CONTENTS

Strategic Focus.................................................................8
Policy, Standards & Engagement .................................13
Strategic Partnerships & Events.....................................18
Growth and Insights...........................................................27
Appendix ........................................................................34

Forest Stewardship Council® (FSC®) licence code: FSC-F000201.
MESSAGE FROM THE CHAIR

Another year has flown by. I was somewhat daunted about taking on the position of Chairperson of the FSC board, but as my term nears its end I feel privileged to have had the opportunity. The convention of rotating the Chair around each of the three chambers is one that enables and empowers. It creates a mechanism for people who do not usually step forward to do so. It also shares the responsibilities and builds knowledge and institutional understanding among the directors.

In my experience on the Board, all years are challenging. There are always disagreements and issues that arise around FSC Standards, Principles and Criteria, Controlled Wood or some other policy. There are also the realities of being an Australian-based participant in an international certification scheme. Our Head Office sits on the other side of the world, meaning we must function across different time zones.

This last year, all those challenges and more have been ably navigated by our new CEO Sara Gipton, and we are pleased that she has accepted our offer of a two-year contract. Sara hit the ground running, although flying is probably more apt, as she was immediately initiated into multiple aspects of the FSC at the General Assembly of the membership in Vancouver, a regional meeting in Vietnam and a staff meeting in Bonn.

Attendance at a General Assembly helps members better understand the strange beast that is FSC. Members come from around the world, and the proceedings have simultaneous translations in English, Spanish and French. There are numerous side meetings and discussions to choose from, and then there are the dozens of motions which need to be forged into words that can achieve majority support from all three chambers.

Importantly, throughout this process is transparency and respect for each other. While many motions reached consensus, many others did not. As an organisation that brings together diverse and passionate views we are not always going to agree, but we must provide clear reasoning for our decisions and work to understand each other’s points of view. The strength of FSC is that it brings so many views to the table, and we are strongest when everyone participates.

In Australia, highlights across my term, in 2017 until May 2018, have included the finalisation of our Reconciliation Action Plan and the submission to FSC International of our National Forest Stewardship Standard. It has come back for a minor amount of tweaking and we hope to announce its completion soon. That will see a significant chapter in our story close and a new one, the implementation of our own standard begin.

In March 2018 we hosted Kim Carstensen, the FSC International Director-General. Kim and Sara Gipton had a whirlwind three day tour of meet and greet in New Zealand, before two days of the same in Australia. We were all impressed by Kim’s interest and unflagging energy and his enthusiasm for the FSC Project. We were pleased that he recognised some of the issues we have, grappling with internationally driven requirements and processes and the challenges of implementation across a continent where travel is expensive and the circumstances, like the forest eco-systems themselves, are quite different.

The essence of FSC is its stakeholder engagement and the unique conversation it generates between economic, social and environmental interests. As long as this continues to ensure a high standard of forest management FSC will have an important role in Australia’s forestry landscape.

Sincerely,

Susie Russell
FSC Australia Chair
DIRECTORS REPORT

Your directors present this report on the company for the financial year ended 31 December 2017.

Directors and meeting attendance

The board of directors met six times in 2017 as follows:

- 23 February 2017
- 6 April 2017
- 26 May 2017
- 20 July 2017
- 15 September 2017
- 2 November 2017

Out of session motions

- 30 Feb 2017
- 27 June 2017
- 30 August 2017

Office Bearers

- Chair
  - Pat Groenhout (until 26 May)
  - Susie Russell (26 May to Current)
- Deputy Chair
  - Susie Russell (Until 26 May)
  - Linda Fienberg (26 May to Current)

Proceedings on behalf of the company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

The name of each person who was a director during the calendar year 2017 and their meeting attendance is show below. Director’s details are shown in Appendix 1.

<table>
<thead>
<tr>
<th>Director</th>
<th>Meetings attended</th>
<th>Meetings eligible to attend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Susie Russell</td>
<td>6</td>
<td>6</td>
</tr>
<tr>
<td>Linda Fienberg</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Pat Groenhout</td>
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<td>6</td>
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<tr>
<td>Craig Dunn</td>
<td>3</td>
<td>4</td>
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<tr>
<td>Andrew Morgan</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Helen Murray</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Jacki Schirmer</td>
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<td>6</td>
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<tr>
<td>Sarah Rees</td>
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<td>6</td>
</tr>
<tr>
<td>Warrick Jordan</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Cheryl Speechley</td>
<td>2</td>
<td>2</td>
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<tr>
<td>Jonathan La Nauze</td>
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</tr>
</tbody>
</table>
FSC Australia is a National Office of FSC International. It ensures that the voice of Australian stakeholders is heard internationally through its membership in creating the standards and promoting the scheme.

Responsible Forest Management Australia Limited (RFMA) trades as FSC Australia (Victorian business name registration number B1937608F).

Operating since 2001, our mission is to promote environmentally appropriate, socially beneficial and economically viable management of forests in Australia and countries supplying the Australian forest products market.

