



**SASB
STANDARDS**

Now part of IFRS Foundation

Forestry Management

Sustainability Accounting Standard

RENEWABLE RESOURCES & ALTERNATIVE ENERGY SECTOR

Sustainable Industry Classification System® (SICS®) RR-FM

Under Stewardship of the International Sustainability Standards Board

INDUSTRY STANDARD | VERSION 2023-12



sasb.org

ABOUT THE SASB STANDARDS

As of August 2022, the International Sustainability Standards Board (ISSB) of the IFRS Foundation assumed responsibility for the SASB Standards. The ISSB has committed to maintain, enhance and evolve the SASB Standards and encourages preparers and investors to continue to use the SASB Standards.

IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1) requires entities to refer to and consider the applicability of disclosure topics in the SASB Standards when identifying sustainability-related risks and opportunities that could reasonably be expected to affect an entity's prospects. Similarly, IFRS S1 requires entities to refer to and consider the applicability of metrics in the SASB Standards when determining what information to disclose regarding sustainability-related risks and opportunities.

In June 2023, the ISSB amended climate-related topics and metrics in the SASB Standards to align them with the industry-based guidance accompanying IFRS S2 *Climate-related Disclosures*. In December 2023, the ISSB amended the non-climate-related topics and metrics in connection with the International Applicability of SASB Standards project.

Effective Date

This version 2023-12 of the Standard is effective for all entities for annual periods beginning or after January 1, 2025. Early adoption is permitted for all entities.

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INTRODUCTION

Overview of SASB Standards

The SASB Standards are a set of 77 industry-specific sustainability accounting standards (“SASB Standards” or “Industry Standards”), categorised pursuant to the [Sustainable Industry Classification System® \(SICS®\)](#).

SASB Standards include:

1. **Industry descriptions** – which are intended to help entities identify applicable industry guidance by describing the business models, associated activities and other common features that characterise participation in the industry.
2. **Disclosure topics** – which describe specific sustainability-related risks or opportunities associated with the activities conducted by entities within a particular industry.
3. **Metrics** – which accompany disclosure topics and are designed to, either individually or as part of a set, provide useful information regarding an entity’s performance for a specific disclosure topic.
4. **Technical protocols** – which provide guidance on definitions, scope, implementation and presentation of associated metrics.
5. **Activity metrics** – which quantify the scale of specific activities or operations by an entity and are intended for use in conjunction with the metrics referred to in point 3 to normalise data and facilitate comparison.

Entities using the SASB Standards as part of their implementation of ISSB Standards should consider the relevant ISSB application guidance.

For entities using the SASB Standards independently from ISSB Standards, the [SASB Standards Application Guidance](#) establishes guidance applicable to the use of all Industry Standards and is considered part of the Standards. Unless otherwise specified in the technical protocols contained in the Industry Standards, the guidance in the SASB Standards Application Guidance applies to the definitions, scope, implementation, compilation and presentation of the metrics in the Industry Standards.

Historically, the [SASB Conceptual Framework](#) set out the basic concepts, principles, definitions and objectives that guided the SASB Standards Board in its approach to setting standards for sustainability accounting.

Use of the Standards

SASB Standards are intended to aid entities in disclosing information about sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. An entity determines which Industry Standard(s) and which disclosure topics are relevant to its business, and which associated metrics to report. In general, an entity should use the SASB Standard specific to its primary industry as identified in [SICS[®]](#). However, companies with substantial business in multiple SICS[®] industries should refer to and consider the applicability of the disclosure topics and associated metrics in additional SASB Standards.

The disclosure topics and associated metrics contained in this Standard have been identified as those that are likely to be useful to investors. However, the responsibility for making materiality judgements and determinations rests with the reporting entity.

Industry Description

Forestry Management industry entities own or manage natural and planted forestry lands and timber tracts or operate non-retail tree nurseries and rubber plantations. The industry conducts operations on lands that can be entity-owned or leased from public or private landowners. Entities typically sell timber to wood products manufacturers, pulp and paper producers, energy producers, and a variety of other customers. Although some integrated entities also may operate sawmills, wood products facilities, or pulp and paper facilities, sustainability issues arising from these activities are addressed in the Building Products & Furnishings (CG-BP) and Pulp & Paper Products (RR-PP) industries.

