



INTRODUCTION

In 2024, FSC marked its 30th anniversary at the forefront of global sustainable forestry, reflecting on past successes while strengthening the vision for the future: a world where resilient forests sustain life on Earth.

Another milestone was reached in October when FSC welcomed new leadership to continue guiding the organization in achieving its mission. Subhra Bhattacharjee was appointed as the new Director General, and Marion Barriskell assumed the role of Chief Operating Officer. This transition marks a pivotal moment, bringing fresh perspectives and renewed momentum to strengthen our strategic direction and impact.



159,515,626 HECTARES

Forest management certified area



1,588

Forest Management certificates (including 613 obtained by small and low-intensity managed forest(s) / communities / Indigenous Peoples).



63,832

Chain of Custody certificates



12,341,277HECTARES

community and family forests certified forest area



500

small and lowintensity managed forest certificates



146

community certificates

25 MILLION HECTARES

of FSC-certified natural tropical forests and areas managed by smallholders



87

ecosystem services certificates covering 3,640,162 hectares. **68** unique sponsors of verified ecosystem services impact.



1.03 MILLION

visits to fsc.org +102% increase from last year



+20 MILLION

Social media overall yearly reach



+5000

attendees to the FSC Aligned for EUDR webinar – the best attended FSC webinar to date



355

staff + additional staff in over 40 countries

FSC GLOBAL STRATEGY 2021–2026

FSC's Global Strategy 2021–2026 is built on the 2050 vision: resilient forests sustain life on Earth. A new forest paradigm is realized, where the true value of forests is recognized and incorporated into society worldwide.

To realize this vision, FSC is advancing three strategies:

Realize and implement forest solutions

Transform markets
(solutions adopted by markets)

Catalyse
change
(solutions adopted
by diverse
organizations and
actors)

By the end of 2024, our Global Strategy Implementation Framework showed an 81% completion rate across 39 priority actions.

This report highlights FSC achievements in 2024 along the three strategies to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests.



DRIVING CHANGE WITH MEMBERS AND STAKEHOLDERS

FSC has a global membership network of over 1,200 individuals and organizations across 90 countries representing environmental, social, and economic perspectives. In 2024, FSC launched several tools and initiatives to enhance membership engagement and participation. The **Membership Engagement Plan**, launched in June, brought together 283 members and FSC staff to foster collaboration and dialogue. Later in the year, the **Motions Platform** was rolled out, providing members with continuous support – including webinars and multilingual guidelines – to submit and discuss proposals in preparation for the FSC General Assembly.

The <u>General Assembly</u> is FSC's premier decision-making body, where international members gather every three years to set the organization's direction. In 2024, FSC announced Panama as the venue for the 2025 edition.

In 2024, FSC strengthened its membership recruitment and engagement efforts with the

approval and implementation of **Regional Recruitment Strategies.** Additionally, FSC held dedicated international membership meetings in Europe, Latin America, and North America, providing a platform for discussing chamber and regional priorities, challenges, and opportunities.

FSC continued to strengthen its engagement with Indigenous communities through the implementation of key tools, policy discussions, consultations, and capacity-building initiatives, exchanging knowledge on FSC policies and certification processes. FSC's Economic Viability Tool was introduced in three communities in Panama that were interested in obtaining FSC certification. The FSC Indigenous Foundation has developed guidelines to ensure respectful and effective engagement with Indigenous Peoples and Indigenous women in Guatemala, Honduras, and Panama, incorporating free, prior, and informed consent processes and focusing on Indigenous cosmovision, identity, self-determination, and self-governance.

The Permanent Indigenous Peoples Committee (PIPC), comprising representatives of Indigenous Peoples from 10 regions worldwide, provided advice and recommendations to the FSC Board and actively participated in multiple FSC activities and working groups in 2024. PIPC members led discussions on Indigenous rights and sustainable forest management at the Anglophone Africa Regional and Oceania Regional Meetings; the FSC Latin America Regional Meeting; a knowledge exchange workshop on FSC certification, membership, and stakeholder engagement; and a webinar on FSC standards and engagement opportunities in

October 2024.



DEVELOPING OUTCOME ORIENTATION REQUIREMENTS

In 2024, FSC began to transform its forest management certification system to streamline standards and focus more strongly on measurable sustainability outcomes. FSC drafted new requirements to guide the future development of outcome-oriented forest stewardship and developed

biodiversity monitoring frameworks to be tested on the ground. In 2025, FSC will continue field tests of the frameworks and refine its approach to streamline Forest Stewardship Standards, ensuring they deliver clear, evidence-based results.

ENHANCING VERIFICATION AND INTEGRITY

FSC initiatives in 2024 leveraged technology and stakeholder input to ensure alignment with objectives while enhancing the effectiveness of forest management and regulatory compliance. FSC is strengthening geospatial capabilities to support forest monitoring, capture of certified area boundaries, regulatory compliance, and risk assessment. These efforts have resulted in the development and integration of advanced tools that significatively improve the accuracy, availability, and usability of forest data.

As part of efforts to support companies in complying with the EUDR, a blockchain solution for verifying materials at every stage of the supply chain, FSC Trace, is under an advanced stage of development. The aim of this platform is to enhance supply chain transparency and regulatory compliance. FSC also developed **geographic information service (GIS)** capabilities to share country-level risk assessments that can be used by companies to assess risks and identify mitigation measures, where applicable, to demonstrate compliance with EUDR requirements.

FSC ANNUAL REPORT 2024

FSC continued to work closely with World Forest ID on developing an archive of reference samples, which can be used as a tool to confirm the declared origins of certified wood species. The use of wood identification technologies (Wood ID) has been included as a tool to confirm the origins of birch samples collected from FSC-certified supply chains in the Eurasian region. The International Union of Forest Research Organizations (IUFRO) produced a video about FSC's Wood ID work and screened it at their Congress in Stockholm.

In 2024, FSC strengthened integrity measures, fostering collaboration and ensuring the ongoing protection of its certification system and credibility. In collaboration with Assurance Services International (ASI), a portfolio of 10 integrity investigations was implemented, leading to normative changes and justified blockages, reinforcing FSC's commitment to system integrity. For the first time, FSC launched a holistic integrity workplan to address multiple integrity risks in the larger certification landscape in

the Eurasian region. In addition to investigations into FSC-certified birch wood panels and plywood aimed at determining whether Russian wood is entering FSC-certified supply chains, FSC is also examining the audit quality landscape in the region through this workplan.

FSC established an **Integrity Innovations Programme** within the unit, creating a dedicated team focused on developing technology-based tools to improve integrity protection measures. Launched in 2023, <u>FSC Check</u>, a technology-based tool to conduct a risk-based review of organizations and individuals that want to join, or re-join, the FSC system, processed over 14,000 certification applicants. Several high-risk applicants were identified, their respective certification bodies informed, and precautionary measures taken.