- **2001**: FSC establishes a presence in Australia with the appointment of a contact person.
- **2006**: Responsible Forest Management Australia Limited was incorporated as a public company limited by guarantee (ABN 81 120 667 870) to promote FSC in Australia and seek accreditation as an FSC National Initiative.
- **2009**: FSC Australia’s Public Fund registered, allowing tax-deductible donations to be made.
- **2011**: FSC Australia changes from an FSC National Initiative to an FSC National Office.
- **2014**: FSC Australia given sub-regional membership, account management, marketing and trademark services to New Zealand on behalf of FSC International.
- **2016**: FSC Australia moves into the Framework Melbourne co-working space, to reduce overheads and improve collaboration and networking opportunities.
FSC Australia Governance

FSC has a unique governance structure that is built upon the principles of participation, democracy and equity. The governance structure of FSC Australia follows the standards set by FSC International, with members and directors split into three distinct chambers:

The Social Chamber
This chamber includes non-profit, non-governmental organisations, indigenous peoples’ associations, unions as well as research, academic, technical institutions and individuals that have a demonstrated commitment to socially beneficial forestry. This means that they support forest management and believe in delivering forest products to the market in a way that does not infringe on the rights of other stakeholders.

The Environmental Chamber
This chamber includes non-profit, non-governmental organisations, as well as research, academic, technical institutions and individuals that have an active interest in environmentally viable forest stewardship.

The Economic Chamber
This chamber includes organisations and individuals with a commercial interest. Examples are employees, certification bodies, industry and trade associations (whether profit or non-profit), wholesalers, retailers, traders, consumer associations, and consulting companies. Applicants with economic interests must have demonstrated active commitment to implementing FSC Principles and Criteria in their operations.
ABOUT FSC AUSTRALIA

OUR VISION
FSC is the trusted brand for ‘Healthy forests supporting healthy communities’

OUR ROLE
We bring together people with economic, social and environmental interests in forests to drive improvement and shift the global forest trend toward conservation, restoration and respect for all. We partner with our members, certificate holders and companies across the supply chain to promote FSC’s brand and value.

CONTEXT
FSC is a market-based eco-label that provides assurance that forest products are sourced in a way that balances environmental, social and economic needs.

FSC aims to improve on-ground forest management through encouraging purchase of certified products across the supply chain and driving improvement through consensus set forest practice standards.

FSC is a non-profit member organisation that through three equal chambers (social, economic and environment) develop standards that enable responsible forest practices to be measured. FSC Australia is a separate incorporated National Office of FSC International.
STRATEGIC FOCUS
# Strategic Focus for 2017

## Short term outcomes (2015 – 2016)

**Mission:**
To make FSC publicly visible and known

**Key Outcomes:**

1. **Standard:** National standard is complete & accredited internationally
2. **Stability:** Key 3 year funding agreements in place with sponsors and a dynamic & flexible organisation
3. **Business Model:** Provide commercial advice & training on the FSC system to help diversify income streams
4. **Engagement:** Stakeholders are empowered and have opportunities to engage with FSC & certification bodies
5. **Promotion:** Promotion of FSC brand increases awareness amongst consumers and large retailers
6. **Certification:** FSC has a presence in NZ

## Medium term outcomes (2016 – 2018)

**Mission:**
To make FSC valued and respected by stakeholders

**Key Outcomes:**

1. **Standards:** Controlled Wood Risk Assessment identifies important values & controls in all key bioregions.
2. **Supply:** Supply of FSC material is not a barrier to increasing the volume and range of FSC products
3. **Promotion:** High profile retailers & specifiers understand FSC, source it & are confident to promote it
4. **Advocacy:** FSCs views sought on key policy & purchasing decisions relating to forests & forest products
5. **Certification:** Demand and customer relationships drive more brands and product owners to seek certification
6. **Certification:** Audits and audit outcomes are consistently high quality
7. **Brand:** FSC brand is recognised, valued and demanded by consumers, stakeholders & procurement managers
8. **Case Studies:** Clear examples where FSC certification has lead to onground management changes.
9. **Membership:** Grows in diversity, coverage, indigenous representation and actively support & value FSC

## Long term outcomes (2018 – 2020)

**Mission:**
To make FSC trusted by consumers and stakeholders

**Key Outcomes:**

1. **Standards:** FSC standards are practical & able to be implemented by smaller growers
2. **Supply:** Consumer and retailer demand has resulted in more than 50% of production being FSC certified
3. **FSC Products:** A broad range of FSC products are available in many stores for both fibre and timber products
4. **Certified volumes:** More forests and timber volumes are fully certified and certification brings community support
5. **Credibility:** People trust that their issues and concerns will be addressed in FSC forests, trust our transparent processes
6. **Engagement:** Those engaged in certified forestry including indigenous people trust FSC, are proud of what they do
7. **Outcomes:** FSC certified forests are healthy, productive and sustain regional communities. Poor forestry practices are less common.
8. **Promotion:** FSC is a sought after partner in campaigns by brands and can secure funding beyond trade marks
9. **Intelligence:** FSC is the authoritative source on FSC & responsible procurement
2017 Year in review

In 2017 we transitioned to our medium-term phase, in which our mission was to ‘make FSC valued and respected by stakeholders’.

It is an honour to be writing this message to you as the new CEO of FSC Australia. 2017 has been a year of momentum towards our goal to become ‘valued and trusted by our stakeholders’.

My introduction to FSC began the General Assembly in October, only two weeks after joining the organisation. Watching the democracy of FSC in action gave me a valuable insight into FSC’s fundamental structure: a senate of equal parties. This prompted me to reflect on the realities of participation. As Harvard Professor of Democracy and Citizenship, Archon Fung said on the topic, “These ideas of participation and deliberation seem straightforward, but they are complex, even daunting, in both theory and practice. But the real virtues of democracy shine when citizens and leaders figure out how to practice democracy more effectively in their own corners of social and political life.”

Participation is crucial to democratic organisations like FSC, but this process necessarily involves friction. It is inspiring to me that FSC members can have passionate disagreements but that we recognise the importance of our shared mission, and continue to work together to protect people, animals, and forests.