SUSTAINABILITY DISCLOSURE TOPICS & METRICS

Table 1. Sustainability Disclosure Topics & Metrics

TOPIC	METRIC	CATEGORY	UNIT OF MEASURE	CODE
Ecosystem Services & Impacts	Area of forestland certified to a third-party forest management standard, percentage certified to each standard ¹	Quantitative	Hectares (ha), Percentage (%)	RR-FM-160a.1
	Area of forestland with protected conservation status	Quantitative	Hectares (ha)	RR-FM-160a.2
	Area of forestland in endangered species habitat	Quantitative	Hectares (ha)	RR-FM-160a.3
	Description of approach to optimising opportunities from ecosystem services provided by forestlands	Discussion and Analysis	n/a	RR-FM-160a.4
Rights of Indigenous Peoples	Area of forestland in indigenous land	Quantitative	Hectares (ha)	RR-FM-210a.1
	Description of engagement processes and due diligence practices with respect to human rights, indigenous rights, and the local community	Discussion and Analysis	n/a	RR-FM-210a.2
Climate Change Adaptation	Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change	Discussion and Analysis	n/a	RR-FM-450a.1

Table 2. Activity Metrics

ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE
Area of forestland owned, leased, or managed by the entity	Quantitative	Hectares (ha)	RR-FM-000.A
Aggregate standing timber inventory ²	Quantitative	Cubic metres (m ³)	RR-FM-000.B
Timber harvest volume ³	Quantitative	Cubic metres (m ³)	RR-FM-000.C

¹ Note to **RR-FM-160a.1** – The entity shall describe forestry management practices for non-certified forestlands, and for any forest management certifications that were suspended or terminated, the entity shall disclose the number, associated area of forestland, and stated reason for suspension or termination.

² Note to **RR-FM-000.B** – The entity additionally may note if it uses other units of measure to define its standing timber inventory, and it shall disclose any conversion factors used.

³ Note to **RR-FM-000.C** – The entity additionally may note if it uses other units of measure to define its timber harvest volume, and it shall disclose any conversion factors used.

Ecosystem Services & Impacts

Topic Summary

Along with their timber output, forests provide valuable ecosystem services including carbon sequestration, wildlife habitat, water purification and storage, soil formation, and recreational opportunities. Meanwhile, in many regions, regulations related to water quality and endangered species protection, as well as harvesting rights that are contingent upon environmental preservation, may create operational risks for entities. As such, protecting or enhancing ecosystem services within managed forestlands could mitigate reputational, demand and operational risks related to the potential adverse environmental impacts of forestry. Entities increasingly use third-party certification to show sustainable forestry management practices that serve to enhance forest asset value and productivity, as well as to meet rising consumer demand for sustainably produced forest products.

Metrics

RR-FM-160a.1. Area of forestland certified to a third-party forest management standard, percentage certified to each standard

- 1 The entity shall disclose its total forestland area, in hectares, certified to a third-party forest management standard, where:
 - 1.1 The scope includes forestlands owned, leased or managed by the entity.
 - 1.2 Third-party forest management standards certify entities harvest forests in a sustainable manner based on environmental and social criteria including legal compliance, land rights, community and worker relations, environmental impact and biodiversity, forest management plans and practices, land use, wildlife habitat conservation, and water conservation, among others.
 - 1.3 Third-party forest management certifications may include those promoted by the following organisations (or the equivalent):
 - 1.3.1 American Tree Farm System (ATFS)
 - 1.3.2 Forest Stewardship Council (FSC)
 - 1.3.3 Programme for the Endorsement of Forest Certification (PEFC)
 - 1.3.4 Forest certification systems endorsed by the PEFC
 - 1.3.5 Sustainable Forest Initiative (SFI)
- 2 If a forestland area is certified to more than one certification standard, the entity shall not account for the land more than once when calculating the total forestland area certified to a third-party forest management standard.

