.

PRINCIPLES OF REGENERATIVE FORESTRY

On a practical level, regenerative forestry takes place as part of the daily forest management practised by our owner members. Metsä Group has defined the principles of regenerative forestry, which guide measures to improve forest biodiversity, such as diversity of trees and improving the living conditions of different species in forests.



Utilising native tree species



Diversification of tree species



Increasing the number of old trees



Increasing varied decayed wood



Diversification of structural features



Protection of valuable habitats



Improving the management of peatlands and water protection



Special measures for herb-rich forests, ridge areas and burned forest areas



Species-specific measures



Improving the biodiversity network

BIODIVERSITY IS PROTECTED

Finnish forests are important to biodiversity, as they are home to various biotopes offering a habitat for more than 20,000 species. Securing the biodiversity of forests is one of Metsä Group's strategic targets for 2030. The single most important aspect affecting biodiversity is the volume of decaying wood. The goal is to leave high biodiversity stumps in place on 90% of our thinning and regeneration harvesting sites, as well as retention trees on all our regeneration harvesting sites.

One of Metsä Group's strategic sustainability targets is to safeguard biodiversity. We are implementing various regenerative forestry measures in commercial forests with the target to improve forest biodiversity. With our [funding programme for nature projects](#), we want to play a role in improving the state of nature in Finland also outside the commercial forests. Our investments, which will amount to millions of euros during the programme, have no financial return expectations.

"Every day between 2005 and 2020 the forest area in Europe grew by the equivalent of 1,500 football pitches."

PRACTICES AGAINST DEFORESTATION

While our focus on regenerative forestry helps to preserve and enhance forest ecosystems in the Nordic region, the challenge of deforestation remains a significant global issue in many other regions. For instance, companies in South America and Africa face severe deforestation pressures due to agricultural expansion, livestock grazing, mining, and drilling.

Deforestation is not a major issue in Nordic forests. They grow more than they are used. Between 2005 and 2020 the forest area in Europe grew by 58,390 km² – that's equivalent to the area of 1,500 football pitches of net forest growth every day.

Legislation in Finland requires that harvested forests are replanted – four new seedlings are planted for each fully grown tree that is harvested. According to the Natural Resources Institute Finland (Luke) the growing stock in Finnish forests has increased by more than 40% over the past 40 years. The amount of protected forest in Finland is the highest in Europe, with 10% of forests receiving strict protection (Source: [Ministry of Agriculture and Forestry of Finland](#)).

EUDR: DEFORESTATION-FREE SUPPLY CHAINS IN THE EU

The aim of the EU Deforestation Regulation (EUDR) is to ensure that the products purchased, used, and consumed

by Europeans do not cause deforestation or forest degradation globally. At the same time, it seeks to reduce greenhouse gas emissions and the loss of biodiversity.

[Metsä Group's operating model](#) complies with the EUDR and the current versions of the guidelines available from the European Commission. Metsä Group will continue to monitor new versions of official guidelines from the European Commission, national competent authorities, and legislators, and will adapt its operating model as necessary.

TRACEABLE AND TRANSPARENT SUPPLY CHAIN

The origin of the wood we use is traceable, and it comes from sustainably managed and certified or controlled forests, mostly within Metsä's value chain. For us, it is important to utilise these certifications to ensure responsible sourcing and contribute positively to sustainable forest management. The most common forest certification schemes are [PEFC and FSC®](#), both of which help conserve biodiversity and preserve the valuable habitats and biotopes that are typical of natural forests.

Metsä Group offers its owner members also tools for nature management that are even more ambitious than the current standard practices. Metsä Group Plus is a forest management model that pays increasingly close attention to forest biodiversity and forest nature in the implementation of forest work. The use of these measures is agreed in connection with wood trade and orders for young stand management.



Sustainable forestry in a nutshell:

- Wood has been sourced legally.
- Wood is traceable and its supply chain is transparent.
- Forests grow more than they are used.
- Biodiversity is protected.
- Human rights are respected.