A testament to our ability to work together, I am pleased to say that we have made progress towards to finalisation of the first National Standard. In 2017 development advanced from Draft 5 to 6. Thank you to the Standards Development Group for their exhausting work in drafting a robust framework for responsible forest management in Australia. The Standard will be referred to the FSC Policy & Standards Board Sub-Committee for review and approval at their meeting in late January 2018.

In 2017 FSC Australia & NZ membership has remained relatively stable. We increased our total certified forest area by 16,549 ha, and at 31 December 2017 our total certified forest area was 1,210,528 ha in Australia and 1,270,778 ha in New Zealand.

Advocacy to Government in 2017 contributed to the creation of the Modern Slavery Act. Support for international initiatives such as the Vancouver Declaration, has led to a number of Australian and New Zealand companies making the pledge for ethical procurement, including Officeworks, BioPak, and Abodo.

Finally, in 2017 we launched our Reconciliation Action Plan (RAP), which enshrines our commitment to engage with and provide opportunities for Aboriginal and Torres Strait Islander people within our extended system in Australia. We have much work to do to strengthen indigenous engagement and we look to 2018 to drive greater involvement in FSC by Indigenous communities: whether by certifying forests owned and/or managed by indigenous communities or in the forest supply chain, or by consultation on forests managed by others.

I would like to say a sincere thank you to our board, members, staff, and all our supporters, for helping make FSC a robust and thoughtful organisation. I hope you will join us in 2018 as we focus on diversifying our membership, strengthening the standards framework, engaging stakeholders across the supply chain, and empowering consumers to use their purchasing power for good.

Sincerely,

Sara Gipton
CEO
On behalf of all at FSC Australia & New Zealand
Operations & Finance

In 2017 FSC Australia commenced a review of 2016 and 2017 finances.

During this time FSC Australia reduced spending in all areas to ensure adequacy of funding.

Operating costs in 2017 were lower overall. FSC Australia continues to incur significantly lower overheads resulting from the move to the Framework co-working space.

The cost of salaries was significantly lower in 2017 due to lower staffing levels overall. We are pleased that a reduction in costs was made despite three new staff members joining us in 2017:

- Policy and Advocacy Manager, Julia Mylne
- Memberships and Trademarks Officer, Tim Norman
- Compliance Officer, Riikka Hokkanen

The majority of FSC Australia’s efforts in 2017 concentrated on the development of the National Standard. As National Standard consultation required significant travel around the country, travel costs were higher in 2017 compared to past years.

For detailed financial reports complying with legal obligations please refer to FSCA financial statements provided alongside this Annual Report.
POLICY, STANDARDS & ENGAGEMENT
Submission of Draft National Standard to FSC International

This year FSC made further progress to finalising the development of the first National Standard. The Standard progressed between Drafts 5 and 6.

Further consultation was required of the Standards Development Group (SDG) to reach agreement on a number of areas following submission of Draft 5. These included areas relating to workers’ rights, riparian definitions and representative sample areas (Annex D). These areas were significantly reduced for submission of Draft 6 to FSC International.

Submission of Draft 6 is planned for the International Policy and Standards Unit (PSU) decision meeting at the end of January 2018. FSC Australia would like to thank the SDG for all their work and continued participation in the development of the National Standard.

All members have demonstrated an outstanding level of commitment to ensuring that the National Standard provides a robust framework for responsible forest management within Australia.

Establishing the first FSC Australian Forest Stewardship Standard represents an important milestone in the history of FSC Australia and responsible forest management in Australia. We look forward to this being endorsed by FSC International and launching our national Standard in 2018.

FSC Australia acknowledges the tremendous efforts of the Standards Development Group and their work to date. We also want to thank members and stakeholders who took the time to provide feedback on drafts of the Standard and provide input over the last three years.
Thank you to the Standards Development Group

The Standards Development Group (SDG) has made tremendous progress in advancing the National Standard development, to the point that we are now able to plan to submit draft 6 to FSC International in the coming year.

FSC Australia would like to say a special thank you to former staff member Jennifer Steinbach, for her efforts on this project in 2017.

**Standards Development Group**

Thank you to the members of the Standards Development Group for

Environment Chamber:
- Warrick Jordan,
- Paul Winn,
- David Blair

Economic Chamber:
- Suzette Weeding,
- Amanda Naismith,
- Peter Grist

Social Chamber:
- Travis Wacey,
- Tim Anderson,
- Mark Annandale

**Technical experts**

Thank you to the following technical experts, who provided the Standards Development Group with their advice and expertise throughout the SDG process:

- **Aboriginal Carbon Fund** – UNDRIP and ILO; Indigenous Engagement
- **Biosis** - Environmental Impact Assessment
- **Rod Knight** - Water and Riparian Protection
- **Professor Breen Creighton** – Workers’ Rights
- **Indigenous Working Group** - Indigenous Rights and Issues

We look forward to being able to submit the Standard for consideration in early 2018
What is controlled wood?

To qualify as controlled wood, material must be verified as avoiding FSC’s five categories of unacceptable sources:

1. Illegally harvested wood;
2. Wood harvested in violation of traditional and civil rights;
3. Wood harvested in forests in which high conservation values are threatened by management activities;
4. Wood harvested in forests being converted from natural and semi natural forest to plantations or non-forest use;
5. Wood from forests in which genetically modified trees are planted.

FSC Centralised National Risk Assessment for Controlled Wood standard (CNRA)

National Risk Assessments take into consideration countries’ specific social and geographical setting. To ensure that risk assessments can be applied locally, national working groups have been appointed, these are developing national risk assessments (NRAs).

