



ecotree

# ANNUAL REPORT 2020



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**In Europe, access to tree ownership is becoming democratic.**

## EDITORIAL

Dear friends,

In many respects, 2020 will be imprinted on our minds as the year of a seemingly endless, violent pandemic. Despite the many difficulties that we now must overcome, this crisis has reminded us that environmental conservation should be the guiding light behind any action we take.

As we wrap up an intense year, it is now time to review EcoTree's performance. Our turnover has doubled, which indicates strong, continued growth. Our team has expanded and there are now almost 60 of us in France and abroad. The forest area that we manage in France has doubled and we are in the process of acquiring forests in Denmark, Sweden and the United Kingdom. In Europe, access to tree ownership is becoming democratic. We passionately believe that by making as many people as possible interested in the fate of forests, we will all be in a better position to protect and renew them.

Despite increasingly frequent weather events and multiplying diseases across Europe affecting forest ecosystems, the forests we manage are thriving. To minimise any risks, we work on-site every day to be as close as we can to your trees. By staying close to nature, we encourage biodiversity and nurture a mixture of species, all while reducing human intervention. As you read this report, you will learn more about our work and the impact we are having.

While our main focus is to enhance forests and biodiversity, we are also embracing the significant volume of educational work needed to garner the support of as many people as possible. This gives our work meaning and this year, the our team's impressive achievements have led to three wonderful projects.

The first is a method developed by our forestry team to calculate carbon sequestration in forests and carbon storage in wood products. The method was validated by Bureau Veritas, one of the world's largest certification organisations for environmental standards. It aims to provide certified information and confirm forests' carbon capture in accordance with ecology, transparency, continuity and additionality requirements. The method also allows us to design forestry management plans by estimating the number of trees on each plot, their growth in volume and the quantity to harvest. The management plans are adaptations and reviews of reference timber production schemes which now need to be updated, following on-site feedback, climate change and the sustainable forestry methods we prefer at EcoTree. They will enable us to refine the profitability and feasibility of our projects and increase transparency with our clients.

We are also keen to share our knowledge and have developed forestry training modules available to anyone who wants to immerse themselves in the wonderful world and science of forests.

I wish you a new year that will be radically different from the one we have just been through. We hope it 2021 will also showcase our beautiful forests, as they are the absolute prerequisite for our life on Earth.

Thank you for your trust. You can count on us.

**Erwan Le Méné**

President and co-founder of EcoTree

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# ECOTREE CONTINUES TO GROW

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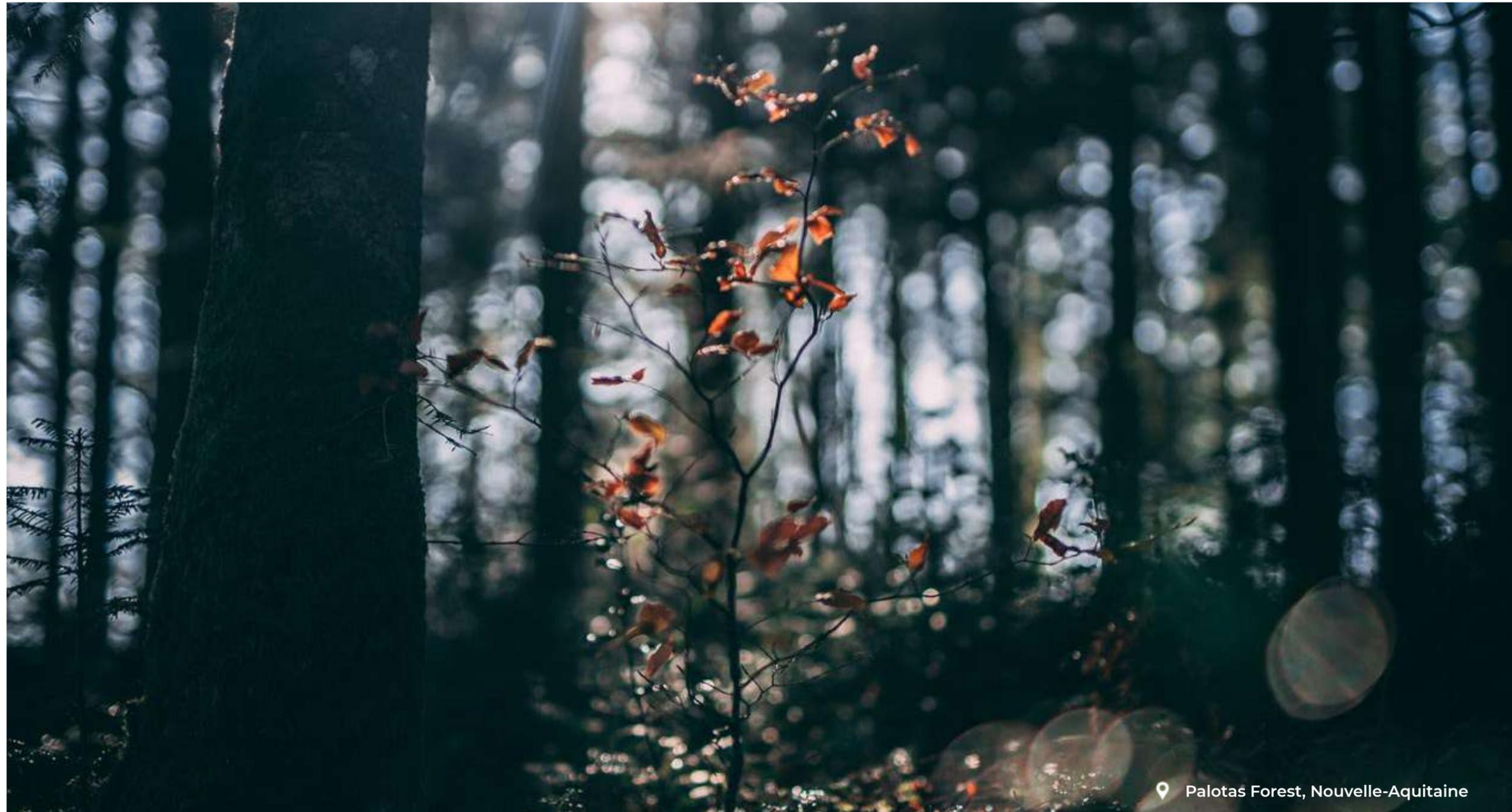
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ECOTREE INTERNATIONAL



Palotas Forest, Nouvelle-Aquitaine

# ECOTREE IN A FEW WORDS

EcoTree teams grew considerably in 2020 as we developed new projects, acquired new forests and expanded abroad.

After acquiring new forests and setting up new biodiversity rehabilitation projects, and with the support of our partner companies, we added some fantastic new people to our teams. It made it possible for us to create a large-scale biodiversity support project with H&M, which is due to blossom in 2021. We also developed an afforestation project in Romania with support from the Société Générale group.

In 2020, we set up our international team in Copenhagen and established its communication strategy. In 2021, we plan to finalise the first forest acquisitions in Northern European countries outside of France.

The teams in Paris and Bretagne were formed in 2020 and will continue to grow in 2021. Recruitment will slow down, as the aim now is for each department to increase performance and develop ways of working that lead to more efficient production. This is also why we are currently working toward a full-scale human resources department. In 2021, we aim to start a large project to split our website into two separate areas. One will be entirely dedicated to our individual clients and the other will be for our partner companies



