

## **Overview of Setra's contribution to the Sustainable Development Goals (SDGs)**

Goals & targets		Our positive contributions	Our challenges
	<ul> <li>Achieve gender equality and empower all women and girls</li> <li>5.1 End all forms of discrimination against all women and girls everywhere</li> <li>5.4 Recognise and value unpaid care and domestic work through the promotion of shared responsibility within the household</li> <li>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making</li> </ul>	5.1, 5.4, 5.5 We promote gender equality and diversity and strive to bring more women and people with different backgrounds, skills and ages into the company.	5.1, 5.4, 5.5 Communicating that the sawmill industry has evolved into a modern and automated workplace and attracting potential female employees.
7 AFFORMEND CLARING C	<ul> <li>Ensure access to affordable, reliable, sustainable and modern energy for all</li> <li>7.2 Increase substantially the share of renewable energy in the global energy mix</li> <li>7.3 Double the global rate of improvement in energy efficiency</li> </ul>	<ul> <li>7.2 Setra contributes renewable energy through the bioproducts such as wood chips, shavings and bark left over from production, which are used in the paper and pulp industry, as well as in the heating and transport sectors. As much as 96 percent of the energy we use is renewable. For example, all our purchased electricity is renewable and 99 percent of the thermal energy used in production is renewable. Setra also supplies bioproducts to heating plants in the local area.</li> <li>7.3 Energy efficiency is one of our top environmental priorities in production. Our production requires a great deal of energy and we are continuously working on energy efficiency, including energy surveys and efficiency targets.</li> </ul>	<ul> <li>7.2 The main challenge is to increase the share of renewables in our distribution network, locally and globally. This requires arm-twisting and route planning with the carriers.</li> <li>Setra aims to be climate neutral by 2030 (excluding international distribution).</li> <li>7.3 Wood industries requires a lot of electricity and heat to dry wood and to ensure quality. We need to improve the way we run our drying kilns and boilers, and work with our local heating suppliers for more efficient solutions.</li> </ul>
8 DECENT WORK AND ECONOMIC CROWTH ECONOMIC CROWTH	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation 8.5 Full and productive employment and decent work for all women and men, with equal pay for work of equal value 8.8 Protect labour rights and promote safe and secure working environments for all workers	<ul> <li>8.2 We process raw material from responsibly managed forests and offer climate-friendly products and solutions for building and living in a global market, along with innovative partnerships and solutions for energy supply in the heating and transport sectors.</li> <li>8.5 We are based close to the forest, often as a significant employer in the smaller towns where we operate. We comply with Swedish legislation, cooperate with trade unions, develop our employees and conduct job evaluations, pay surveys, employee appraisals, etc.</li> <li>8.8 All of Setra's employees in Sweden are covered by collective bargaining agreements. Setra also have a declaration on human rights.</li> </ul>	8.8 Setra has always made a safe working environment its highest priority. The wood industry is a sector with physical health and safety risks, where accidents do occur. We work systematically to prevent ill health and accidents and to increase healthy attendance.