NRA’s are common normative procedures and are mandatory for companies seeking certification under FSC-STD-40-005.

The Centralised National Risk Assessment (CNRA) is conducted by outsourcing the assessments to external experts who have a strong background, and experience in areas relevant to the controlled wood categories.

- Category 3: Wood from forests in which HCV are threatened by management activities and;
- Category 4: Wood from forests in which genetically modified trees are planted.

FSC Australia is working with FSC International and the local experts to ensure the progress of the final report is delivered on time. The CNRA/NRA development process is planned to be finalised by the end of 2018.
Indigenous engagement: indigenous working group & reconciliation action plan

Protecting the rights of, as well as creating opportunities for, indigenous communities is a key principle in FSC Australia’s approach to responsible forest management. We are committed to improving its relationship with Aboriginal and Torres Strait Islander peoples.

Reconciliation Action Plan

2017 saw the launch of the FSC Australia Reconciliation Action Plan (RAP). Our RAP came about following an almost two-year process. CEO Sara Gipton affirmed this milestone’s place at the start of an important process for FSC Australia.

“We are at the beginning of a long journey for effective and meaningful engagement of the Indigenous community in Australia. We have made some small steps and believe that the RAP is an important achievement. Our ultimate wish is for the Indigenous community to be a very active part of FSC as members, forest managers, certificate holders, landholders, and as people who have active influence and interest in the management of culturally significant forest landscapes.” Sara Gipton, FSC Australia CEO

FSC Indigenous Working Group

Central to FSCA’s Indigenous engagement is our Indigenous Working Group (IWG). The IWG have played an important role in the development of the National Standard as well as providing advice and guidance on the implementation of the RAP; the development and application of the Stakeholder Engagement Guidelines; and seeking opportunities for Indigenous Forest Enterprises seeking certification.

INAUGURAL INDIGENOUS WORKING GROUP MEMBERS

<table>
<thead>
<tr>
<th>Name</th>
<th>Role/Role Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr David Collard</td>
<td>Aboriginal NRM Coordinator State, Western Australia. From the Ballardong region of the Nyungar Nation based in the southwest of Western Australia.</td>
</tr>
<tr>
<td>Mr Phil Duncan</td>
<td>Traditional Owner from Gamilaroi Nation, Moree in north western New South Wales.</td>
</tr>
<tr>
<td>Dr Sue Feary</td>
<td>Heritage Consultant, New South Wales</td>
</tr>
<tr>
<td>Dr Hilary Smith</td>
<td>Principle Latitude Forest Services Company, New South Wales</td>
</tr>
</tbody>
</table>

Thank you to Linda Fienberg for her contribution to the IWG.

FSC Australia recognises that as the nation’s original stewards of the land, Aboriginal and Torres Strait Islander peoples have historically maintained the health of Australia’s forests, and continue to perform this role through their unique knowledge of and continuing connection to lands, waters and communities. FSCA looks forward to developing stronger relationships with indigenous groups in 2018.
FSC Australia is pleased to feature the work of writer, artist & Indigenous consultant, Kat Clarke in this annual report.

Author Biography: Kat Clarke

Being a proud Wotjobaluk woman from the Wimmera, Kat gradually developed her craft by combining her skills and knowledge in community engagement, mentoring, music, the arts, screen, and education.

Kat’s grassroots, transparent vitality and forthright approach enable her to work and consult with various government, mainstream, community, arts, and film organisations.

Kat is currently involved in many community, youth, film and arts projects. She is collating her first poetry book, which she aims to publish in the coming year.

Kat’s work is featured on the FSC Australia RAP webpage, as well as her website: https://kathrineclarke88.wordpress.com/
Advocacy

2017 saw a strong push in FSC advocacy to government, industry and in support of global FSC initiatives.

In 2017 FSC Australia carried out national and international advocacy. We encouraged support for the Vancouver Declaration among Australian companies, advocated to Government regarding illegal logging and slavery in the forestry industry, and engaged with environmental and forestry events.

Vancouver Declaration

The Vancouver Declaration was announced at the FSC 2017 General Assembly in October. Already, a number of Australian companies have signed up to this initiative including Officeworks, BioPak and Abodo. The Declaration is a commitment that allows businesses using materials from responsibly managed forests to publicly pledge their support. By taking the pledge businesses endorse FSC as their certification of choice for forest products. Through the declaration FSC aims for companies across the globe to commit to working towards more sustainable sourcing practices.

Modern Slavery Act and illegal logging legislation

In 2017 we engaged actively with the Federal Government on a number of forestry-related issues. We worked with the Federal Government to try and enhance the effectiveness of illegal logging legislation.

We are proud to have contributed to the passing of the Modern Slavery Act in 2017, moving Australia one step closer to ending slavery.

We are energised by the knowledge that our advocacy can help achieve meaningful change for forests, and the people who live and work in them.

Engagement with industry events

FSC Australia representatives worked with, and attended a number of relevant events throughout the year, raising awareness of FSC and responsible forestry.

- The Institute of Foresters of Australia 2017 Conference on Tropical Forestry: Innovation and Change in the Asia Pacific Region
- The Environmental Film Festival Australia
- The Forest Practices Authority Conference: Looking back, looking forward – 30 years of Tasmania’s forest practices system.
FSC Ambassadors

Ambassadors are a great way of increasing awareness of FSC among key groups, including consumers. In 2017 FSC Australia entered into strategic partnerships with organisations influential in their sectors.