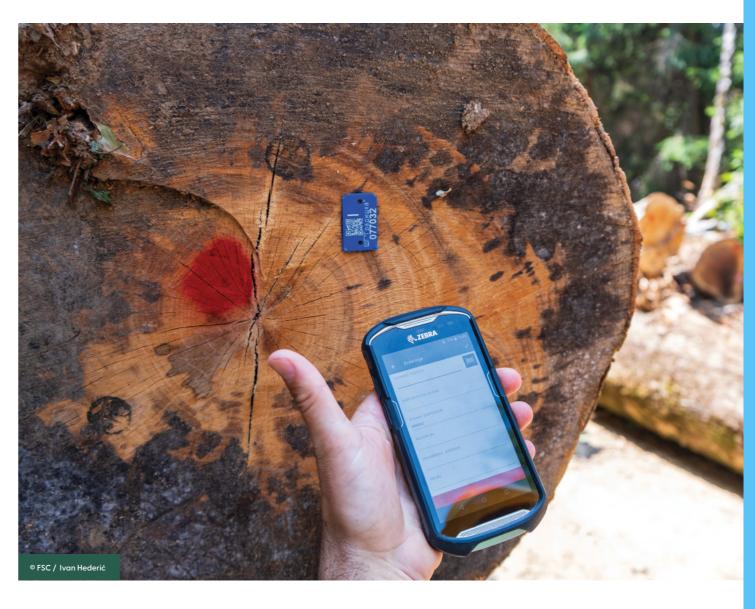
The implementation of the newly launched <u>FSC</u>

<u>Remedy Framework</u> moved forward with the signing of the remedy agreement with <u>Asia Pulp and Paper</u>.



FSC STORY

THE REPUBLIC OF SRPSKA PIONEERS TIMBER GEOLOCATION



In Bosnia and Herzegovina, the public forestry company Šume Republike Srpske in the Republic of Srpska has <u>adopted new technology</u> to pinpoint the exact origin of timber – geolocation. In the pilot programme, forest engineers use a selective silviculture method to identify, mark, and geolocate mature trees for harvest. Once felled, the timber is categorized, matched with its original GPS-tagged stump using QR codes, and verified through a final control check before transport.

The application of this geolocation system enables precise GPS coordinates to follow each parcel of timber along the supply chain, giving future buyers

and sellers the most accurate insight into the origin of the material. It ensures compliance with EUDR regulations, which mandate operators and large traders to provide geolocation information for the exact plot of land where wood and other forest commodities were produced.

This geolocation pilot project enables Šume Republike Srpske to remain competitive and serve its clients with the geolocation data required by the new EUDR; this is crucial as Bosnian furniture is in high demand and is very likely to end up in EU markets.

SPOTLIGHT

AFRICA

Africa's forests represent approximately 15.6% of global forest cover, playing a vital role in regional economic development and serving as essential reservoirs of biodiversity. Spanning an estimated 637 million hectares – 290 million of which are designated for production – these forests are central to both ecological health and sustainable livelihoods.

Growing certification across forest landscapes FSC Africa set an ambitious goal: to increase the area of FSC-certified forest management by 1.6 million hectares and achieve a 10% growth in Chain of Custody certification by the end of 2024.

Progress has been mixed. While Chain of Custody certificates rose by 9.7%, growing from 378 to 415 in the past year, the area under Forest Management certification decreased slightly – from over 10 million hectares to 9.74 million hectares. Nonetheless, FSC intensified its efforts to promote responsible forest management across all African forest biomes in 2024. FSC-certified forests, present in the Congo Basin, Eastern, Western, and Southern Africa, adhere to rigorous environmental, social, and economic standards. These standards ensure forests are managed in ways that preserve biodiversity, support local communities and workers, and maintain long-term economic viability.

FSC Africa also made strides in developing and updating certification standards across the continent. New Interim Forest Stewardship Standards were launched in Ethiopia and Ghana, while standard development continued in Cameroon, Côte d'Ivoire, the Democratic Republic of the Congo, Liberia, Mozambique, Sierra Leone, South Africa, Zambia, and Zimbabwe.

Engaging smallholders in certification

FSC expanded outreach and engagement efforts – raising awareness and building relationships with smallholders, plantation owners, and governments in Botswana, Eswatini, Kenya, Lesotho, Madagascar, Mauritius, Mozambique, Namibia, Rwanda, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe.



EXPANDING FSC'S REACH AND RELEVANCE IN THE FIGHT AGAINST CLIMATE CHANGE AND **BIODIVERSITY LOSS**

FSC recognizes seven ecosystem services: biodiversity, carbon, water, soil, recreation, culture, and air quality.

In 2024, FSC introduced the revised Ecosystem **Services Procedure** to strengthen market-based solutions for climate and biodiversity challenges. The procedure is a voluntary certification framework for measuring and verifying the benefits that forests provide. Aligned with FSC's Global Strategy 2021–2026 and 2050 Vision, it enhances corporate sustainability efforts by enabling impact monitoring and reporting in FSC-certified forests; boosts market incentives through compatibility with international frameworks and disclosure platforms; and for the first time, recognizes Indigenous and Traditional Peoples' values in ecosystem services through tangible market solutions.

The procedure provides a credible tool for users to state the benefits they generate in terms of conservation or restoration of ecosystem services, supporting companies, investors, and governments in meeting their sustainability targets and contributing to global goals. The online **Ecosystem Services Registry** will support it by transparently showing impacts achieved by Forest Management Certificate Holders. During 2024, FSC completed the design of the Minimum Viable Solution for the registry, which will be developed and deployed in 2025.

The FSC Board of Directors approved a new timeline for the implementation of landscape considerations in Intact Forest Landscapes. These landscapes are large, unfragmented forest areas, undisturbed by roads or other industrial infrastructure, in which there has been no industrial timber harvesting in the past 30–70 years and are recognized for their value in FSC's Core Principles. Three countries were approved for conducting pilots of the landscape approach. Sustainable intensification offers a way to meet the global demand for forest materials while halting deforestation and forest degradation, and protecting high conservation values, including Intact Forest

Landscapes. FSC completed pilot tests of sustainable intensification indicators in Australia, New Zealand, and South Africa. Based on the results of the pilots, FSC decided to discontinue this workstream as a standalone process and integrate its learnings into ongoing and future processes. A report of the project results, learnings, and recommendations will be made available to members on the project's website.

In 2024, FSC advanced key initiatives to address the interconnected crises of climate change, biodiversity loss, and deforestation. It engaged a broad coalition of sustainable finance institutions, Indigenous Peoples and communities, governments, and companies to develop and scale impactful solutions.

To further demonstrate the value of certification, FSC collaborated with WWF and IKEA on an important study published in 2024. The assessment revealed forest management practices complying with FSC standards contribute to biodiversity conservation. including rare, threatened, and endangered species in Brazil, Finland, and Sweden.

Collaboration remains at the heart of our progress. Through our partnership with the European Space Agency, FSC is exploring innovative technologies to quantify the ecosystem services of forests. Our active participation at the 16th meeting of the Conference of the Parties to the Convention on Biological Diversity (COP16) in Cali. Colombia and the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP29) in Baku, Azerbaijan reinforced our role in building and promoting nature-based solutions to the world's most urgent environmental challenges.

FSC continues to amplify the voices of Indigenous Peoples and promote Indigenous leadership in forest stewardship, recognizing this as essential to achieving meaningful, long-term sustainability.

FSC finalized a **Climate Change Adaptation Action Plan** and developed several data-driven initiatives and materials on climate change adaptation and

internal guidance on climate-related projects. These efforts are shaping the development of FSC's Climate and Biodiversity Framework, set to launch in 2025.

To develop circular markets, FSC drafted a vision for circular forest resource use, forged strategic partnerships with industry leaders and academia, and identified five key pathways to enable FSC to support the transition to a circular economy. This helps certificate holders comply with emerging legislation, including explorations on new circular business models in the chain of custody revision, cascading principles,

in FSC certification by enhancing uptake of FSC boosting FSC's immediate contribution while mid- and longterm solutions are being developed, piloted, and consulted upon. Strategic campaigns and a gap analysis report prioritized sectors and regions for impactful interventions, laying the foundation for a robust and inclusive circular bioeconomy.