- 3 The entity shall disclose the percentage of the total certified forestland certified to each forest management standard (for example, FSC, SFI, PEFC and ATFS) and show the associated certification(s) (for example, FSC Forest Management Certification, SFI Forest Management Standard, PEFC Sustainable Forest Management certification or ATFS Individual Third-Party certification).
 - 3.1 The entity shall calculate the percentage of forestland certified to each forest management standard as the number of hectares third-party certified to the respective standard divided by the total number of certified hectares owned, leased or managed by the entity.
- 4 The entity shall disclose the percentage of hectares certified to more than one certification scheme.

Note to **RR-FM-160a.1**

- 1 The entity shall provide a brief description of its forestry management practices implemented for non-certified forestlands owned, leased or managed by the entity.
- 2 The entity may discuss:
 - 2.1 The topics and criteria addressed by the practices(s), such as: forest productivity and health, protection from ecological and biodiversity impacts, protection of water resources, noise impacts, discharges to water, protection of special sites, plantation farming, harvesting techniques, use of monocultures, use of genetically modified organisms (GMOs), chemical usage, community involvement, indigenous communities, and aesthetics and recreation, among others
 - 2.2 How the entity enforces the sustainable forestry management plans in its non-certified forestlands, including the type and frequency of inspections
 - 2.3 The underlying references for its forestry management plan(s) for non-certified forestlands, including the degree to which its forest management practices are aligned with criteria outlined in third-party sustainable forestry management standards and ASTM D7480, *Guide for Evaluating the Attributes of a Forest Management Plan*; whether these references are codes, guidelines, standards or regulations; and whether they were developed by the entity, an industry, organisation, a third-party organisation (for example, a non-governmental organisation), a governmental agency or some combination of these groups
- 3 If policies and practices to ensure sustainable forest management vary significantly by forestland, the entity shall describe variations for each non-certified forestland and disclose the percentage of hectares to which they were applied.
- 4 The entity shall disclose whether any forest management certifications were involuntarily suspended or terminated during the reporting period (for failure to meet the standard or resolve major non-conformities).
- 5 The entity shall disclose which certification(s) was suspended or terminated, the total area in hectares (ha) of land for which certification was suspended or terminated, the reason stated by the certification body or bodies for why the certification was suspended or terminated, and any other explanatory information about the suspension or termination.

- 6 The entity may discuss any relevant corrective actions taken in response to a certification being suspended or terminated.

RR-FM-160a.2. Area of forestland with protected conservation status

- 1 The entity shall disclose the area in hectares (ha) of owned, leased or managed forestland that has protected conservation status, where an area is considered to have protected conservation status if it is located within:
 - 1.1 Areas legally designated as protected by government regulation, including national parks, national wildlife refuge sites, wilderness areas, state forests, state parks and areas under conservation easement, as well as sites categorised as such by NatureServe and State Natural Resource Agencies, and agencies associated with the network of Natural Heritage or Conservation Data Centres, or Natura 2000 sites.
 - 1.1.1 These sites may be listed in the World Database of Protected Areas (WDPA) and mapped on ProtectedPlanet.net.
- 2 The scope includes areas of conservation status actively managed by or for the entity and excludes areas of conservation status exclusively set aside for conservation and not actively managed.
 - 2.1 The scope includes areas of conservation status that are government-owned and managed by the entity.
- 3 The entity may disclose the percentage of the area of forestland with protected conservation status certified to a third-party forest management standard.
- 4 The entity may discuss the likelihood of a change to the area of its owned, leased or managed forestland that is considered to have protected conservation status.
- 5 The entity may separately identify forestland areas with additional ecological, biodiversity or conservation designations, such as those listed by the A–Z Guide of Areas of Biodiversity Importance prepared by the United Nations Environment Programme’s World Conservation Monitoring Centre (UNEP-WCMC).

RR-FM-160a.3. Area of forestland in endangered species habitat

- 1 The entity shall disclose the area in hectares (ha) of owned, leased or managed forestland located in endangered species habitat.
- 2 Forestlands are considered to be an endangered species habitat if a species that is classified by applicable jurisdictional laws or regulations as endangered or threatened inhabits the entity’s forestlands.
- 3 The scope of disclosure includes forestlands owned, leased or managed by the entity.
- 4 An endangered species is defined as any species that is in danger of extinction throughout all or a significant portion of its range of habitat.
- 5 A threatened species is defined as any species that is likely to become an endangered species within the foreseeable future throughout all or a significant portion of its range.