Greener Kitchens

Greener Kitchens are designers of environmentally friendly, sustainable, low emission kitchens, bathrooms, and other spaces. Druce Davy, created of Greener Kitchens, has been using, and advocating for the use of FSC-certified timber in environmentally friendly renovations for years, so the partnership with FSC was a perfect fit.

As an ambassador, Druce used his profile to promote the importance of choosing FSC-certified materials in interviews with print and online media, social media posts, and throughout his well-established network. In return FSC was able to provide Druce with use of the trademark, content and project support, and exposure to the wider FSC network.

The partnership delivered the message: “you can have a designer, affordable and environmentally responsible project in your home.”

The Shape Group

The Shape Group are a leading marketing and representation agency who have provided pro-bono marketing and advocacy services to FSC Australia since 2010. Their support has been very helpful when developing relationships with the building industry.

In 2017 FSC Australia partnered with the Shape Group to educate about and promote FSC to high profile retailers and specifiers in the architectural and construction sector.

- Exposed 92 architecture and construction firms to FSC

FSC Australia are keen to partner with our supporters to increase awareness of FSC and responsible forestry
Pollinate Consumer Awareness Study

In 2017 FSC Australia asked market research and branding agency pollinate to understand how familiar Australian’s were with the FSC logo, as well as their attitudes towards sustainability.

Since 2007 pollinate have surveyed over 30,000 Australian’s via their online survey method called The Pulse. The survey is dedicated to understanding people’s attitudes towards the environment and it’s influence on consumer behaviour, brand loyalty, and corporate reputation.

Their analysis provided a fresh understanding of demographics that support or are likely to support FSC, as well as suggesting potential new approaches that leverage Australian’s existing social and environmental concerns.

Results were encouraging, demonstrating that a quarter of Australian’s were familiar with the logo, and while the numbers were stable across most demographics, millennials were more likely to recognise FSC.

Key findings include:

- **1 in 4 Australians** willing to pay a premium for products that are better for the environment
- **1 in 4 Australians** familiar with FSC logo

Who is familiar with the FSC logo?

- Millennials
- University educated
- Already care about environmental and social issues

Key issues for Australians:

- Global warming and pollution
- FSC Australia has a unique opportunity to discuss the importance of forests and responsible forest management to these issues.
- Important to emphasise that sustainability is about the environment, but also the economy and society contribute to, and depend on, the natural world.
Study into Purchase of FSC-Certified products in Australia and New Zealand

In 2017, FSC Australia engaged the Australian Centre for Corporate Social Responsibility (ACCSR) to use their State of CSR survey to answer two key questions:

1. Do large businesses procure FSC and promote this as part of their ethical purchasing policies?
2. Do companies use FSC to ensure responsible supply of forest products?

The State of CSR in Australia and New Zealand is a yearly research study carried out by the Australian Centre for Corporate Social Responsibility (ACCSR).

The study is the largest ongoing research study of corporate social responsibility (CSR) capabilities and practices in Australian and New Zealand organisations. The research surveys over a thousand respondents across the two countries find out about responsible practices in businesses.

"Does your organisation purchase any of the following FSC-certified products?

Key findings include:

- Paper was the most purchased FSC-certified product.
- Larger companies were more likely to preference responsible sourcing of forest products.
- The consumer retail industry purchased significantly more FSC-certified products than any other industry.
Global Consumer Engagement Campaigns and Media

**FSC #ForestsForAllForever**

Following the launch of the Forest Stewardship Council Forests for all Forever global branding, FSC Australia joined with FSC International in their #ForestsforAllForever social media campaign.

The campaign aimed to increase our reach to consumers through the promotion of a simple message that conveys the reason behind our existence: the need to create sustainable and enduring forests, because forests are about more than just trees, they are about the people, communities, animals and habitats that thrive in our forests.

**Social media**

FSC Australia continues to engage with communities through Twitter, Facebook, and Instagram channels. Our social media reach in 2017 was:

- Facebook: 66,044
- Twitter: 62,900

**Traditional Media**

2017 FSC Australia and New Zealand media statistics respectively,

- 69 positive mentions in media
- Obtained $1.3 million and $297,865 in monetary value from media (AVE)
- Reached 145.3 million and 32.2 million people
- 405 and 65 articles mentioning FSC
Annual General Meeting

The AGM was held on 25 May 2017, and attended by 50 members of the company (trading as FSC Australia).

The meeting was chaired by Pat Groenhout who provided a look back at the year in review.

The highlight was the launch of the FSC Australia Reconciliation Action Plan (RAP) by Bill Royce and Phil Duncan, a member of FSCA’s Indigenous Working Group. The RAP sets out FSCA’s commitments to reconciliation with Aboriginal and Torres Strait Islander peoples.

The AGM afternoon session took the form of a forum which discussed several of the motions that were to be put forward at the FSC General Assembly in Vancouver October 2017.

A special resolution was passed regarding the ability of the directors to grant honorary lifetime membership in recognition of outstanding service to the organisation. Workshops were also held on key topics expected at the General Assembly later in the year.
FSC International Partnerships – New Zealand

In 2017 FSC increased visibility and strengthened stakeholder relationships within New Zealand.

Consumer awareness of FSC in New Zealand has increased. Now 1 in 3 people recognize the FSC label, in 2015 this figure was 1 in 5 people. Seeing the label on a product was found to be the best way to learn about FSC, hygiene products provided the greatest visibility.

FSC held the first ever Certification Meeting, a discussion group for companies to share ideas and engage in discussion. In 2017 the group discussed the Centralised Risk Assessment for sourcing Controlled Wood in NZ. Thank you to the Wood Processors Manufacturing Association (WPMA) for their support.