In addition, FSC advanced conservation solutions to position its value and tools in forest conservation, aligned with the

Climate and Biodiversity Strategic Framework. While timelines were adjusted to ensure strategic alignment and incorporate valuable feedback, this effort strengthened the overall approach. Engagement with internal and external stakeholders, including Indigenous Peoples, network partners, and FSC staff, has helped to shape the scope and direction. A green paper mapping the relevant conservation requirements was produced to be distributed as part of the materials for the revision of the FSC Principles and Criteria.



RECOGNIZING INDIGENOUS PEOPLES' VALUES AND PRACTICES IN ECOSYSTEM SERVICES

The revised Ecosystem Services Procedure incorporated the recognition of Indigenous and Traditional Peoples' values in ecosystem service valuation. This solution aligns with global agendas and enables communities to access more market opportunities, where timber value chains may not be an option. For example, the Haida Indigenous

community, which manages the Taan Forest in Canada, will for the first time use the revised Ecosystem Services Procedure with the new impacts related to the maintenance or enhancement of cultural and ancestral knowledge, practices, and language. The community will also apply for the recognition of the enhancement of culturally valued populations or species.

FSC STORY

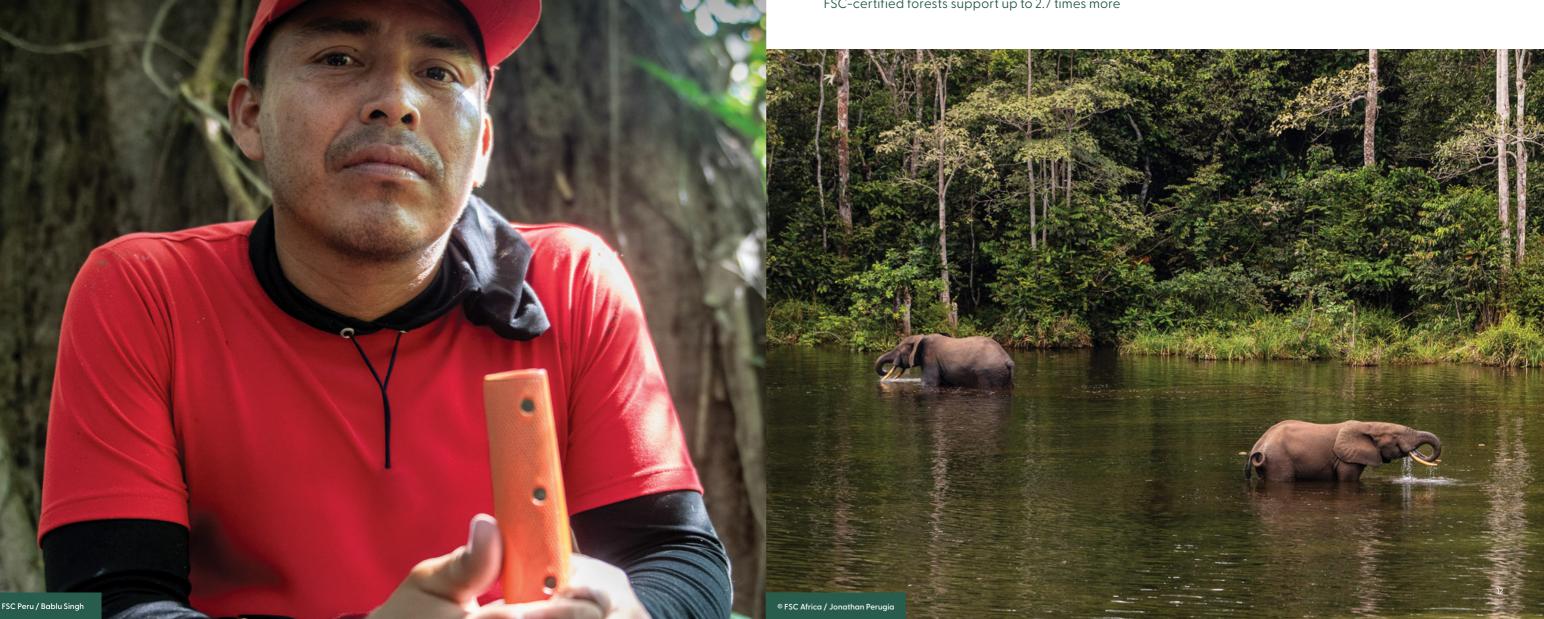
INDEPENDENT RESEARCH CONFIRMS FSC STANDARDS ARE VITAL FOR THRIVING WILDLIFE IN TROPICAL FORESTS

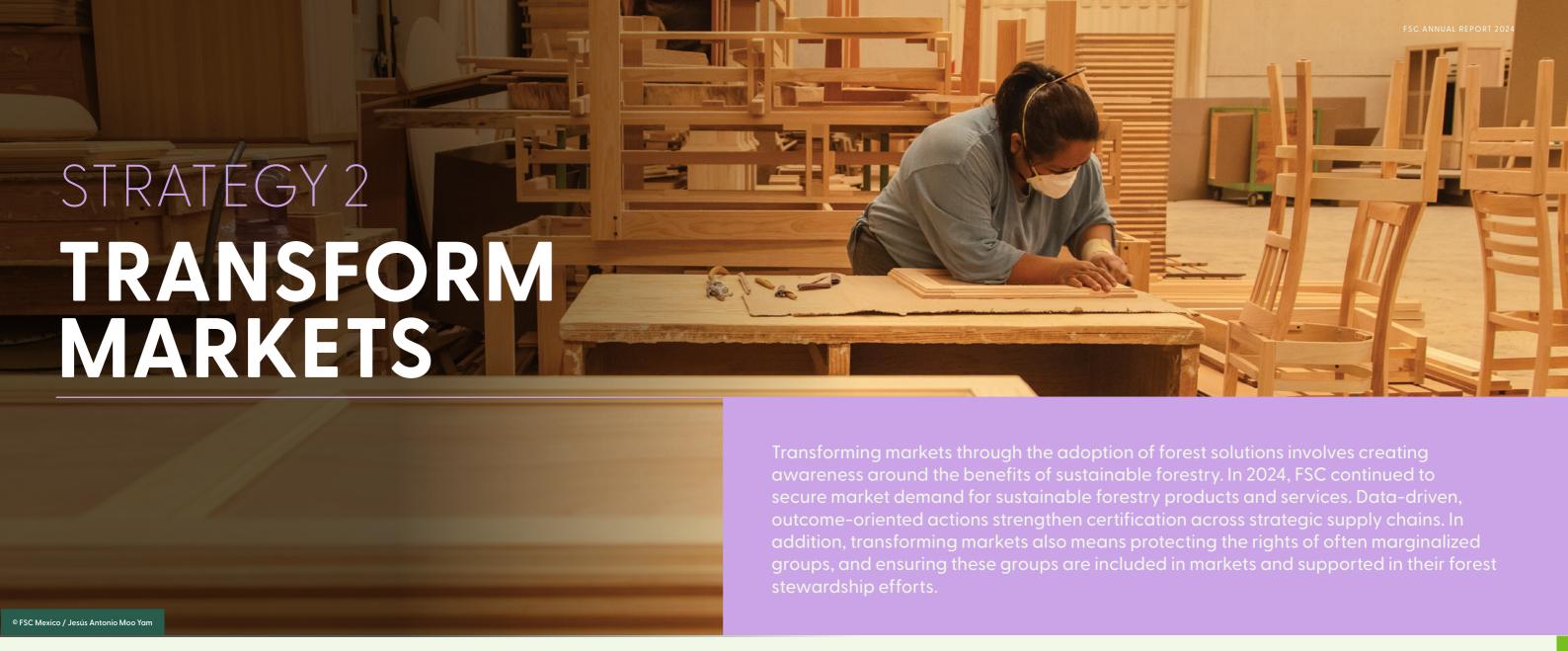
A 2024 study published in Nature magazine in April reveals compelling evidence that FSC-certified forests in Gabon and the Republic of Congo harbour a higher abundance of larger mammals and critically endangered species, such as gorillas and elephants, compared to non-FSC-certified forests. Utrecht University led the research with support from WWF and the Wildlife Conservation Society. It highlights the effectiveness of measures implemented in FSC-certified forest concessions in safeguarding wildlife.