- 6 Endangered species habitats include critical habitat areas where the entity owns, leases or manages forestlands officially designated by applicable jurisdictional laws or regulations providing endangered species lists in the regions where the entity owns, leases or manages forestlands.
- 7 The entity may disclose the types of endangered or threatened species in its forestlands.
- 8 The entity shall disclose whether any overlap exists between the areas identified in RR-FM-160a.2 and RR-FM-160a.3.
- 9 The entity may provide discussion around forestlands located in endangered species habitats, but which present low risk to biodiversity or ecosystem services.
- 10 The entity may discuss the likelihood of a change to the area of its owned, leased or managed forestland considered to be an endangered species habitat.

10.1 Discussion may include:

10.1.1 Whether an endangered or threatened species habitat lies near, but not currently in, the entity's forestlands, and whether the habitat(s) could overlap with the entity's forestlands

10.1.2 Whether species in or near the entity's forestlands are classified as endangered or threatened in non-government regulatory lists, but not currently by government regulatory lists, and whether these species may be classified as endangered or threatened by a regulatory endangered species list

10.1.3 Whether the current endangered or threatened species habitat in the entity's forestlands is expected to change or expand in the future

10.2 The entity may disclose the likelihood of these changes occurring and the area of its forestlands that could be affected.

RR-FM-160a.4. Description of approach to optimising opportunities from ecosystem services provided by forestlands

- 1 The entity shall discuss how it optimises the opportunities created by the ecosystem services that its forestlands provide, where:
 - 1.1 Ecosystem services are defined by the Millennium Ecosystem Assessment as the benefits obtained from ecosystems, which include: provisioning services (goods or products obtained from ecosystems), such as food, fresh water, timber and fibre; regulating services (benefits obtained from an ecosystem's control of natural processes), such as climate, erosion and pollination; cultural services (nonmaterial benefits obtained from an ecosystem), such as recreational and spiritual benefits; and supporting services (services that maintain the other ecosystem services), such as nutrient cycling, primary production and water cycling.
 - 1.2 Opportunities from effective ecosystem services management may include higher land value, increased productivity and timber yield, direct payments for timber and non-timber forest products, and improved relationships with stakeholders.

- 2 For ecosystems services for which the entity receives no direct payments, the entity shall describe how it manages these ecosystem services. The discussion shall include:
 - 2.1 The type(s) of ecosystem service(s) the entity manages, where types of ecosystem services may include: air quality, soil stabilisation and erosion control, and cultural value
 - 2.2 The entity's management actions, including decisions about harvesting, management of conservation areas or areas of high biodiversity, or conserving forested watershed
- 3 For the ecosystem services for which the entity does receive direct payments, the entity may disclose the amount the entity receives for non-timber ecosystem goods and services and the type of compensation it receives, which may include:
 - 3.1 Public payments to landowners (from the government)
 - 3.2 Voluntary payments to landowners (from businesses, individuals and non-governmental organisations)
 - 3.3 Compliance-driven payments (payments made to comply with government regulations)
- 4 The entity may disclose whether the revenue received from these non-timber or timber ecosystem services may change in the future and the methods or models used to develop these scenarios, including the use of global models or scientific research provided by governmental and non-governmental organisations.
- 5 The entity may discuss how management of non-timber ecosystem services is expected to affect tree growth and timber yield.

Rights of Indigenous Peoples

Topic Summary

Forests contribute directly to the livelihoods of millions of people worldwide. Effective relations and engagement with local communities and indigenous populations are important to many forestry entities. Communities may be affected by forestry management operations because of environmental degradation or competition for natural resources such as land and water. Conflict with local communities, including indigenous populations, may affect an entity's ability to operate in some regions, result in regulatory action, and could affect brand value adversely. Conversely, entities may provide benefits to community stakeholders through employment opportunities, revenue sharing and increased commerce. Entities may adopt various community engagement strategies to manage the risks and opportunities associated with community rights and interests, such as maintaining positive relations with local stakeholders and accommodating communities' needs.