# OUR TEAM

**CO-FOUNDERS**

 <b>Erwan Le Méné</b> President	 <b>Théophile Le Méné</b> CEO	 <b>Baudouin Vercken</b> Customer Service	 <b>Pierre Dumont Saint Priest</b> Forests, Finance, B2B	 <b>Thomas Norman Canguilhem</b> International CEO	 <b>Vianney de la Brosse</b> Head of Forestry
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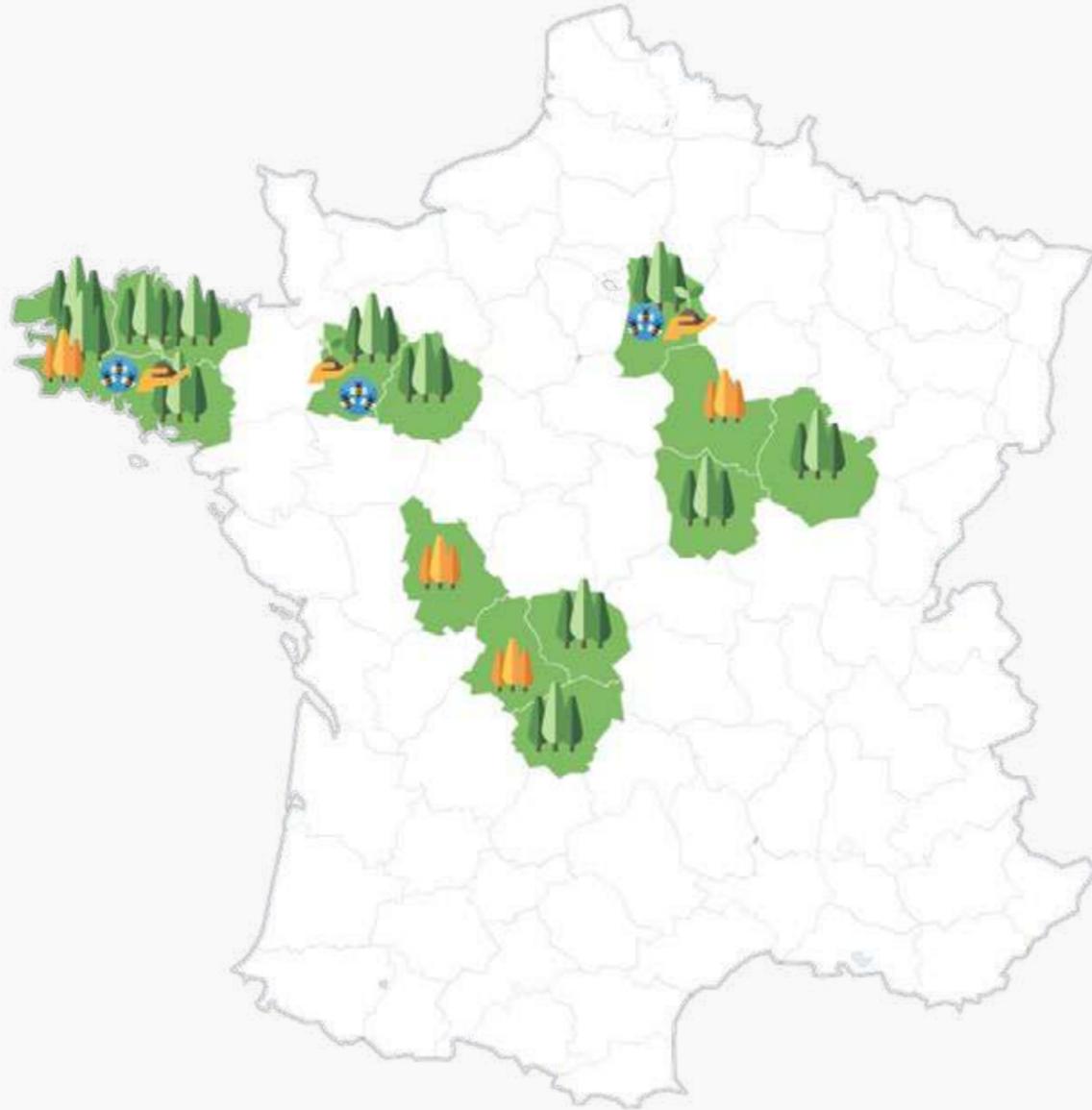
**OUR TEAMS**

CORPORATE	E-COMMERCE	INNOVATION	IT	FORESTS	GENERAL SECRETARIAT
 <b>Géraldine Prot</b>	 <b>David Hockley</b>	 <b>Annabelle Le Corfec</b>	 <b>Pax de Menthière</b>	 <b>Vianney Renard</b>	 <b>Vianney Passot</b>
<b>Sales</b> Development of direct and indirect partnerships	<b>Marketing B2C</b> Management of offers Paid advertising	<b>Designing new offers</b> External monitoring Support for internal change Strategic partnerships Certifications (Bcorp, etc.)	<b>Website development</b> Safety back office management	<b>Forest acquisition Forest lease</b> Forest management Management of carbon stocks Biodiversity projects	<b>Finance HR Administration</b>
<b>Customer Success</b> Follow-up of partnerships Customer satisfaction	<b>B2C Customer Service</b> Social media & community management Customer service				
<b>Marketing</b> Development and promotion Lead generation	<b>Web, UX &amp; SEO</b> <b>Web Analysis &amp; ML</b>				
<b>Communication</b> Company editorial & customer support strategy	<b>B2C Communication</b> B2C editorial strategy Partnerships / events				
<b>Creative studio</b> Creating content - Graphic design - Photography - Videos - Lead generation					