Research conducted by Joeri Zwerts found that FSC-certified forests support up to 2.7 times more

mammals weighing over 100 kg compared to non-certified areas. These certified forests exhibited wildlife densities comparable to those in protected areas and showed fewer signs of illegal hunting. The effects were similar in both the Republic of Congo and Gabon.

Beyond wildlife conservation, the study underscores the broader positive impact of FSC certification. The preservation of large mammals has a positive influence on seed dispersal, nutrient cycling, and forest carbon storage.





ADVANCING FSC VALUE CHAINS

In 2024, FSC laid the foundations to support companies in complying with the EUDR, set to take effect in December 2025. FSC rolled out <u>FSC Aligned for EUDR</u>, an innovative set of solutions providing a clear path for compliance from forest to product. Over 5,000 participants attended the FSC Aligned for EUDR webinar, underscoring the global significance of this topic and FSC's leadership in this area. Collaboration with governments, international organizations, European Union authorities, and forest stewards has allowed FSC to take <u>swift actions to prepare for EUDR</u>.

When the European Commission announced a 12-month extension phasing-in time of EUDR, FSC continued to support the creation of deforestation-free markets in Europe and worldwide, while underlining the continued urgency of action to prevent deforestation.

In FSC's Early Adopter Programme, 25 certificate holders were briefed on the different value chains and modular offerings of FSC Aligned for EUDR, as a means of collecting feedback and paving the way for broader adoption later.

In 2024, FSC made significant advancements across **fibre-based value chains**, promoting sustainable forestry practices and FSC certification in the paper, packaging, hygiene, and textiles sectors. FSC identified forest areas for pulpwood production, with 4.2 million hectares managed by six companies under the <u>FSC Remedy Framework</u>. FSC also created a media campaign for recycled solutions, which generated 30,000 impressions and engaged 83 targeted users. It structured dissolving pulp supply chains and hosted the first Man-Made Cellulosic Fibres Roundtable, resulting in a revamped <u>Fashion Forever Green Pact</u> with a 2030 vision.

FSC also achieved significant progress on wood-based value chains, bolstering sustainable forestry and market presence globally while driving FSC certification adoption and establishing strategic collaborations. With WWF, FSC engaged with major United States retailers to address bottlenecks to certification of wood furnishings value chains in China and Viet Nam. It developed sourcing policy guides and mapped wood-based panel manufacturers in Western Europe, fostered EU-Brazil tropical timber trade

partnerships, and engaged Brazilian forest operators for certification support to enhance certification readiness and sustainable forestry practices in the Brazilian Amazon.

In 2024, FSC advanced **non-timber forest products supply chains.** The number of countries with certified rubber plantations increased from seven to ten with the addition of Colombia, Laos, and Malaysia. The global certified area expanded by 15%, with major brands such as <u>Pirelli</u> and Jaguar Land Rover adopting FSC-certified materials. Over 60,000 hectares of cork oak forests were certified, enhancing global market visibility.

FSC systematized the <u>bamboo supply chain</u>, identifying over 500 key companies, and published three impactful case studies highlighting the benefits of certified cork and bamboo. Training programmes in Liberia and Côte d'Ivoire educated smallholders on sustainable practices, further strengthening global non-timber forest products certification efforts and promoting FSC's influence in key markets.

SPOTLIGHT ASIA PACIFIC

FSC Asia Pacific strengthened its role as a catalyst for responsible forestry in 2024, connecting supply and demand, scaling innovative solutions, and advancing sustainable practices across the region.

Empowering smallholders and sustainable rubber:
The region launched the <u>Changemaker Series</u>
with a roundtable in Krabi, Thailand, uniting
smallholders, producers, brands, and buyers from
top rubber-producing countries to connect the
demand and supply of sustainably sourced, certified
commodities. The event focused on practical solutions
to support smallholders and scale responsible
sourcing across the natural rubber value chain.

From forests to fashion: In a pioneering collaboration, FSC and Hong Kong designer Vickie Au unveiled the first FSC-certified capsule collection, featuring traceable forest-based fibres. Launched at CENTRESTAGE, it set a new standard for sustainable fashion in the region.

Accelerating nature-positive business: The Asia-Pacific Ecosystem Services Forum in Hong Kong gathered leaders from key sectors to integrate nature into environmental, social, and governance strategies. FSC launched Verified Impact and highlighted success stories through its Forests of Impacts initiative. In Viet Nam, FSC supported an innovative community-managed carbon project – the first of its kind in the Asia Pacific region.

Greening the events industry: FSC partnered with **ReThink HK** to introduce FSC-certified materials at one of the region's <u>top sustainability events</u>. The forum also enabled key EUDR dialogues with retailers, reinforcing FSC's role in supporting deforestation-free supply chains.



FSC STORY

FSC-CERTIFIED PIRELLI TYRES DEBUT AT F1 AND CYCLING WORLD CHAMPIONSHIP IN FRANCE

In 2024, Pirelli's complete range of FSC-certified tyres rolled out at the FIA Formula One World Championship™ for the first time. All tyres used in the Championship bore the FSC logo for the entire season, and will do so until at least 2027, certifying that the natural rubber within the tyre complies with FSC's strict standards for sustainable forestry.

FSC-certified tyres were introduced in 2021 when Pirelli made a breakthrough by producing the world's first Pirelli P ZERO tyre using FSC-certified natural rubber. Beyond F1, Pirelli announced two other significant milestones in the summer of 2024: the first FSC-certified cycling tyre, which debuted at the 2024

<u>Tour de France</u>, and a formal commitment to using <u>100% FSC-certified natural rubber</u> in all its European factories by 2026.

Sourcing rubber from FSC-certified smallholders means meeting the world's most credible standards for sustainable forestry, protecting forest ecosystems, preventing deforestation, upholding the rights of forest communities, and ensuring that workers earn fair wages. Pirelli's FSC-certified tyres illustrate that sustainability and performance can – and successfully do – coexist, bringing into sharp focus a tested, market-ready solution.

ACCELERATING THE MARKET UPTAKE OF FSC-CERTIFIED PRODUCTS AND ECOSYSTEM SERVICES

In 2024, FSC exceeded its goal to enhance the online presence of FSC-certified products, with nearly 200,000 listings. FSC launched the pilot phase of one sustainability programme in late 2024 – an online "green" market that highlights a selective list of products with FSC certification as one of the criteria. A further four potential partners are committed to launch sustainability programmes in 2025.