FSC attended events in the construction sector including Auckland Build and BuildNZ Designex, presenting to builders, architects and specifiers the benefits of responsible timber and where to find it.

In 2017 FSC formed new partnerships in New Zealand, increasing visibility among businesses and consumers:

- Wellington Zoo, has become a major advocate for FSC, promoting their decision to purchase FSC-certified paper and wood products as part of their efforts to protect wildlife and habitats.

- Masterspec, the biggest building-industry specification software company in New Zealand, has included an FSC clause to make it easier to specify FSC-certified timber.

- Sustainable Business Network, now recommends the use of FSC-certified paper in their smart office guide, as part of tips on creating a sustainable work environment.

Greater visibility through greater transparency

New Zealand became the first country in the world to make publicly available a downloadable high-resolution map of FSC certified forests around the country. This voluntary map is a great effort for transparency and has been Internationally commended as best practice. Download it via the FSC NZ blog: https://nz.fsc.org/en-nz/buy-fsc-certified/certified-forests
GROWTH AND INSIGHTS
FSC Australia Smallholders: Main Ridge, Victoria

This rural farm, sitting just on the border of Red Hill and Main Ridge, Victoria, showcases a holistic approach to agriculture, lifestyle, and FSC-certified forest management.

Red Hill and tiny neighbouring town, Main Ridge, make up a small rural community, located on the Mornington Peninsula. Among the Peninsula’s quirky breweries and boutique wineries you will find an FSC smallholder, leading an innovative project that showcases how agricultural land can be used for production and conservation.

The project, a first in the area, hosts a series of small-scale plantations that integrate forestry with farming. Scattered among the tree plots of spotted gum, blackwood, and the native forest corridor, you will find livestock grazing; dexter cattle, and alpacas.

The plantations are certified to FSC smallholder standards under a group scheme managed by Gary Featherston, of Forest Strategy.

Susan and Michael have always been passionate about sustainability, but it was not until they were introduced to FSC and Forest Strategy that they found an approach that matched their passion as well as their needs.

Through FSC, Susan, Michael, and Gary have put in place environmental protections and best practice land management approaches. Approaches of the kind highly valued by new entrants to the industry, but normally inaccessible to small growers.

To protect the creek that runs through the property and the biodiversity that relies on it, Gary follows a conservation management plan. Being environmentally conscious, Susan and Michael had stringent environmental precautions already in place. FSC certification supported their efforts and provided them with a framework to ensure the ecology of their land stays protected.
FSC Australia Smallholders: Main Ridge, Victoria

FSC certification will help Susan and Michael’s harvests access new markets down the track. These include niche markets for certified, high quality, craft timber.

Access to these markets makes it possible to have an FSC certified plantation on the property. Susan and Michael say that the property’s value has increased through the FSC documentation process, as the management requirements and financial planning maintain professionalism and high standards.

On top of being good business, the owners reflected “We feel happy about what we do, full stop. We are very pleased with what we have here. The principles underpinning it are so strong.”

The Main Ridge site shows how FSC smallholder certification can protect the unique ecology of a site, while providing financial security for owners and workers.

This piece is an except from a blog article researched in 2017 by RMIT intern Stephanie Weaver. The article followed a field trip to the Main Ridge site late in the year. Thank you to Stephanie for her contribution to FSC Australia.
Forest certification growth

FSC-Certified forest area in Australia has grown at a rate in line with global growth in forest area.

In Australia, the number of forest management certificates have remained relatively stable over the past 5 years. This is despite a steady increase in hectares certified, as our certificate holders continue to get more of their forest management units certified. In New Zealand in 2017, certified forest area remained stable compared to previous years.

Total certified area at 31 December 2017

- Australia: 1,210,528 from 13 certificates
- New Zealand: 1,270,778 from 21 certificates
Certificate Holders and Retail Supporters

The number of FSC Certificate Holders and retail supporters in Australia remains stable.

Breakdown for December 2017:

- 288 Chain of Custody Certificates
- 13 Forest Management Certificates
- 1,210,528 FSC Certified Hectares
- 15 retail supporters

New Certificate Holders for 2017

Chain of Custody

- EHI Australia Pty Ltd
- Fast Proof Press
- Restock Pty Ltd
- Quadric Pty Ltd
- Hannapak
- Storey Floors

- Pinnacle International Wholesalers
- Milford Global
- Haze Media
- KB Sales
- Brighton Ceilings
- Access Industries
- Eco Timber Group
- Lifestyle Brands International
- Timber Floors Imports
- A.W. Faber-Castell (Aust)
- Agxa Pty Ltd
- Worldwide Timber Traders
- WestRock Packaging Solutions
- Springwood Resources Australia
- Tianci Pty Ltd
- T-Pac Lumber
GROWTH AND INSIGHTS

QLD
HQ Plantations Pty Ltd | 338,150 ha

WA
Bunbury Fibre Plantations Pty Ltd | 16,492 ha
WA Chip & Pulp Co. Pty Ltd trading as WAPRES | 29,453 ha

NSW
Australian Sustainable Timbers | 1,278 ha

VIC
Australian Bluegum Plantations Pty Ltd | 105,399 ha
Forest Strategy Pty Ltd | 432 ha
Hancock Victorian Plantations Pty Ltd | 239,309 ha
PF Olsen (Aus) Pty Ltd | 163,189 ha

TAS
Timberlands Pacific Pty. Ltd. | 101,078 ha
Forico Pty Limited | 181,008 ha
Norske Skog Paper Mills (Australia) Ltd | 27,730 ha
SFM Environmental Solutions Pty Ltd T/A SFM Forest Products | 9,019 ha

1.2M HECTARES
FSC CERTIFIED FOREST AREA 2017
Thank you to members and volunteers

FSC Australia would like to thank our members, and give a special thank you to our hardworking volunteers.