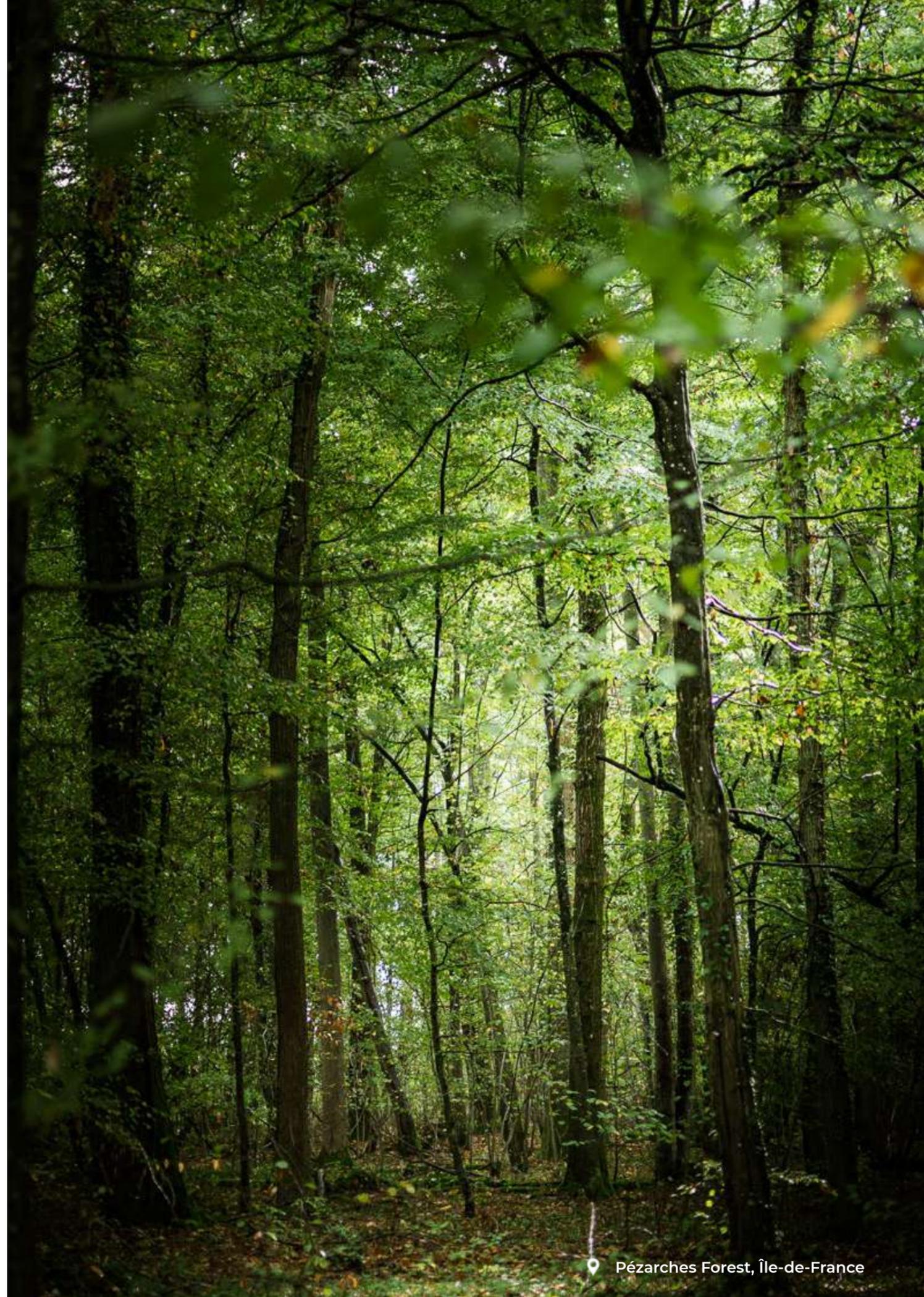
**THE INTERNATIONAL TEAM**

 <b>Thomas Norman Canguilhem</b>	<b>Business Development</b> Netherlands/ UK/ Denmark/ Sweden	<b>Copywriting</b> Blog content/ Influencers/ SEA	<b>Design</b> Graphic & Website design/ Ads, SoMe content	<b>Forestry</b> Land prospection, innovation	<b>Communication &amp; Marketing</b> Community Management & Moderation, Ad content creation, Newsletter, Influencers, PR, Partnerships, Customer Service
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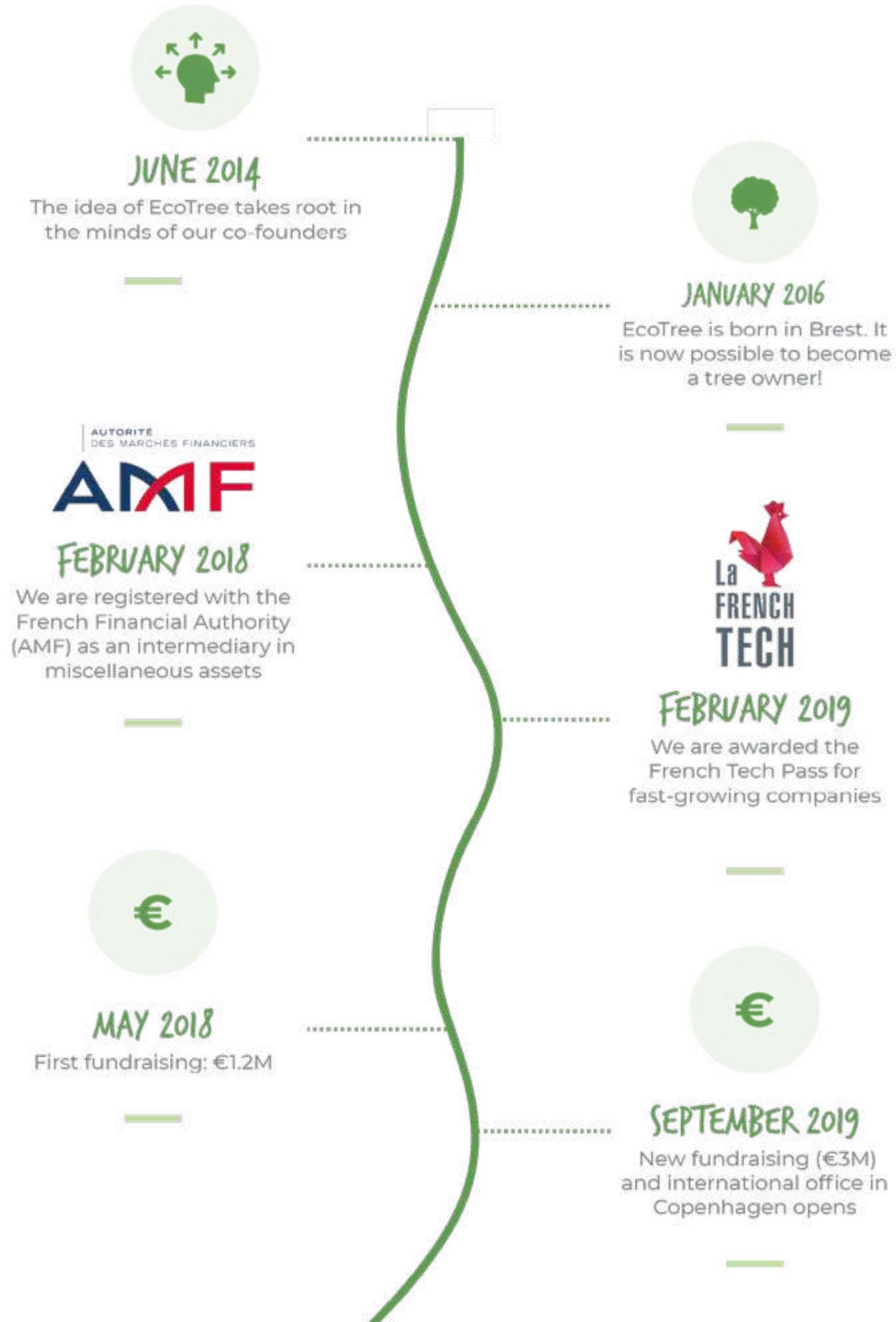
# ECOTREE FORESTS END 2020



-  The forests
-  Prospective forests
-  Restoration of bogs, riparian forests, ponds, etc.
-  Hives



## THE EARLY DAYS



## 2020: KEY DATES



## OUR PARTNERS

1,000 COMPANIES



«We support over 1000 companies with their CSR strategy, which consists of reconciling ecology with economy. We work with our partner companies to guide their investment into forests and encourage them to support biodiversity. We also help them work towards a low-carbon strategy. Regardless of the type of partnership, we actively contribute to the implementation of a targeted strategy. Our actions – traceable, tangible and with high social impact – are major assets for our partners in developing their CSR policies.

*Grow forest, grow»*

**Géraldine Prot**  
Head of corporate

## SOME OF OUR PARTNERS



45,000 INDIVIDUALS

**We want everyone to be able to access forests. That's why we continue to improve the user experience for individuals, created online educational resources and launched three large projects.**

Our first project launch was the redesign of our website, which included new features to client accounts. You can now offer trees from your personal space by sending the recipient a customisable gift card. The website has been completely overhauled, with fresh content, a redesigned structure and technical improvements to make browsing more intuitive and user friendly.

The second project saw us set up a virtual tour of our forests via Forest View. In 2021, you will be able to visit even more forests from the comfort of your own home.

For our third big project, we made our forestry training available online. Our team have created an engaging and in-depth e-learning resource. It's available now and we will update it regularly to make forestry science accessible to anyone.

Together, these digital projects allow you to stay up to date with your forests, buy or offer trees, learn about the story of forests, and explore our forestry management methods, all at the touch of a button!



« It is wonderful to see the enthusiasm from people who have discovered us through a documentary or an online search, and who encourage us to keep dedicating ourselves to the wellbeing of forests. This year, we wish to place communiTree members even more at the heart of our efforts. We are at the service of the forest, as well as of all those who do the great honour of placing their trust in us.»

**David Hockley**  
Head of E-commerce Department

## OUR GOOGLE REVIEW SCORE

4,7 ★★★★★ 257 avis



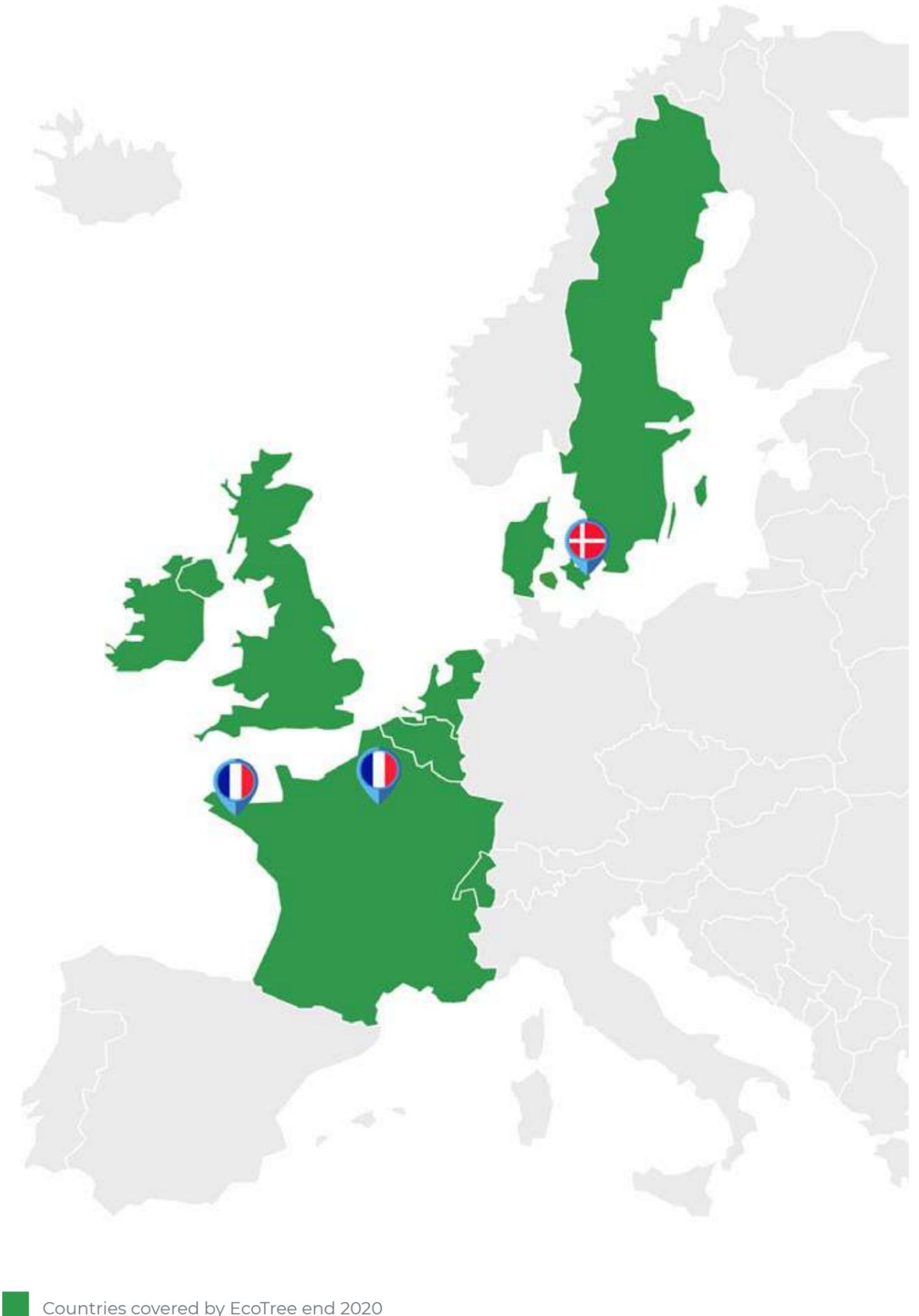
## ECOTREE INTERNATIONAL



«The EcoTree concept was born in Denmark, building on an idea that's popular here: instead of activating fear, guilt or taxes, we've launched a movement that financially rewards those who act for the good of the environment! It made perfect sense for us to set up our international office in Copenhagen and to put together a team full of talent and different nationalities. Together, we share EcoTree's unique model and look to reach new markets! This year, we established our presence in Northern Europe and we will open premises in other parts of the continent mid-2021.»