As a participant in Amazon's Climate Pledge Friendly programme (CPF), where over 100 million customers have switched to sustainable choices since 2021, FSC contributes approximately 20% of total CPF product listings. FSC is the only certification system on the CPF that is focused exclusively on forest products.

The **Shopper Solution** is a verified product digital ID solution for certified products to empower consumers to make sustainable product choices and quantify positive impacts of FSC-certified companies. In 2024, FSC piloted this solution with four large retailers. Impact analysis on business models, customer segmentation, costs analysis, and digital ID pilot feedback confirmed the positive impacts of the solution and FSC certification/licences.

To measure **impact and performance**, FSC continued to showcase the value of certification through an updated impacts dashboard.







SCALING UP BENEFITS FOR INDIGENOUS PEOPLES, COMMUNITIES, SMALLHOLDERS, AND WORKERS

In 2024, the Community and Family Forests

Programme led over 30 initiatives across Africa, Asia Pacific, Europe, and Latin America, empowering 977 participants with relevant knowledge and skills for FSC solutions. FSC has already witnessed tangible results on the ground, with 221,494 hectares now certified by FSC. Discussions on how to scale up the implementation of community and family forest solutions and tools on the ground are advancing, including network partners and like-minded organizations.

The implementation of two certification solutions developed by the community and family forest programme (the Continuous Improvement Procedure and the Asia Pacific simplified regional standard) resulted in a gain of close to 250 million hectares in approximately one year. The results show that sharing expertise and developing local capacity enables long-lasting positive effects on forest management growth. These comprehensive tools support community and family forests to comply with EUDR regulations through certification.

FSC developed the **Diversity and Gender Action Plan** and initiated its implementation. North America, East Africa, and Latin America were selected as priority regions and key initiatives were identified to establish pathways for achieving equity and benefit sharing

as part of forest stewardship. The FSC Indigenous Foundation provided training for over 500 Indigenous women in advocacy and capacity development in Panama, Guatemala, and Honduras, enhancing their leadership, organizational management, and negotiation skills. Over 970 Indigenous women in Kenya benefited from economic self-development capacity-building activities in the train-the-trainers methodology.

In alignment with the FSC Strategic Framework on Diversity and Gender (2022–26), FSC launched a three-year initiative to implement the Framework in North America in collaboration with the FSC North American Council. The Council's members include eight major companies, a labour union, a certificate body, a forestry student representative, and an Indigenous Peoples' representative.

FSC made significant progress in rolling out the FSC core labour requirements in chain of custody by creating a technical working group and activating a process to embed the requirements of two related motions from the 2022 General Assembly. FSC also organized several calibration workshops with certificate bodies to help them and their auditors to be better positioned to evaluate FSC's core labour requirements.

SPOTLIGHT LATIN ANGER

FSC Latin America continues to prove that protecting forests, generating social value, and tackling the climate crisis are not only possible, but essential. Through concrete, scalable solutions, the region has made significant progress across four strategic areas:

A forest model that protects nature and communities:
As of 2024, nearly 18.5 million hectares are certified under FSC standards in Latin America. This ensures responsible forest management that conserves biodiversity, sustains ecosystem functions, and safeguards the rights and livelihoods of local communities.

A robust, contextualized regulatory framework:
The region has developed 17 Forest Management Standards across 16 countries, delivering context-sensitive solutions and strengthening local implementation. Two National Risk Assessments are also set for update in 2025, reflecting FSC's commitment to technical excellence and global alignment.

Growth in responsible supply chains: Since 2023, Chain of Custody certifications have grown by 8%, reaching 2,386 organizations. This rise signals a growing market demand for traceable, responsibly sourced materials, especially in consumer goods sectors such as food, beauty, and household products.

Ecosystem services with scientific validation: Over **250,000 hectares** have been verified for measurable contributions to climate regulation, water conservation, biodiversity, soil protection, and recreation – demonstrating FSC's capacity to link forest stewardship with scientific evidence.

In parallel, **social inclusion is accelerating.** In 2024, the region surpassed **150,000 hectares certified under FSC's Continuous Improvement Procedure** – a key pathway for smallholders, small and low-intensity forest managers, and community forests, making FSC more accessible and inclusive.





to advance FSC's 2050 vision: resilient forests sustain life on Earth. It is now more important than ever to partner and collaborate with multisector stakeholders, and FSC plays the crucial role as a convener to scale up impactful solutions.

BUILDING ALLIANCES, COALITIONS, AND PARTNERSHIPS

In 2024, FSC expanded its global influence through strategic partnerships, policy engagement, and forestry investment. FSC joined initiatives such as the <u>SafeNet project</u>, <u>Nature4Climate</u>, and co-founded the Risk Information Alliance to support EUDR compliance. Strengthened partnership with Esri enabled advanced geospatial monitoring, boosting transparency and trust in FSC-certified products. FSC deepened youth engagement through collaboration with the <u>International Forestry Students' Association</u> and launched a university pilot in Africa, including an internship programme hosted by Senghor University that connected students with FSC certificate holders in West Africa and the Congo Basin. Additionally, FSC's work with the International Union for Conservation of Nature IUCN World Commission on Protected Areas aligned FSC with global conservation priorities, reinforcing its credibility and expanding its presence in key environmental networks.

FSC engaged with major partners, stakeholders, and influencers to demonstrate FSC's value proposition to

international organizations in **global forest agendas**. FSC participated in two out of the three <u>Conference of Parties</u> that took place in 2024 – the Convention on Biological Diversity (COP 16) in Cali, Colombia and the United Nations Framework Convention on Climate Change (COP 29) in Baku, Azerbaijan – showcasing the positive impact of FSC solutions on climate and biodiversity outcomes in FSC-certified forests. FSC also continued to participate in initiatives such as the African Forest Landscape Restoration Initiative and the UN One Planet network.

To promote responsible forest management for the supply of forest material, FSC is focusing on **regional** and global trade. Inspired by our successful offline workshop on FSC certification opportunities and two follow-up online sessions, a targeted company in Gabon successfully became FSC chain of custody certified, marking a milestone in the management of Chinese overseas investors in Africa. Moreover, FSC extended its reach to Cameroon, with the results of research guiding its engagement in this new market.



FSC STORY

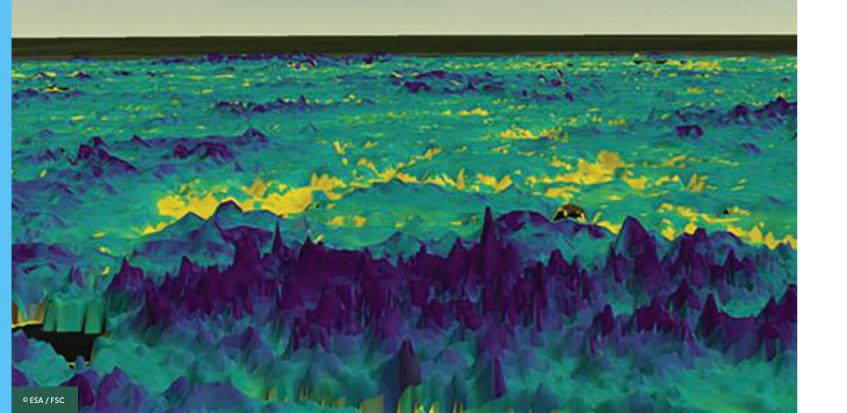
HARNESSING SPACE FOR SUSTAINABLE FORESTRY