2017 Volunteers
Rosaleen Cox
Grace Mitchell
Cameron Thomson
Stephanie Weaver

Environment Chamber
Australian Conservation Foundation
Australian Forests and Climate Alliance
David Blair
Sean Cadman
Environment East Gippsland
Friends of Leadbeater’s Possum
Greenpeace
Hunter Community Environment Centre
My Environment Inc.
North East Forest Alliance
Planet Ark Environmental Foundation
Chrissy Sharp
Tasmanian Conservation Trust
Russell Warman
The Wilderness Society

WWF Australia (World Wildlife Fund)
Economic Chamber
Adshel Street Furniture T/A Town & Park Furniture
Asaleo Care
Australian Bluegum Plantations
Australian Forest Growers
Australian Forest Products Association (AFPA)
Australian Recycled Timber
Australian Sustainable Timbers
Bantex Group
Blacktown Timber Pty Ltd
Jim Burgess
Care Australia
Charters Paper Pty Ltd
Ros Dent
Enviro Associated Products Pty Ltd
Fairweather Homes
Forest Strategy Pty Ltd
Forico Pty Limited
Forwood Forest Solutions
Fuji Xerox Australia
Good Environmental Choice Australia
Thank you to members and volunteers continued

Green Marketing
Peter Grist
HQPlantations Pty Ltd.
HVP (Hancock Victorian Plantations)
Kimberly Clark Australia
Graeme Lea
Laminex Group Pty Ltd trading as Laminex Australia
Lyreco
Mediaform Computer Supplies Pty Ltd
Michael Spencer
Moorookyle Consulting
New Forests Asset Management
Norske Skog Paper Mills (Australia) Ltd
OfficeMax Australia
Kevin O’Grady
Paper Australia Pty Ltd (Australian Paper)
PF Olsen (Aus) Pty Ltd
S2Dio Pty Ltd
SFM Environmental Solutions Pty Ltd T/A SFM Forest Products
Rohan Simkin
Sustainable Timber Tasmania
Tasmanian Beekeepers Association Inc
Tetra Pak Oceania
VicForests
Victorian Association of Forest Industries (VAFI)
Visy Industries Australia Pty Ltd
Warringah Timbers Pty Ltd

Social Chamber
Tim Anderson
Mark Annandale
Australian Manufacturing Workers Union (AMWU)
Phil Duncan
Linda Fienberg
First Super Pty Ltd
Forestworks Limited
Peter Gunson
Institute of Foresters of Australia
Daniel Mackey
Nature.net
National Timber Councils Association
Jacqueline Schirmer
Hugh Stewart
Timber Communities Australia
Travis Wacey
Thank you to our valued members for your continued support.

It is through your commitment that we are to work towards our mission, to promote environmentally appropriate, socially beneficial and economically viable management of forests in Australia and countries supplying the Australian forest products market.
**DIRECTORS’ PARTICULARS**

Current Directors for 2017 are listed below

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**RUSSELL, Susan**

**Experience:**
Office bearer on North Coast Environment Council since 1999, Regional Coordinator for the North East Forest Alliance since 1996. Formerly held positions on the NSW Government’s Forest Advisory Council and Natural Resource Advisory Council. Holds Director position in several other companies.

**Responsibilities:**
- Environment Chamber Member Director
- Member of the Policy and Standards sub-committee
- May - Current, Chair of Board of Directors

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**FIENBERG, Linda**

**Qualifications:**
Master of Design, UTS; Bachelor of Arts, University of Sydney; 2-year full-time Fine Woodwork course at the Sturt School for Wood, Mittagong, Carpentry and Joinery Trade Certificate.

**Experience:**
Bush Regeneration; Carpenter, furniture designer/ maker (including own business). Technical officer and Design tutor at the University of Sydney and UTS. Team Leader with Healthabitat, (housing in indigenous communities). Previously on the Committee of the Society for Responsible Design (7 years), On the FSC Board as a social chamber representative for 4 years - Currently on the Policy and Standards Committee, and champion for Indigenous action; Previously member/chair of Indigenous Engagement and Membership sub-committees.

**Responsibilities:**
- Social Chamber Member Director
- Member of the Policy and Standards sub-committee
- May - Current, Deputy Chair of Board of Directors
DIRECTORS’ PARTICULARS

GROENHOUT, Patrick

Qualifications:
BSC (Forestry)(Hons), Australian National University
Grad Dip Resource Economics, University of New England

Experience:
Pat is a forest industry executive with 25 years experience in sustainable management of native and plantation forests throughout Australia, in both the public and private sectors. Prior to joining the PF Olsen Group to run the Australian company, Pat held senior operational and executive positions in commercial forestry organisations in New South Wales and Victoria and has extensive networks throughout the Australian forest industries.

Pat’s specific areas of expertise include; Timber resource, market and financial analysis, Forest management regulation, certification and quality systems, Forest management planning, management of forestry projects in complex and conflicted stakeholder environments, Australian forest policy.

Responsibilities:
- Economic Chamber Member
- Director
- Member of the Finance, Risk and Audit Sub-Committee

JORDAN, Warrick

Experience:
Warrick has experience with the FSC system as a stakeholder, former FSC Australia Board Member, and member of the Standard Development Group.