**Thomas Norman Canguilhem**  
Co-founder & International CEO

**First Brest, then Paris and Copenhagen: EcoTree now has three offices in Europe!** Although all our forests are currently in France, it is possible to become a tree owner from any country. Our international team has already helped individuals and companies from all over the world to become tree owners! Our dedication to our planet goes further still and in 2021, our first forestry projects outside of France will launch. Stay tuned and may the forest be with you!



# WORKING FOR THE FOREST AND BIODIVERSITY

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IMPROVING AND  
PRESERVING BIODIVERSITY



📍 Faouët Forest, Bretagne



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**Unexpectedly, the Covid-19 pandemic had a beneficial effect on our plantations.**

## A WORD FROM OUR FORESTER

2020 was a bountiful year for EcoTree. We acquired 10 forests across 60 hectares in four different regions, and overcame many forestry challenges along the way. We also coordinated new tree plantings in Cleden Poher (29), Louargat (22), Faouët (56), Palotas (23) and Ploërdut (56), adding over 65,000 chestnut trees, Douglas firs, thuyas, red oaks, spruces, pines, cedars, sessile oaks and more.

Our team created many naturalist inventories of fauna and flora or PBI (Potential Biodiversity Index), with the aim of launching biodiversity rehabilitation and development projects in our forests in 2021.

In 2020, forests in France faced several challenges:

- forest fires, particularly in the southeast and southwest (Gironde, Pays Basque) and, more surprisingly, around Ile-de-France, close to Orléans and in the Fontainebleau Forest.
- drought and bark beetle-typographers (a beetle that attacks wood) have also had an impact on forests in the Grand Est region, as well as the Auvergne-Rhône-Alpes and Bourgogne-Franche-Comté regions, and even in the Limousin and Pays de la Loire regions.

Thankfully, we have not seen any significant impact in our own forests. The Limousin forests, all recently planted, have seen positive recovery rates. The preparatory work carried out prior to plantation in Bourgogne is under way, as scheduled. Thinning, partitioning and saddling operations in Pays de la Loire and Île-de-France have also begun.

In Bretagne, the spruce beetle caused havoc, but our forests were spared as they have a mixture of species that prevent such pathogens expanding. Furthermore, our forests in Bretagne are not subject to drought and even though April was particularly dry, the sites we plant on were selected so as not to be impacted by such climatic events. Surprisingly, the Covid-19 pandemic had a beneficial effect on our trees. It meant that we started tree planting later than planned. Instead of early spring in Cleden Poher (March/April), we started in May. As a result, the seedlings were not exposed to the drought in April, unlike other planters who started earlier and who suffered losses in surrounding forests.

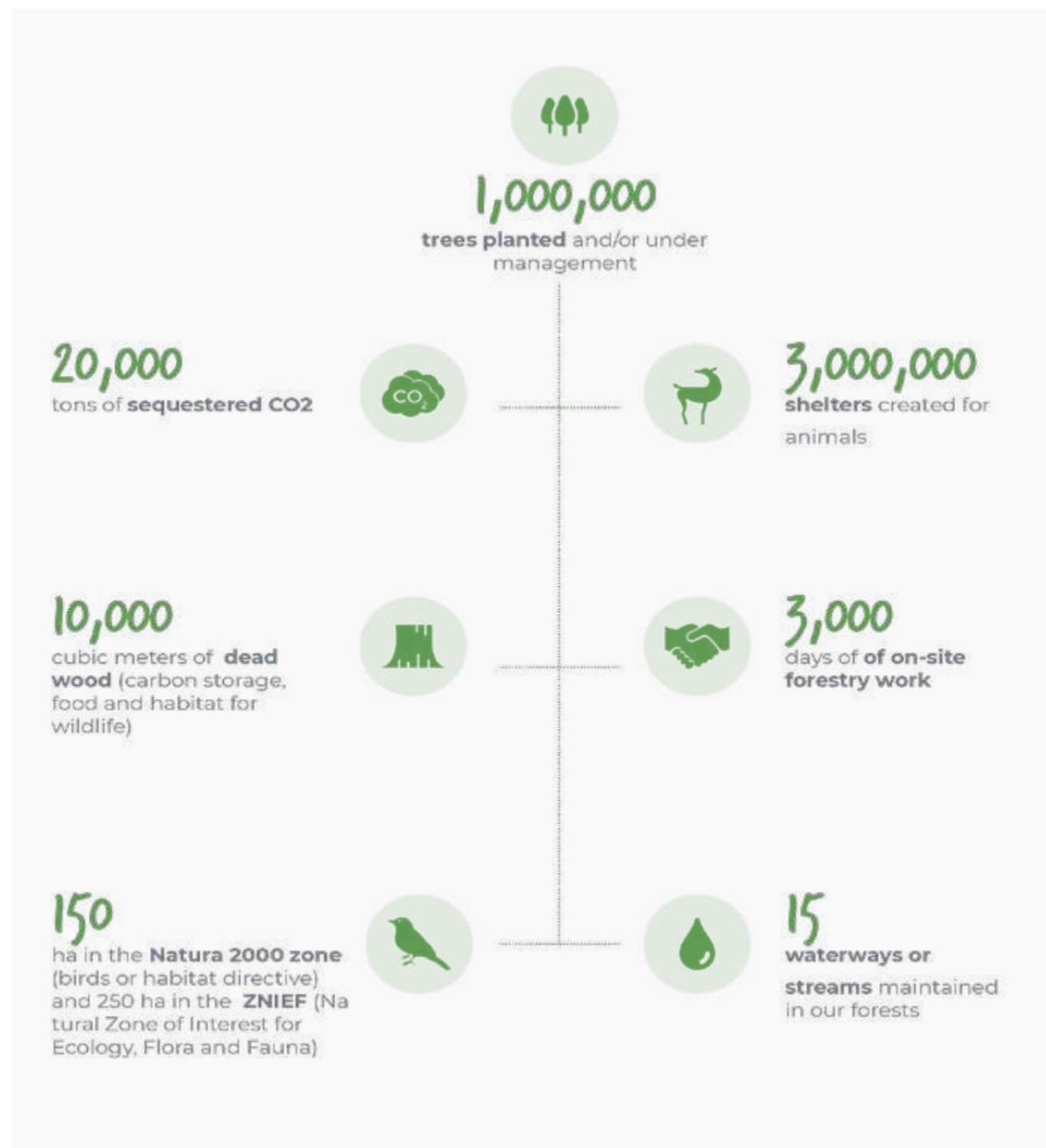
There is therefore no damage to report in EcoTree forests. Before we plant, we research the soil and the climate, and this has really paid off. We can also rely on the motivation of the planters and their compliance with health guidelines, which admittedly aren't too hard to follow in forests! As our tree plants come from neighbouring nurseries, we did not suffer from any transport issues.

Once again, this local network has been incredibly strong and it is enabling us to picture the future of our little trees with a certain serenity.

**Vianney de la Brosse**

Head of Forestry

## KEY NUMBERS FROM OUR FORESTS



## NEWS FROM OUR FORESTS

**In 2020, EcoTree took over 10 new wastelands and forests suffering from a lack of management.**

We have doubled our forest area and continue to develop our network of partners in the industry. More and more owners, managers, experts and cooperatives understand the benefits of our model:

- **financing** eco-renewal with landowners through our forest lease model
- **establishing sustainable forestry management plans** that promotes biodiversity
- **valuation** of forests' economic benefits
- **raising public awareness** about forests and their sustainable management



📍 Sarran Forest, Corrèze

# MANAGING A FOREST, ONE STEP AT A TIME

From the first little oak or spruce seedling to your wooden house, what does it take to grow and manage a forest?

1



## Buying a forest, soil analysis and defining its management plan

Choosing species that will be most suitable for the forest site and setting up a forestry plan establishing the actions and interventions (works and cuts), best suited to each plot.

2



## Soil preparation and planting

Sometimes, it is necessary to uproot stumps, enrich the soil, and create a swath (alignment of what is left of the land clearing or bush clearing). From November to March, we plant the main species and companion species. Young plants are protected against deer and parasites. EcoTree does not use any chemicals or pesticides.

3



## Maintenance over the first few years

It is necessary to clear some of the vegetation that surrounds saplings, as it grows faster than the young shoots. We must also replenish some tree plants to replace those that are dead or damaged.

## Maintenance throughout the life of a tree

Foresters proceed to a culling or trimming, which involves removing a number of saplings in a very dense stand of trees, to allow the best candidates to grow.

Pruning enables branches, particularly lower ones, to be cut so as to free up the more vigorous ones, enabling the tree to grow more harmoniously. We also partition, which requires pruning and clearing paths to enable a fluid movement and, in time, to make vehicle access possible.

4



## Thinnings

Thinning stands of trees that are not yet mature (20-25 years on average) accelerates the development of the diameter of the remaining trees. It also lets more light in to the ground, under forest cover.