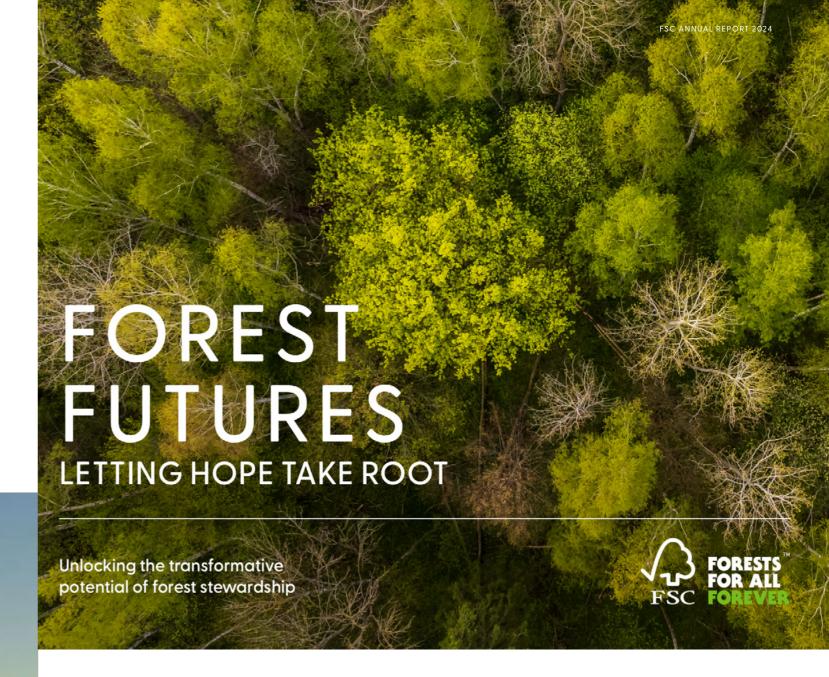
FSC partnered with the European Space Agency to strengthen efforts on space-based applications addressing forestry-related challenges. Alongside private, public, and nonprofit industry leaders, FSC joined its new Bioeconomy Task Force, which includes a working group on sustainable forestry.

Space-based technology offers exciting opportunities for the future of sustainable forestry. These tools can support forest managers in monitoring their environmental impact, making informed decisions, communicating their sustainability efforts to stakeholders, and more effectively participating in

certification that benefit both people and forests. This technology can even help quantify a forest's ecosystem services, allowing forest managers to participate in the growing carbon and ecosystem services market through programmes such as FSC's Verified Impact.

FSC remains committed to enhancing the transparency, accessibility, and applications of space-based technology. The partnership with the European Space Agency is charting a new frontier where space and sustainable forestry grow hand in hand to protect our planet.





FSC STORY

ENVISIONING FORESTS OF THE FUTURE

In 2024 FSC launched a flagship publication Forest Futures that looks into the state of forests and the transformative potential of forest stewardship. Forest Futures provides an in-depth analysis of today's forests, addressing critical issues such as biodiversity loss, the role of forests in supporting livelihoods, and the urgent need to address the climate crisis.

FSC collaborated with <u>Reos Partners</u> and gathered input from over 200 stakeholders to identify four key drivers influencing forest management, conservation, and sustainable use: (1) forests & planet, (2) people, (3) economy & markets, and (4) governance. These

trajectories, developed through an innovative modelling exercise, demonstrate the profound impact that different levels of commitment to forest stewardship can have on our planet.

Forest Futures calls for transformative change, offering a tangible strategy to achieve environmental targets.

Evidence continues to grow and is used to support network partners in their government positioning.

Read the full publication here.



LEVERAGING SUSTAINABLE FINANCE AND INVESTMENT

In 2024, FSC focused on connecting with financial institutions to raise awareness about how FSC-certified forests can be a strong and trustworthy option for sustainable investment. The goal is to help bring investment into responsible forestry by demonstrating that FSC can effectively manage environmental and social risks while delivering tangible impact. At the same time, FSC began developing a sustainable finance business strategy to provide clearer guidance for this work.

That strategy is now being fully implemented in 2025. It includes working on new approaches and partnerships that make it easier for investors to support FSC-certified forests, including projects with smallholders and Indigenous communities. Through this, FSC aims to help unlock more funding for forests that are managed in a way that protects nature and supports local people.

FSC STORY

© FSC / Asia Pacific

TAIWAN ACHIEVES 100% FSC CERTIFICATION FOR FORESTS OWNED BY LOCAL AUTHORITIES

After five years of effort, Taiwan achieved a significant milestone in the Asia Pacific region in 2024 – all forests owned by local authorities are now FSC-certified. The certification covers nearly 1.6 million hectares, representing more than 70% of Taiwan's total forest area and the highest certification rate in the region.

By sustainably managing domestic plantations, Taiwan aims to increase self-sufficiency, reduce energy consumption, and cut carbon emissions from long-distance timber transportation. A strategic partnership between local authorities and Indigenous communities has elevated forest protection efforts. Indigenous Peoples gain job opportunities to enhance forest ecosystem services while local authorities benefit from a stable workforce and invaluable Indigenous knowledge to manage the precious forest environment.

Certification marks a starting point. Local authorities are now working to measure and share the tangible benefits of FSC-certified forests with broader communities.



SPOTLIGHT EUROPE

Europe is home to a diverse range of forest types, including temperate, boreal, and Mediterranean forests, which collectively account for 25% of the world's forest cover. These forests play a critical role in Europe's economy, ecology, and climate resilience, contributing to biodiversity conservation, carbon sequestration, and the livelihoods of millions.

FSC strengthened resources and capacity in Europe in 2024. The team grew from 123 in 2023 to 150 by end of 2024 (90% employed by network partners). The new financial model has increased investment by \$1.5M, reaching \$5.4M in 2024.

Certification in the region

As of 2024, **59,068,528** hectares of forests were certified across Europe, with **4,184,963** hectares certified under the community and family forest programme. Forest management certification grew primarily in Poland, Türkiye, Spain, Portugal, and the Baltic countries. The region holds 550 forest management certificates, 23,502 Chain of Custody certificates, 156 smallholders, low-intensity forest operations certificates, and 14 community certificates.

Expansion in Türkiye, Romania, and Bulgaria

In May 2024, FSC started its operations in Türkiye by appointing a national representative, allowing direct engagement with stakeholders such as members, certificate holders, and the state forest directorate. Türkiye is the second-largest country in Europe in certified forest management area and has almost 1,000 Chain of Custody certificates. During this year, development of the Interim Forest Stewardship Standard and the Risk Assessment for Türkiye began with consultations making sure that local voices are included and considered. Meanwhile, Bulgaria submitted its application to the FSC International Board to become a FSC network partner, after stakeholder progress since 2014. In addition, 20 years after FSC certification of the first forest management unit in Romania, the country now has national representation by FSC International.