Metrics

RR-FM-210a.1. Area of forestland in indigenous land

- 1 The entity shall disclose the area in hectares (ha) of owned, leased or managed forestlands located in areas considered to be indigenous peoples' land.
- 2 Indigenous lands are defined as those occupied by people who self-identify as indigenous in accordance with Article 33 of the United Nations *Declaration on the Rights of Indigenous Peoples* and the International Labour Organisation Convention No. 169 and, based on the working definition of 'Indigenous Peoples' adopted by the United Nations, probably have one or more of the following characteristics, such as:
 - 2.1 historical continuity with pre-colonial or pre-settler societies;
 - 2.2 a strong link to territories and surrounding natural resources;
 - 2.3 distinct social, economic or political systems;
 - 2.4 distinct language, culture and beliefs;
 - 2.5 form non-dominant groups of society; and
 - 2.6 a resolve to maintain and reproduce ancestral environments and systems as distinct peoples and communities.
- 3 The entity may disclose if there are adjacent indigenous communities that may be impacted by the entity's operations or may pose a risk to the entity's logging operations.

RR-FM-210a.2. Description of engagement processes and due diligence practices with respect to human rights, indigenous rights, and the local community

- 1 Due diligence processes and practices the entity employs to ensure compliance may include: impact evaluations, assessment reports, monitoring and audits, processes to receive and respond to public inquiries, partnerships and agreements with indigenous peoples and local communities, community meetings and multi-stakeholder dialogues, or other industry-specific practices.
- 2 The entity shall describe its due diligence practices and procedures with respect to upholding the principles covered in human rights frameworks, such as the:
 - 2.1 International Labour Organisation (ILO) *Declaration on Fundamental Principles and Rights at Work* and the fundamental ILO conventions on freedom of association (No. 87), collective bargaining (No. 98), forced labour (No. 29 and No. 105), child labour (No. 138 and No. 182), fair wages (No. 100) and discrimination (No. 111);
 - 2.2 United Nations *Guiding Principles on Business and Human Rights*, specifically Human Rights Due Diligence (Principle 17a-c);
 - 2.3 United Nations *Declaration on the Rights of Indigenous Peoples*;
 - 2.4 Voluntary Principles on Security and Human Rights;
 - 2.5 FSC International Standard Principle 4: Community;
 - 2.6 SFI Forest Management Standard Objective 12: Community Involvement and Landowner Outreach; and
 - 2.7 PEFC International Forestry Management Standard Criterion 6: Maintenance of other socioeconomic functions and conditions.
- 3 The entity shall describe its due diligence practices and procedures with respect to indigenous rights of communities in which it operates or intends to operate, including:
 - 3.1 upholding ILO Convention No. 169;
 - 3.2 use of free, prior and informed consent (or consultation) processes;
 - 3.3 FSC International Standard Principle 3: Indigenous Rights; and
 - 3.4 SFI Forest Management Standard Objective 8: Recognise and Respect Indigenous Peoples' Rights.
- 4 The entity shall describe its processes and practices with respect to the communities in areas where it conducts business, including practices to protect principles, such as:
 - 4.1 economic rights and interests, including the right to employment opportunities, training, fair wages, payment transparency, and respect for infrastructure and agricultural land;
 - 4.2 environmental rights and interests, including the right to clean, local air and water, as well as safe discharge and disposal of waste;

- 4.3 social rights and interests, including the right to adequate health care, education and housing; and
 - 4.4 cultural rights and interests, including the right to protection of places of cultural significance (for example, sacred sites or burial sites).
- 5 The discussion shall include how practices apply to business partners, such as contractors, subcontractors, suppliers and joint arrangement partners.