5



## Final cut

EcoTree is against clear cuts (cutting an entire plot) and instead, encourages a close-to-nature management style. That means we work with trees to only remove those that have reached full maturity and encourage the very best candidates to grow. We favour natural regeneration throughout the life cycle of the stands of trees, according to the relevant forestry plan chosen. If needs be, tree plants are immediately replaced to ensure the sustainability and renewal of the forest.

We proceed to skidding, where we transport felled trees from the felling area to the drop-off location. The wood is then sold and redirected to sawmills to be used and transformed into useful every day objects, such as furniture, pallets and planks.

6



# NEW FORESTS

## CHAMPEAU-EN-MORVAN FOREST - BOURGOGNE

### Background

Champeau-en-Morvan Forest was taken over in spring 2020. This forest was no longer managed and a plot had even been clear-cut. A French Code of Good Forestry Practice management document was prepared.

### In brief

Location: Côte-d'Or (21)  
Surface area: 6 ha  
Type of management: mainly irregular high-forest  
Certification: yes  
Liability insurance: yes

### Latest projects

Tree planting can start after working on the soil which is scheduled at the end of the year (about 2.5 ha). In addition, around 900 seedlings will be planted on another plot which has experienced some decline.



## SARRAN FOREST - NOUVELLE AQUITAINE

### Background

Sarran Forest was taken over by EcoTree early 2020. Species include Douglas firs, larch trees and Taeda pine trees. The main plot is managed as irregular high-forest.

### In brief

Location: Corrèze (19)  
Surface area: 7 ha  
Type of management: mainly irregular high-forest  
Certification: yes  
Liability insurance: yes

### Latest projects

The first clearing was carried out this summer. Furthermore, saplings were recently planted in the forest following a clear cut.



### Background

This forest was acquired in July 2020. It consists of various species such as sessile oak trees, ash trees, black walnut trees and cherry trees.

### Future projects

Several actions that encourage biodiversity will be set up, such as removing any jams in the river, creating ponds and studying the presence of bats in the forest.

### In brief

Location: Mayenne (53)  
 Surface area: 10 ha  
 Type of management: regular high forest aiming for natural regeneration  
 Certification: yes  
 Liability insurance: yes

### Latest projects

Markings were made in October to clear some of the stands of oak trees. Research is under way for a large project to remove protective tarpaulins across 4.5 ha, and combine this action with social reinsertion activities.



**Key**

- A Sessile oaks (4ha)
- B Ash trees (3ha)
- C Cherry trees (1ha)
- D Black Walnut trees (1ha)

### Background

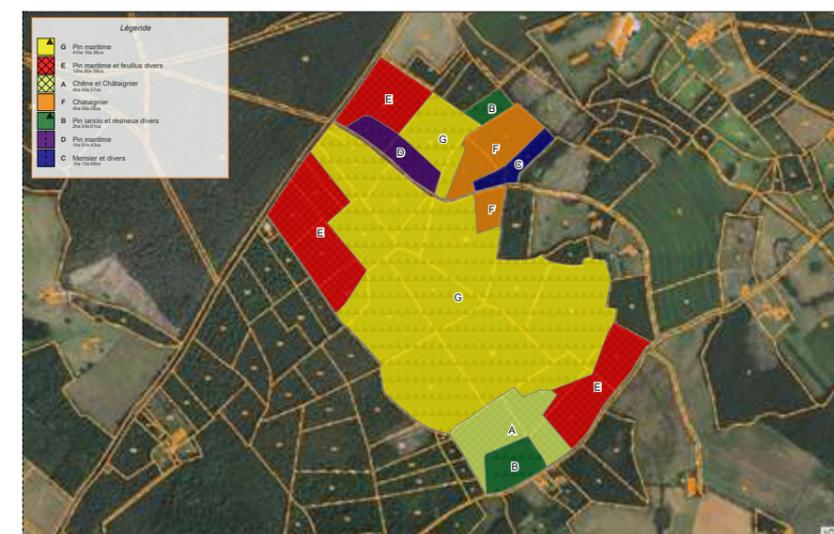
This forest, which was not managed, was taken over in September 2020. It consists of a mixture of coniferous (maritime pine, laricio pine) and deciduous trees (oak, chestnut, cherry).

### In brief

Location: Sarthe (72)  
 Surface area: 68 ha  
 Type of management: regular high forest with the aim of natural regeneration  
 Certification: yes  
 Liability insurance: yes

### Latest projects

Markings for clearing were made in a plot of chestnut trees. No significant work is planned for now.



**Key**

- G Maritime pines (41ha)
- E Maritime pines / deciduous trees (12ha)
- A Oaks / chestnuts (4ha)
- F Chestnut trees (4ha)
- B Laricio pines / résineux trees (2ha)
- D Mairitime pines (1ha)
- C Cherry trees / various (1ha)

## FAOUËT FOREST - BRETAGNE

### Background

Faouët Forest is a charming territory delimited by the stream from the Moulin du Duc windmill and river Inam. It is a former agricultural land and its plots have been acquired gradually since 2019.

### In brief

Location: Morbihan (56)  
Surface area: 14 ha  
Type of management: irregular high-forest  
Certification: yes  
Liability insurance: yes

### Latest projects

This new plot will be reforested with a mix of deciduous and coniferous trees. There will also be an uneven-aged forest stand. The sustainable forests plans aim to create uneven-aged forest stands.



#### Key

 A Douglas / sequoias (2ha)

## PLOËRDUT FOREST- BRETAGNE

### Background

The forest is a former clear cut, non-replanted. EcoTree has been taking over plots to manage them since spring 2019. A new pine forest is now starting to stretch its branches, on a plot with irregular high-forest and a mix of Sitka spruces and thuyas, and a plot of existing Douglas firs with companion species.

### In brief

Location: Morbihan (56)  
Surface area: 11.6 ha  
Type of management: irregular high-forest  
Certification: in progress  
Liability insurance: yes

### Latest projects

Significant soil remediation work was started to replant a majestic forest. Once it was taken over at the end of 2019, its management plan was implemented and Douglas firs, chestnut trees, red oak trees and Scots pine trees were planted in spring 2020.



#### Key

 C Biodiversity zone (10ha)  
 B Thuyas / Sitka spruces (4ha)  
 A Maritime pines (1ha)

## PONT DE BUIS FOREST - BRETAGNE

### Background

In spring 2020 EcoTree took over the management of the Pont de Buis Forest, near Brest, in the Finistère department. Pont de Buis Forest is located at the bottom of Monts d'Arée and at the heart of the Armorique Regional Natural Park.

### In brief

Location: Finistère (29)  
Surface area: 9 ha  
Type of management: irregular high-forest  
Certification: in progress  
Liability insurance: yes

### Latest projects

Over the next few months, we will prepare the ground and plant Douglas firs, cedar trees, chestnut trees, red oak trees and beech trees into the irregular high-forest. A holly and beech hedge was left as is on the alkaline soil to preserve biodiversity. Natural regeneration will be encouraged through occasional interventions.



#### Key

- 2 Atlas cedars (3ha)
- 1 Douglas (3ha)
- 3 Biodiversité : hedges / holly hedges (2ha)

## MELGVEN FOREST - BRETAGNE

### Background

The site is particularly suited to Douglas firs and chestnut trees. The vegetation consists mainly of molinia grass and ferns. This forest was suffering from a lack of forestry management following a non-reconstituted clear cut. It made complete sense for EcoTree to take over the management of these plots, and moreover the area still has many remains from the Gallo-Roman period attesting to its rich history.

### In brief

Location: Finistère (29)  
Surface area: 4 ha  
Type of management: irregular high-forest  
Certification: in progress  
Liability insurance: yes

### Latest projects

A transformation is under way. A weak thicket that does not positively contribute to the ecosystem will be replaced with Douglas firs and chestnut trees, with a plan to create an irregular high-forest.



#### Key

- A Douglas / chestnut trees (3ha)

## HISTORICAL FORESTS

### ILE-DE-FRANCE & BOURGOGNE

#### Pézarches Forest (77)

Pézarches Forest stretches in the Yerres valley, a territory in the Brie region. In between ponds harbouring incredible biodiversity, many stunning oaks and a variety of other species have made their home, to the fauna's delight. Markings for partitioning have been made across the forest.

#### Luthenay Forest (58)

In the heart of the Sologne region, this forest with countless species stands. This site consists mainly of plots of red oak trees, oak trees, poplar trees, Douglas firs, loblolly pine and lario pine. Boars, deer and foxes as well as pheasants, pigeons, thrushes, blackbirds and many other species cohabit harmoniously, especially since the biodiversity actions that we implemented.

A management plan was developed that includes thinning, partitioning and pruning to enable existing trees to grow better and stronger.



📍 Luthenay Forest, Bourgogne



📍 Luthenay Forest, Bourgogne

### NOUVELLE AQUITAINE

#### Gioux Forest (23)

Close to Gioux, a dainty village in the middle of France located in the Creuse department in the Limousin region, stands a strikingly beautiful forest. On the outskirts of the Millevaches granite plateau, also called Limousin mountains, and at an altitude of 791 metres, Douglas firs and larch trees have taken root. Manual clearing was carried out in the Gioux Forest.