Warrick has strong governance experience with a number of non profits, including a current role on the board of environmental peak body Environment Tasmania. He also has substantial management and organisational development and coordination experience.

Warrick also has extensive communications and stakeholder engagement experience, and is currently employed as the national forest campaigner at The Wilderness Society, as well as coordinating a digital fundraising team at The Wilderness Society.

Responsibilities:
- Environment Chamber Member
- Director
- Member of the Policy and Standards Sub-Committee

DUNN, Craig

Experience:
Craig has 30 years of experience working in marketing and communication roles within the Australian paper industry. Craig began working for Australian Paper in 1998.

At Australian Paper, Craig has been involved in various Marketing Management and sustainability roles and is currently General Manager Communications and Sustainability. In the past, Craig currently serves on the Board of the Australian Forest Products Association and is President of the Victorian Association for Forest Industries Executive Committee.

Responsibilities:
- Economic Chamber member
- Director
- Member of the Policy and Standards Sub-Committee
DIRECTORS’ PARTICULARS

SCHIRMER, Jacki

Qualifications:
Bachelor of Economics,
Bachelor of Science (Forestry) (Hons), PhD
All from the Australian National University

Experience:
Jacki has been conducting research into socio-economic dimensions of the forest and wood products industries since 1999. Her work has focused on understanding how change in the industries affects those who work in the industry, and the communities that depend on the industry; and on community engagement and conflict resolution approaches.

Responsibilities:
  - Social Chamber Member
  - Director
  - Member of the Membership Sub-Committee

MURRAY, Helen

Qualifications:
Bachelor of Economics, University of Queensland
Practitioner’s Certificate in Mediation, Institute of Arbitrators and Mediators Australia

Experience:
Helen is the National Coordinator for Timber Communities Australia, an umbrella network that links members of timber communities around Australia. Helen also operates a niche consultancy service as a specialist provider of project development and management, advocacy and stakeholder engagement, government liaison and professional writing services.

She has extensive experience in the agribusiness, rural health workforce and regional development arenas. Former roles include CEO of Pulse Australia and the Australian Lot Feeders’ Association, Commercial Manager for Clyde Agriculture and Director of Future Workforce with Rural Health Workforce Australia. She’s contributed in voluntary capacities including the Food and Agriculture Working Group at the China Australia Chamber of Commerce, whilst based in Beijing, the Bush Capital Club networking group in Canberra which she co-founded, the Cotton-Wool Committee at Bourke NSW and currently sits on the Friends Advisory Committee of the National Rural Health Alliance.

Responsibilities:
  - Social Chamber Member
  - Director
  - Member of the Finance, Risk and Audit Sub-Committee
REES, Sarah

Qualifications:
Currently studying: Post Graduate Degree in Business, Philanthropy and Social Investment

Experience:
Sarah Rees has worked on forest and water conservation programs since 1998 with local and national conservation organisations such as; The Wilderness Society, MyEnvironment Inc, The Central Highlands Alliance, The Australian Forests and Climate Inc., Friends of the Earth and Environment East Gippsland. Her priority focus are the forests in the Central Highlands of Victoria - Melbourne’s water catchments. Sarah has worked with, and been a member of, FSC Australia, initially in 2003, then later from 2005 to strengthen forest stewardship through timber standards.

In 2013, Sarah participated in the scheme assessment of the Australian Forestry Standard, commenced a working group for the Great Forest National Park and commissioned the first national legal review of the Australian Regional Forest Agreements. Sarah is currently appointed to the Victorian Government - Forest Industry Taskforce.

President of MyEnvironment Inc. since 2008
President of The Central Highlands Alliance 2000-2008
Committee of Management - The Wilderness Society 2007
Committee of Australian Forests and Climate Alliance. 2010
Member of the Victorian Forest Alliance since 2002
Member of Friends of The Leadbeater’s Possum.
Marketing consultant Icon Global Link Pty Ltd - Risk management and supply chain - from 2005 - 2011
Environmental and marketing consultant - Access Environment Pty Ltd 2006-2007
Marketing and design consultant since 2000 – 11 Butterflies Design Group

Responsibilities:
Environment Chamber Member
Director
Member of the Membership sub-committee
Member of the Marketing & Communications Taskforce

LA NAUZE, Jonathan

Qualifications:
Bachelor of Arts, University of Melbourne
Associate Diploma of Music (Performance), Australian Musical Examinations Board
Graduate Certificate of Business, Queensland University of Technology


Responsibilities:
Environment Chamber Member
Director
Member of the Finance, Risk and Audit Sub-Committee
MORGAN, Andrew

Qualifications:
BSC (Hons), University of Tasmania; Forest Practices Officer (Planning)

Experience:
Andrew is the Managing Director of SFM Environmental Solutions Pty Ltd a leading independent forestry company operating across Australia. Andrew is also the co-founder of Hydrowood, an Australian first enterprise salvaging rare timber from the hydro impoundment of Tasmania.
Andrew has been on the board of FSCA for the past 4 years and is an experienced entrepreneurial business leader and is a respected member of the community maintaining a broad network across business, government and NGO platforms. Andrew also currently sits on the boards of Private Forest Tasmania and Forest Industries Association of Tasmania.
Andrew has previously sat on the board of Oak Tasmania, a not for profit providing services to people with disability and was the interim Chair of the Industrial Transformation Training Centre for Forest Value.

Responsibilities:
Economic Chamber Member
Director
Member of the Membership Sub-Committee
Member of the Marketing and Communications Task Force

Andrews specific areas of expertise include; forest management and planning, innovation and business development, timber resource, marketing and communications, forest management regulation, certification and quality systems.