The overview continues  $\rightarrow$ 

Goals & targets	Our positive contributions	Our challenges
Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation 9.1 Develop quality, reliable, sustainable and resilient infrastructure 9.2 Promote inclusive and sustainable industrialisation 9.4 Upgrade infrastructure and retrofit industries to make them more sustainable	<ul> <li>9.1 Setra is investing in connecting more units to the rail network for more sustainable, safe and efficient logistics management.</li> <li>9.2 Setra plays an important role as a local industry and employer in many of the smaller towns where we operate. We are actively engaged in innovation and development to offer climate-friendly products and solutions for construction and housing, thermal energy production and transport.</li> <li>9.4 We make strategic investments to modernise and improve the efficiency of our operations.</li> </ul>	9.1, 9.2, 9.4 We want to modernise and create an even more sustainable industry, but are aware that the time horizon for such projects is long. We have identified the next steps and are well on the way to accelerating the pace of progress.
<b>Ensure sustainable consumption and production patterns</b> 12.2 Achieve the sustainable management and efficient use of natural resources 12.5 Substantially reduce waste generation	<ul> <li>12.2 We use a renewable raw material from responsibly managed forests. The whole log is used – we aim for a high saw yield and all bioproducts are widely used.</li> <li>12.5 Setra's waste from our units is handled by a waste contractor, we sort our waste at source and it is treated according to the waste hierarchy. We are looking to sort more waste fractions in the future.</li> </ul>	<ul><li>12.2 Our ambition and aspiration going forward is to move away from fossil fuels to renewables. Some elements we can influence ourselves but need a mature and cost-efficient market, while other elements are more difficult for us to influence as services are bought in via subcontractors.</li><li>12.5 Accelerating the work, plus the fact that all the units have made varying progress in the process.</li></ul>
Take urgent action to combat climate change and its impacts         13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters         13.2 Integrate climate change measures into national policies, strategies and planning         13.3 Improve education, awareness-raising and capacity on climate change mitigation	<ul> <li>13.1 We take care of storm-damaged timber to some extent at our sawmills.</li> <li>13.2 We cooperate on lobbying through our trade associations, e.g. the Swedish Forest Industries.</li> <li>13.3 By establishing wood as the first choice in future housing to replace fossil building materials with renewables, using residual waste (bioproducts) as renewable raw material for heating, and finding innovative collaborations with other industries (e.g. Pyrocell which produces bio-oil), we are a pioneer that contributes positively to tackling climate change.</li> </ul>	<ul><li>13.1 Climate change affects forestry and thus Setra's operations. Storms and pest/parasite outbreaks pose risks of tree loss, and erratic weather affects harvesting.</li><li>13.3 Setra has set the goal of becoming climate neutral by 2030. Our continued work means that we need to prioritize and decide on activities, and accelerate the pace of progress.</li></ul>
Protect, restore and promote sustainable use of terrestrial eco- systems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss 15.1 Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems 15.2 Promote sustainable management of forests, halt deforestation and restore degraded forests 15.5 Reduce the degradation of natural habitats and halt the loss of biodiversity	<ul> <li>15.1, 15.5 By setting requirements for forest raw material through our raw material policy, we help to safeguard ecosystem functions and biodiversity.</li> <li>15.2 Responsible forest management is one of Setra's top sustainability priorities. All the timber comes from traceable and responsibly managed forests, which means that the origin is known and that the forestry meets basic requirements under the FSC® and PEFC forest certification schemes. Our timber suppliers are also FSC®/PEFC certified.</li> <li>15.5 We are upskilling ourselves in biodiversity together with our wood suppliers</li> </ul>	<ul> <li>15.1, 15.2, 15.5 We do not own any forest, so we buy timber from timber suppliers. This means there are several actors in the chain to take responsibility for these issues. We ensure quality in the chain through FSC®/PEFC certifications, but there is always room for improvement and certifications are constantly evolving. Knowledge exchange, increase of skills and a stronger collaboration with our timber suppliers is important to ensure the chain and the process.</li> <li>Setra is preparing for the implementation of the Deforestation Regulation (EUDR) together with other companies in the forest and wood industry, alongside public agencies and certification bodies.</li> <li>Although we do not own or harvest forests ourselves, we still have an indirect impact on protecting biodiversity. We need to further strengthen our cooperation and communication with our suppliers on the subject of biodiversity and conservation.</li> </ul>
Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels 16.5 Substantially reduce corruption and bribery in all their forms	<ul> <li>16.5 We maintain high ethical standards in all our business relationships.</li> <li>We treat our customers, suppliers and partners with responsibility and integrity.</li> <li>We compete on fair terms and we have zero tolerance of money laundering, bribery and other forms of anti-corruption influence.</li> <li>There are guidelines covering compliance with competition legislation, as well as gifts, benefits and external hospitality, plus online training in business ethics.</li> <li>Setra also has an external whistleblower service for anonymous reporting.</li> </ul>	16.5 We do business in many countries with different business cultures that can pose corruption risks, which we must be aware of and prevent.