The aim was to free up the young saplings from the competing vegetation and we have also been able to apply some 'trico', a natural game repellent made from sheep fat. mouton.

#### Palotas Forest (23)

Palotas Forest takes roots in the Creuse department. It is a particularly splendid and wild sanctuary where oak trees, Douglas firs, chestnut trees and firs will soar for decades to come, creating a truly majestic forest. Planting took place this winter (thuyas, larch trees, Douglas firs, pectinated firs, cedar trees, red oak trees), and the first clearings were made this summer.

## PAYS DE LA LOIRE

### Châtelain Forest (53)

Châtelain Forest is located in the south of the Mayenne department, in a lightly wooded area, making it a popular destination for locals.

This forest (12 ha) was the first forest lease developed by EcoTree. It is a former agricultural land with mainly sessile oak trees planted around 25 years ago. Clearings were made this year to let in more light to the ground and enable the most striking trees to develop.

### Ruillé Forest (72)

3 marking operations are due to take place.

At the end of the first marking the best trees were identified, and they now enjoy more free space to grow in height and in width, particularly around the crown. The result of these markings is most satisfactory.

The second operation is under way. The markings were made in autumn 2020, and the clearing should start soon, once the contract is confirmed by the buyer.

### La Faigne Forest (Pontvallain) (72)

Foresters carry out the usual maintenance, so that maritime pines, laricio pines and chestnut trees, which are in the forest, continue growing in the best conditions, especially as some are close to maturity.



## BRETAGNE

### Ploërdut Forest (56)

In Ploërdut, EcoTree also acquired 3 forests: 2 in 2019, and the last one end 2020. The first forest consisted of highly degraded stands of trees without any future. The thicket was collected in winter 2020 and the plots were replanted with chestnut trees, red oak trees, Douglas firs and Scots pines. As early as summer 2020, partial clearings were made on the Scots pines and a game repellent was applied in November on all coniferous trees. The second forest has two woodlands:

- a 40-year old Douglas fir forest.
- a woodland of Sitka spruces and thuyas created in 2019 by EcoTree.

The third Ploërdut Forest is a former agricultural land that has been wooded with one plot of Douglas firs and Sitka spruces, and the other plot of maritime pines. The plantations are successful, very satisfactory, and will only keep growing.

### Berné Forest (56)

The first massif consists of a plantation of Douglas firs on a piece of land that was agricultural about 25 years ago. The quality of the tree plants is adequate, it was cleared for the first time in 2010 and will be cleared a second time this year, in 2021. The quality of the soil is average (sand starting at 40 cm) for this type of forest, and growth is relatively slow. We also noticed some curved tree trunks due to the relatively low soil fertility. Curved tree trunks will be removed as part of the first clearings to improve the quality of the forest. The second massif was acquired in 2020 and consists of two sections.

The first section has various forestry challenges in various plots:

- reforestation of wasteland and of a forest of maritime pines of adequate quality
- markings for chestnut trees scheduled for this year
- planting sequoias in another area, currently left wild, which has a high quality soil, facing south.

Lastly, area wetland will be ecologically restored.

The second section consists of an agricultural, wooden wasteland, where English oak trees have naturally appeared. Because of climate change, this species is not suitable and will be replaced by sessile oak trees. We note the interesting presence of 4 quite large anthills, which will be preserved. An agricultural land and a stand of oak trees, due to be acquired at the end of 2020, will complete the set in the commune of Berné as early as 2021.

## BRETAGNE

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### Pleyben Forest (29)

In the heart of the Finistère department, between the mountains of Arrée and the Montagne Noire, Pleyben hosts one of the most beautiful communal areas of the region, a heritage of the golden age of the area (16th century). This forest is in the north of the city. It is a space bursting with life, with many species including Vancouver pines, maple trees, Sitka spruces, chestnut trees, Douglas firs and red oak trees aplenty. A playground for boars, roe deer, foxes and even stoats.

Sitka spruces and Vancouver pines were thinned at the end of winter 2020. Some storm damage can be seen, especially in the plots of Douglas firs planted in 1980. These damages are quite minimal and do not affect the estimates of the plot's final volume. Sitka spruces and thuyas were planted after the logging of declining ash trees.

### Cléden-Poher Forest (29)

Cléden-Poher Forest is located in the commune with the same name, in the Finistère department. Particularly well-suited to the forest site of the massif, chestnut trees, Douglas firs, spruces and other companion species abound, welcoming biodiversity in these plots.

Sustainable reforestation was carried out at the end of winter 2020: branches from previous felling were left on the ground in the felling area, and a mini excavator was used to prepare each spot. Even with a high presence of fauna (game), the sustainable reforestation made it possible for us to protect the saplings.

## BRETAGNE

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### Melrand Forest (56)

In this cultural and natural haven, we are applying a respectful forestry management style that is close to nature. Many specific regional species will be planted to reforest an agricultural land that is longing to find its former lushness. The first clearing using a brushcutter was made on maritime pines planted in 2019, and some trico was applied. EcoTree used a game repellent on the honey hedges planted in 2019, to further improve biodiversity.

### Plouray / Kerautret Forest (56)

Saplings of Sitka spruces, along with Douglas firs, pine trees, thuyas and birch trees, are steadily growing and feel right at home in this space bursting with life.

The plots planted in 2018 were cleared in the summer of 2020 and iron tree guards (metallic protections to encourage saplings to grow) were removed from the Douglas plot in the same year.

### Lanrivain & Plouguernével Forests (22)

Lanrivain Forest is located in Bretagne, in the traditional territory of Fañch, where dances, costumes, music and dialects express Bretagne's love story with nature. Sitka spruces respond particularly well to this fresh air and as they grow, provide more stability to these alkaline and particularly humid soils. Some plots were replenished at the end of winter 2020. In November of the same year, grinding was done on trees planted in 2016 and 2008. The trees planted in 2019 were cleared in July 2020 with a brushcutter. In Plouguernével, a commune near Lanrivain, all the actions listed above are planned in 2021.



📍 Louargat Forest, bretagne

## BRETAGNE

### Loguivy-Plougras Forest (Coadou) (22)

Close to the mythical Brocéliande Forest, at the heart of a green valley crossed by the Saint Émilion river, lies the Coadou Forest, on the foot of the commune of Loguivy-Plougras. Sitka spruces, fabulous coniferous trees, are a particularly renowned species in the region, taking root in the Celtic territory since its large-scale introduction in Bretagne after the second world war.

We then proceeded to grinding every other line in November 2020 and carried out manual clearing of competing plants using a brushcutter.

### Louargat Forest (22)

Louargat Forest is on Mont Hoguéné, one of the highest, most splendid points in Côtes-d'Armor. It is home to the knapweed flower (protected).

Tree planting took place at the end of winter 2020 across all of the plots, adding Scots pines and Douglas firs, along with islands of red oak trees as an addition. The plots did not require any clearing during the summer. There is no need for any maintenance during the first year. We applied some repellent (trico) on all plants. Following a hylobius attack (insects which eat the bark of a tree around the collar of the stem) on the Scots pines, the plots will be replenished in full this winter.

### Langoëlan Forest - Bourrus Forest (56)

Bourrus Forest is located in the Morbihan, more specifically in the village of Langoëlan which in Breton means "close to the wild heathland". In this little corner of Breton paradise, the synergy between the generous fallow, the radiant sunshine and the playful drizzle create exceptional conditions for woodlands.

Markings were made with our young forester Margaud, cubic volumes were calculated and a contract was drawn up with a local sawmill (Morbihan).

All of the plots planted since 2016 were thinned. We applied some trico on the Douglas firs. We also placed guards around the Plicata thuyas, on the lines of trees that had been regularly attacked by the roe deer since the planting. The plot of 30-year old Sitka spruces were thinned (115 m<sup>3</sup>) so as to encourage natural regeneration in the undergrowth.