Climate Change Adaptation

Topic Summary

Global climate change may create long-term business uncertainty for some forestry management entities. Variations in precipitation patterns and temperatures, more frequent extreme weather events and forest fires, and an increased prevalence of tree diseases and pests may impact timberlands adversely through increased mortality or diminished productivity. Conversely, positively impacting forest productivity, climate change also may facilitate forest productivity through increased atmospheric carbon dioxide, a longer growing season, moderating temperatures in high latitudes, greater precipitation, and expanded geographical ranges for some species. Considering such variability, entities may benefit from identifying and understanding potential long-term impacts of climate change on the productivity of forestlands and from adjusting forestry management strategies to optimise the productivity of their forestland assets.

Metrics

RR-FM-450a.1. Description of strategy to manage opportunities for and risks to forest management and timber production presented by climate change

- 1 The entity shall discuss the risks or opportunities presented by climate scenarios to owned, leased or managed forestlands, including, if relevant, those presented by:
 - 1.1 Physical impacts which may include increased temperatures, changes in growth rates, changes in seasonality, availability of water, pest migration, increased frequency of fires and increased frequency of extreme weather events
 - 1.2 Existing and potential legislation and regulation related to climate change, including those that limit emissions, tax emissions, set up cap-and-trade systems, affect the demand for the entity's products or otherwise affect the entity
 - 1.3 International accords relating to climate change
 - 1.4 Indirect consequences of regulation or business trends, including legal, technological or other developments related to climate change
 - 1.5 Other political and social risks, such as increased harvesting restrictions, or stakeholder perceptions or concerns (for example, those from local communities, non-governmental organisations and regulatory agencies)
- 2 For each of the risks or opportunities identified, the entity shall provide:
 - 2.1 A description of the risk or opportunity, including an explanation and qualitative assessment of current and anticipated (long- and short-term) significant risks or opportunities associated with climate change
 - 2.1.1 Disclosure corresponds to CDSB *Framework for reporting environmental and social information* (CDSB *Framework*) Requirement 03.

- 2.2 Strategic analysis of the long- and short-term impact climate change actually and potentially has on the entity's strategic objectives
 - 2.2.1 Disclosure corresponds to CDSB *Framework* Requirements 02, 05 and 06.
- 2.3 The potential effect (direct or indirect) the risk or opportunity may have on the entity's business, and the projected magnitude of the effect
 - 2.3.1 Where the entity has quantified the potential financial effects of the risk or opportunity (disclosure corresponds to CDSB *Framework* Requirements 03 and 06.)
- 2.4 The time frame in which the risk or opportunity is expected to manifest
 - 2.4.1 Disclosure corresponds to CDSB *Framework* Requirement 03.
- 2.5 The likelihood that the risk or opportunity will manifest
 - 2.5.1 Disclosure corresponds to CDP *Climate Change Questionnaire* CC5.1 and CC6.1.
- 3 The entity shall discuss how potential climate-related risks or opportunities may vary among the following, and how it prioritises the risks and opportunities identified (disclosure corresponds to CDP *Climate Change Questionnaire* CC2.1c):
 - 3.1 The regions where the entity owns, leases or manages forestlands
 - 3.2 The entity's products, services or markets
 - 3.3 The types of tree species harvested by the entity
 - 3.4 The entity's plantation forestlands and its natural forestlands
- 4 The entity shall provide a discussion of the scenarios used to determine the risks and opportunities presented by climate change, including:
 - 4.1 The methods or models used to develop these scenarios, including the use of global models or scientific research provided by governmental and non-governmental organisations (for example, the Intergovernmental Panel on Climate Change Climate Scenario Process)
- 5 The entity shall discuss its risk management procedures with respect to climate change risks and opportunities, including:
 - 5.1 How far into the future risks are considered
 - 5.2 The frequency of monitoring
 - 5.3 The entity's alleviation strategies, which may include: use of insurance; diversification of tree species; actions to strengthen the adaptive capacity of forestlands; strategies to reduce the risk and intensity of pest, disease and fire outbreaks; or plans to reduce risk and intensity of potential damage

- 5.4 The entity's adaptation strategies, which may include: improving ecosystem management and biodiversity; monitoring changes; developing tolerant tree varieties; and optimising the timing of planting and harvesting
- 5.5 The costs associated with these actions
- 5.6 Disclosure corresponds to CDP *Climate Change Questionnaire* CC2.1.



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