Engagement in the construction sector

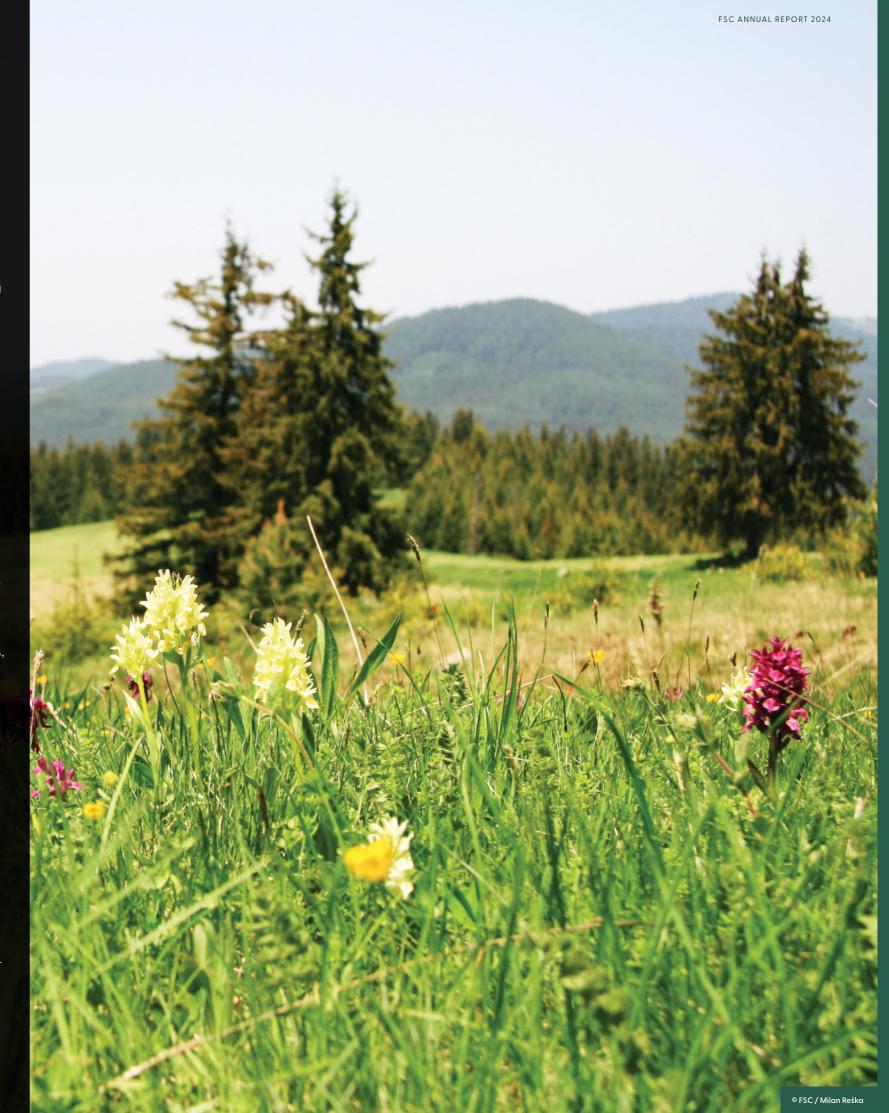
The construction coalition in Europe entered a new

phase in 2024, shifting from general awarenessraising to targeted, action-oriented engagement. This transition reflects a growing focus on addressing concrete implementation challenges, strengthen FSC's position across influential platforms, and convert stakeholder interest into measurable impact. For example, over 3500 people registered for the Massive Open Online Course (MOOC) on 'Building sustainably with timber' developed as part of LIFE EU project by FSC Netherlands in collaboration with academic partners. On the ground, the City of Amsterdam built a <u>boulevard</u> using FSC-certified wood, contributing to biodiversity protection of tropical forests, and a family-run building company from the Netherlands invested in the restoration of a degraded forest in eastern Uganda.

FSC facilitated discussions and presented a report on certified wood use for green recovery at ReBuild Ukraine in Warsaw showing that Ukraine's 500+ FSC-certified organizations provide a sustainable supply chain infrastructure needed for recovery aligned with New European Bauhaus principles. FSC Spain hosted one of REBUILD 2024's most attended sessions, with over 25,000 participants. Andrew Waugh, an architect renowned for his pioneering work in sustainable architecture, advocated for wood as a sustainable alternative to concrete, and promoted a more activist approach to architecture in the fight against climate change.

EU policy and advocacy

In 2024, FSC took proactive steps to support companies in complying with the EUDR with the launch of tools and guidance, providing additional support to FSC certificate holders. As the European Union's legislative framework is evolving, with the Green Deal transitioning to a stronger focus on industrial competitiveness under the Clean Industrial Deal, FSC prioritized EU policies and working actively more with alliances that align with FSC's objectives of using markets to drive sustainable forestry, circular economy models, and forest-based solutions to climate mitigation and adaptation.



ACCELERATING AWARENESS OF THE VALUE OF FORESTS

To position forest stewardship as a vital solution for tackling social, climate, and biodiversity challenges, FSC is driving a **global communications narrative** with a holistic perspective. In 2024, three stories were produced in collaboration with Network Partners to demonstrate the impact of FSC solutions: The Journey of Tropical Wood (How Tropical Timber from the Congo Basin keeps Amsterdam Afloat), Nature's Rhythms: the Evolution of the Japanese Taiko and Strengthening Indigenous Communities in Peru. Two new FSC Basics videos were produced: FSC System and Verified Impact.

FSC was featured in several **media** outlets during 2024. Highlights include a <u>Thomson Reuters Foundation article</u> on the Haida people; an article from <u>El Pais</u> on Ogiek medicinal knowledge; several articles on the <u>Nature</u> study on the impact of FSC certification on large mammals; a <u>Euronews</u> commentary on the delay in the implementation of EUDR; a <u>Euronews</u> article on the journey of tropical wood; and a Wall Street Journal article on keeping sanctioned Russian timber out of the European Union.

SOCIAL MEDIA IN 2024



2.5M

people engaged with FSC's **Year in Review campaign**

+9.5%

ENGAGEMENT

2.5M

people engaged with the COP16 campaign

RATE

OVERALL YEARLY REACH







The <u>FSC Forest Week</u> campaign celebrated the work of our certificate holders and raised awareness of the value of forests and the importance of sustainable forest management.