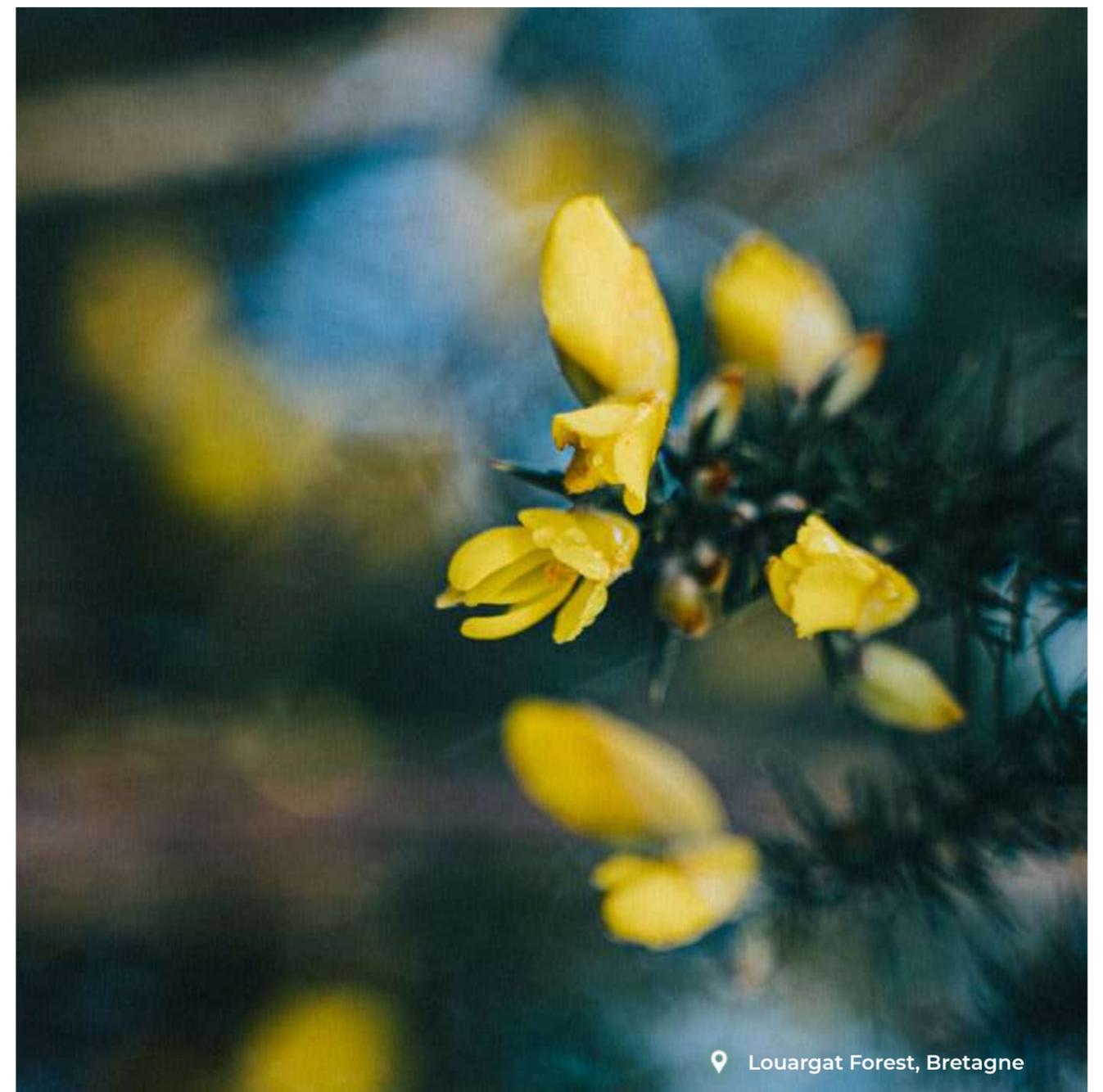
## BRETAGNE

### Faouët Forest (56)

In Faouët, EcoTree made the successive acquisition of 4 small forests, thereby optimising their management. As a reminder, the fragmentation of French forests makes them more complex to manage.

Recently, an abandoned, former agricultural land was added to the other plots. A mixed forest of Douglas firs and chestnut trees was planted across an area of 3.5 ha.

In total, EcoTree acquired 8 plots of around twenty hectares and on which mixed forests of deciduous and coniferous trees are growing.



📍 Louargat Forest, Bretagne

## IMPROVING AND PRESERVING BIODIVERSITY

**Forests represent the planet's main reservoir of terrestrial plant and animal biological diversity.** Preserving this diversity is crucial on many levels: for the life of the forests, but also to enhance their resources, such as food, fuel, industrial wood, fibres, and substances for the development of medicine.

### French forests: a reservoir of biodiversity

Forest biodiversity refers to all forms of life found in forests, including trees, plants, mushrooms and micro-organisms, as well as their roles in nature. The complexity and diversity of life forms in forests provide many essential services to human beings. All the living creatures in this natural environment provide an intrinsic diversity that ensures environments and species can adapt to natural changes, including those that relate to the climate.

Forests are essential to life on Earth and for humans to benefit from services rendered by nature, such as supplies of food, water, wood, and more indirectly, soil maintenance, pollination and water quality regulation.



### What do we do to protect biodiversity ?

EcoTree's approach to forest management encourages the mixing of species and age categories of trees. The more varied the species are, the higher the diversity of plants, animals and mushrooms. We spot and protect cavities and microhabitats; wetlands are maintained and some dead trees are kept to ensure that the soil benefits from the nutritive elements. During clearings, we make sure the sun can still get through by creating openings. This sustainable management of forests, where biodiversity comes first, contributes to environmental as well as financial enhancement of the forest massif and considerably improves its production.

### Our latest biodiversity projects



#### Indispensable to life

Forests represent the planet's reservoir of plant and animal biological diversity. On their own, forests are already home to about 50% of terrestrial living species.



#### Climate control

The biodiversity of ecosystems stores CO2 and regulates climate; it also enables the production of oxygen, the maintenance of nutrient cycles and the water cycle.



#### Endangered species

Over one million animal and plant species are facing extinction. 500 thousand land species no longer have any natural habitat necessary for their survival.



#### Bees and plantations



#### Agroforestry



#### Miyawaki forests



#### Reforestation



#### Wetlands and riparian forests

## Deep dive into our hive installations in Faouët, Pézarches and Châtelain Forests.

In 2020, working with our partners, we funded 60 beehives in the Faouët Forests in Bretagne, 10 beehives in the Châtelain Forest in the Mayenne department, and 10 beehives in the Pézarches Forest in Ile-de-France. With pollen hedges and water points located close to the hives, bees are producing honey and pollinating trees and plants.

Continuing our mission to support biodiversity, we planted pollen hedges in the Melrand Forest that will, in time, also welcome some hives.

Many other biodiversity projects are planned for 2021, including a new biodiversity haven in the Luthenay Forest in the Nièvre department, protecting habitat trees, opening and protecting a forestry pond and, in the Palotas Forest in the Creuse department, creating a biodiversity haven to ensure trees do not disappear, which involves setting up nesting boxes.



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# FRENCH FORESTS AND WOOD VALORISATION

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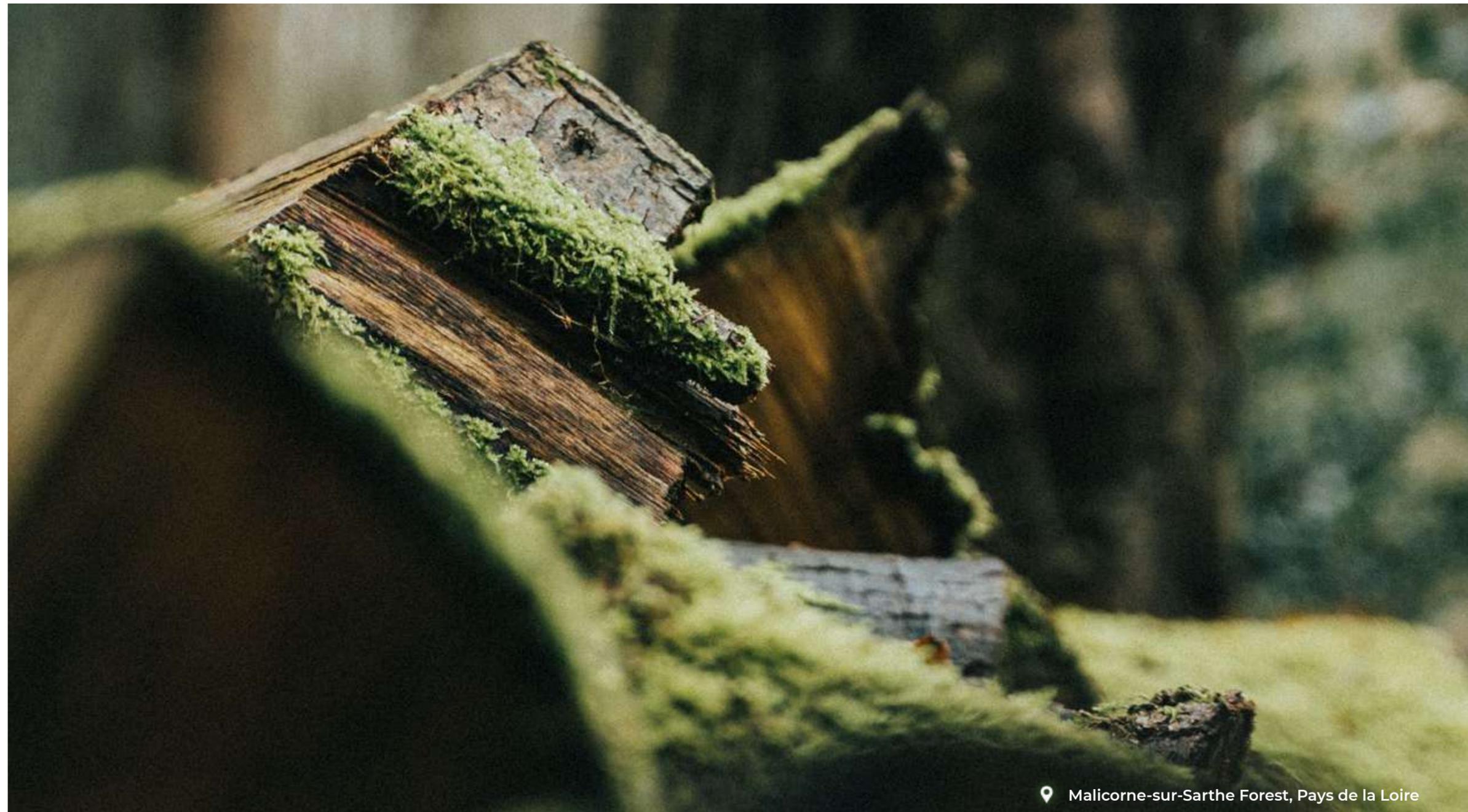
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Malicorne-sur-Sarthe Forest, Pays de la Loire

## 2020 : FRENCH FORESTS IN NUMBERS



**16.9M**  
hectares of forest

i.e.