+1400 ORGANIZATIONS



+60
COUNTRIES

PARTICIPATED IN FSC FOREST WEEK



158.56 MILLION

potential customers reached







65 090 social media







702 recorded unique authors







1392

posts published +18%





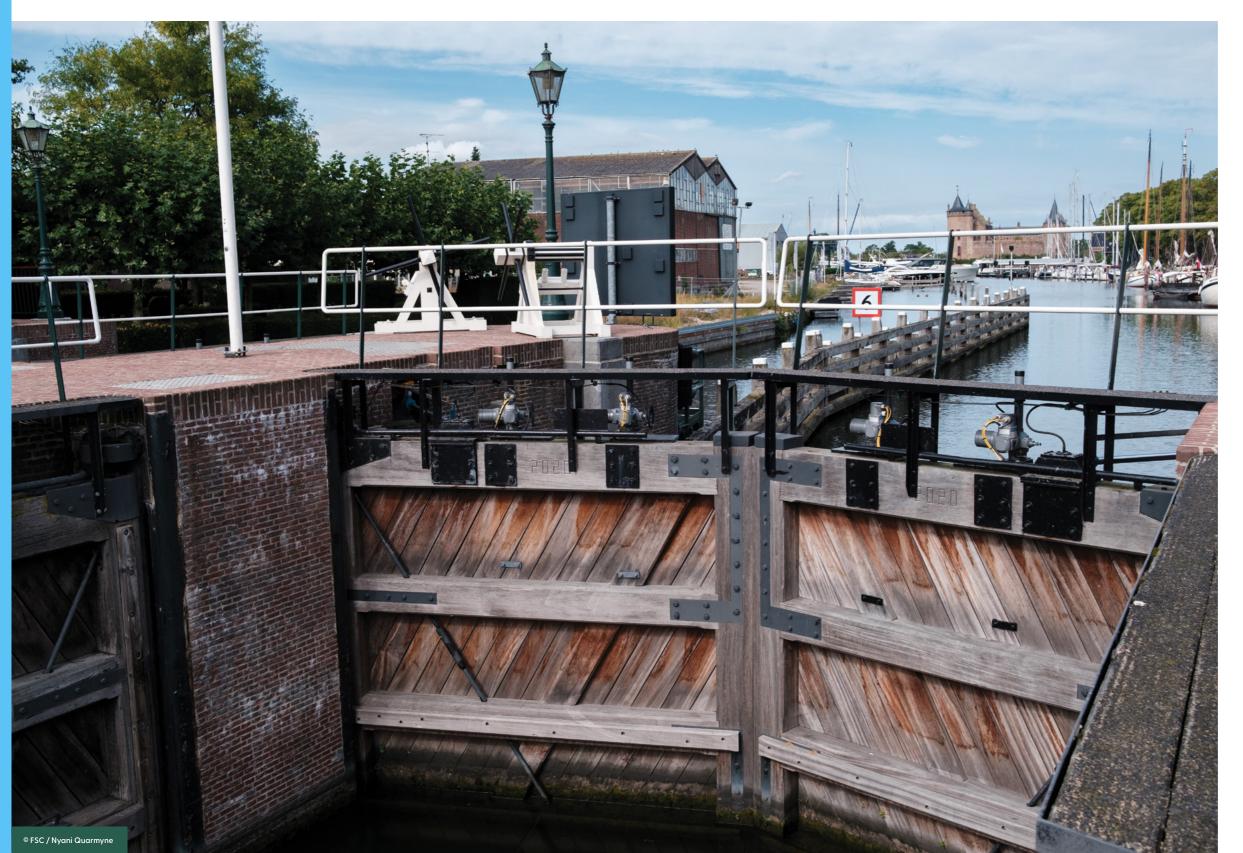




FSC ANNUAL REPORT 2024

FSC STORY

THE JOURNEY OF TROPICAL WOOD: HOW TROPICAL TIMBER FROM THE CONGO BASIN KEEPS AMSTERDAM AFLOAT



As an old Dutch saying goes, God created the world, but the Dutch created the Netherlands. Amsterdam, a city celebrated for its intricate network of canals, has always battled with the waters that shape and endanger its identity. Born two metres below the sea level, the city of canals is vulnerable to the rising tides of the North Sea. Faced with a unique challenge, the Dutch have crafted an innovative solution to keep their city afloat: managing the water levels through a system of lock gates.

These lock gates are made of tropical wood from the Congo Basin rainforest, crossing the Atlantic and the North Sea before reaching the port of Amsterdam. From here, the wood travels to specialized workshops producing durable and water-resistant lock gates.

You may ask yourself what happens to the rainforests where this wood originates from. The Congo Basin is the second-largest rainforest on Earth, following the Amazon. However, it faces constant threats, such as land conversion for agriculture, livestock, and infrastructures. Losing this green lung is not an option as it would have fatal consequences for the rainfall in the Sahel and North Africa, leading to millions of climate migrants.

Granting the forest with economic value, making it as valuable as cultivated land and a local source of income, incentivizes its preservation. The ultimate key lies in responsible forest management, which looks after the Congo Basin forest, its local communities, and the faraway city of Amsterdam for years to come. Therefore, Amsterdam and cities choosing FSC-certified wood for construction of lock gates, bridges, and canal sides play a role in the Congo Basin rainforest's conservation.

Follow the journey here.

NORTH AMERICA

Forests are critical to North America's environmental, cultural, and economic well-being. They support biodiversity, mitigate climate change, provide essential ecosystem services, and sustain livelihoods across rural and Indigenous communities.

In 2024, more than 150 stakeholders gathered at the FSC North American Conference in Nashville to reflect on FSC's 30-year legacy and shape its future. The event focused on advancing sustainability, upholding Indigenous Peoples' rights, and strengthening alignment between regional and global strategies.

Strengthening certification and forest impact in Canada

Expanded access for small enterprises:
FSC Canada updated its eligibility criteria
for Group Chain of Custody certification,
making it easier for small and medium-sized
enterprises to gain FSC certification and
contribute to sustainable forestry.

Education on landscape protection: A new five-part video series was launched to raise awareness on the importance of large landscapes, such as Intact Forest Landscapes and Indigenous Cultural Landscapes. This initiative supports revisions to Canada's National Forest Stewardship Standard, emphasizing landscape-level conservation.

Verified Impact projects launched: In collaboration with Environment and Climate Change Canada, FSC Canada initiated

two Verified Impact projects. These aim to assess how FSC-certified forests enhance biodiversity, climate resilience, and conservation finance. Pilot programmes will integrate fire and carbon management, conservation practices, and traditional ecological knowledge to help meet national conservation targets.

Initiating greater outreach across the United States

Sarah Billig named new FSC US president: Billig entered the role with years of experience working on and managing lands within the FSC system, providing her with a unique perspective on the opportunities and challenges FSC US is facing as we work towards our strategic goals.

Efforts to re-engage with stakeholders:
FSC US initiated on the ground outreach through regional stakeholder meetings in the Pacific Northwest, Mountain States and the Southeast to re-engage and better serve stakeholders throughout the United States. These efforts were bolstered through a series of new hires in 2024 designed to sustain a heightened level of service.

Initiating of greater outreach through key communications events: FSC US raised the organization's profile amongst key audiences through presentation and speaking engagements at Climate Week NYC, Sustainable Brands Conference, and Society of American Foresters.



FOREST STEWARDSHIP COUNCIL, A.C. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2024	2023
		US \$'000	US \$'000
REVENUE	10		
Annual administration fees		69,870	62,029
Donations		49	170
ASI generated income		8,391	7,578
Commercial services		1,559	872
Memberships and fees		290	232
Other		816	449
Total Revenue		80,975	71,330

EXPENSES			
Staff salaries		18,272	13,944
Staff benefits		4,164	3,333
Staff recruitment and relocation		636	660
Total staff costs		23,072	17,937
Travel staff		928	630
Travel non-staff		2,135	1,802
Total travel costs		3,063	2,432
Fee principle cooperation and licence agreements		9,614	9.614
Externals		5,254	3,578
Consultants		19,215	12,638
Fee service agreements NO		101	75
Legal and consulting costs		934	1,366
IT & communication		3,077	2,145
External office cost services		1,598	1,652
Stipends		10	19
Costs meetings		1,672	1,534
Total third party costs		45,430	32,621
Rent		152	156
Basic costs		1,100	1,279
Office costs NO		273	245
Financial costs		640	612
Total back office costs		2,165	2,292
Total costs		73,730	55,282
Net exchange rate gains	11	114	21
EBITDA		7,359	16,069

FOREST STEWARDSHIP COUNCIL, A.C. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Note	2024	2023
		US \$'000	US \$'000
EBITDA		7,359	16,069
Amortization and depreciation and loss from disposal of non-current assets	12	-312	-234
Amortization right-of-use assets	12	-459	-403
EBIT		6,588	15,432
Tax Expense	13	-5,654	-5,480
Interest income		864	635
Interest expense on lease liabilities	2	-32	-43
Financial result		832	592
Profit for the period		1,766	10,544
Other comprehensive income			
Exchange rate losses/gains arising on translation		-113	48
Total comprehensive income	14	1,653	10,592



Special thanks to our donors, who made our 2024 achievements possible:

Alberta-Pacific Forest Industries Inc.

Amazon's Climate Pledge Friendly program

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