**31%**  
of the territory



**4th**

**European forest in surface area**  
Behind Sweden, Finland and Spain



**75%**

**of private forests**  
spread out and divided up between 3.3 million owners.



**40%**

**of Natura 2000 zones**  
French forests are one of the main reservoirs of biodiversity, a place of reproduction and life for fauna and flora.



**45M**

**tons of sequestered carbon**  
i.e. 8% of the total national greenhouse gas emissions.



**3% of GDP**

**French forests employ 440,000 people, more than the automobile industry.**  
It has a turnover of €60 billion per year.

### 137 SPECIES!



**2/3** of deciduous trees

**1/3** of coniferous trees



**Oak,**  
1st species in France



Sarran Forest, Corrèze

## FRENCH FORESTS: NEWS AND CHALLENGES

**While the forest plays a central role in the French economy, it is also crucial against climate change. The culture, environment and leisure industries, along with the forest/wood sector have been experiencing a crisis for the last two decades and the State has not taken the necessary measures.**

### **The forest/wood sector is economically important but is faced with difficulties**

In France, the forest/wood sector generates €60 billion and employs 440,000 people, i.e. more than the car industry. Despite the major economic significance of this sector, it is relatively ignored by the public authorities. Yet this sector, with forests at its core, is at the heart of crucial issues from an economic, environmental and social point of view. In one of its recent reports on the organisation of the forest/wood sector, the French Court of Auditors reveals that the old understanding whereby the wood pays for the forest, is no longer applicable, as the economic balance has been broken, to the extent that the economic function of the forest can no longer cover its other functions: “There has been a systemic

crisis in this sector for at least two decades, resulting from chronic under-investment and insufficient competitiveness. This crisis is revealing a lack of integration between upstream and downstream activities, between the offer and the demand of wood.”

### **French forests are under-utilized**

Not even half of the annual growth of the forest is harvested. In three decades, the volume of wood has increased by 45%. Admittedly, a large part of the French forest surface area is difficult to use due to its topography: a third, according to the Court of Auditors, who also comments that a “dynamic management of forests can face many other obstacles”. In France, 3/4 of the forests are private and only 1/3 of those forests “applies sustainable management practices”. This leaves a lot of room for

manoeuvre. The Court of Auditors notes that “practices for selling timber do not enable industrials to sufficiently secure their supplies; earning opportunities in logging and primary wood processing are not attractive enough.

### **The threats looming over forests**

French forests are constantly expanding, however they are no longer regenerating at a sufficient pace. Forests need to be assisted in their regeneration, in order to be healthy and productive. However, the Court of Auditors has found that regeneration, be it natural or by plantation, has been “steadily dropping” in the last 20 years, which may result, medium term, in a timber shortage.

There are two main threats looming over French forests. In their report, the Court of Auditors makes no allusion to deforestation but instead, they refer to the proliferation of large game as well as climate change. There is too much game and their diet and

behaviour are hindering regeneration. Over the last forty years, the number of deer and roe deer in our forests has grown tenfold, and hunting is no longer playing a role in regulating the populations of large game. This is a highly sensitive societal topic.

In terms of climate change, which is progressing at a worrying pace, storms and droughts are becoming more frequent, which in turn boost the proliferation of mushrooms and parasite insects, as we have recently witnessed with attacks by beetle-typographers. In forests, such natural disasters are not covered by any insurance.



Gioux Forest, Nouvelle-Aquitaine

## An out-of-balance forest-based sector

The French trade deficit, currently at €7 M, is relentlessly growing, even though France boasts the 4th largest European forested area and holds first place for oak production. This is partly due to the specialisation of the sector. We export large quantities of raw timber and import a lot of processed timber. The sector would need to be adjusted, so that first and second transformation industries become complementary. We need to boost wooden construction, the design of wooden furniture and the production of paper/cardboard – three sectors that make up the most part of the trade deficit. This is crucial because the forest/wood sector is the main economic and industrial activity of some rural regions that are now at a loss. This is a critical economic issue.

## The climate and environmental issues of French forests

The forest-based sector in France is not just a significant contributor to national economy. In the context of climate warming, it is also the largest terrestrial carbon store. As forests are maintained and as trees mature, they store CO<sub>2</sub>, which is a particularly efficient way to combat the increase in greenhouse gases. Wood can not only replace materials that generate pollution (cement, lime, steel, etc.), it can also help contain it. Using a tree to make a piece of furniture or in construction means its CO<sub>2</sub> is captured and stored for many, many years.

As such, the Court of Auditors notes: “the strategy adopted by France is based on the idea that an active management of the forest, through the improvement of stands of trees and an increased use of wood, leads to a rise in carbon sequestration: climate issues and economic challenges go hand in hand.”

## The other functions of forests

Forests have many other functions. They protect the quality of water, air and biodiversity. They avoid soil erosion, offer hunting grounds as well as areas to fish, to walk and to carry out many other leisure activities. What is referred to as forest “amenities” (climate, biodiversity and leisure services) “are only just starting to receive funding.”

The Court of Auditors also notes that “paradoxically, an increasing proportion of public opinion, while in favour of using wood, is showing growing concern about tree felling, considering forests first and foremost as somewhere to enjoy, that is threatened and that should be protected. These feelings do not reflect reality as deforestation is not affecting French forests, which has actually doubled in the last 200 years.” It is what some, including historian Martine Chalvet, call “the return of romanticism”. Forests are seen as virgin areas that should be left untouched. Felling trees may seem criminal to some, who would compare this to leading life stock to the slaughterhouse. This would be misunderstanding how nature works. From the Neolithic age, every single forest in Europe has at some point been modelled, to some extent, by man. Responsible felling doesn’t destroy forests, instead it enables nature to express itself fully. The same logic applies to livestock; without farming, there would not be any sheep or cows in our fields.



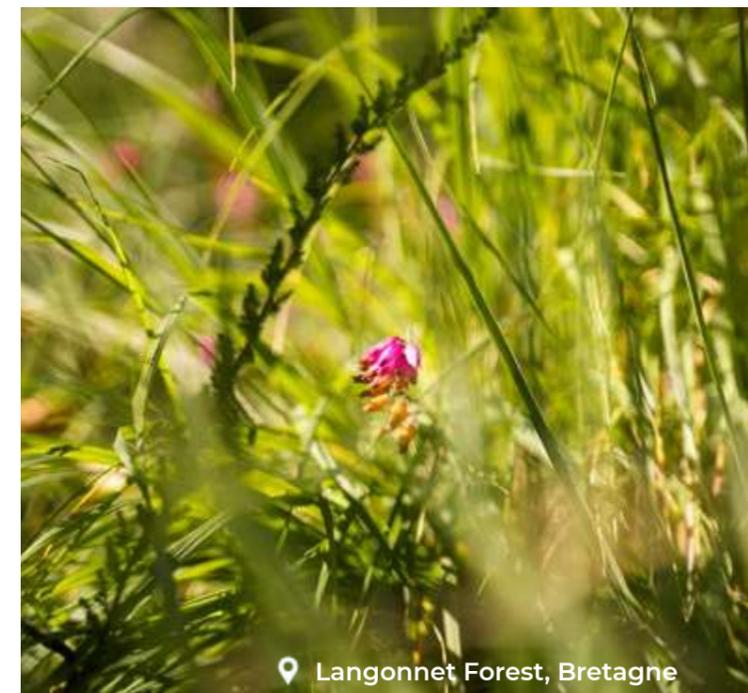
Préaux Forest, Bretagne

## A sector that the State needs to help structure

A recent report highlights that the efforts of the State have been too half-hearted to encourage the emergence of a profitable forest-based sector, that is competitive and that enables to tackle the major challenges of the century: global warming, job resettlement, increase of short circuits, ecology and sustainable development. There are many reasons, from the sector’s fragmentation amongst businesses as well as unions and the State, as this sector has a cross-functional position on many ministerial agendas. Collective actions at a European level are needed to ensure that forest-based sector gets heard. According to the Court of Auditors, the regions are administrative entities that are the most competent to help this sector, but they require State support. It has drawn a list of recommendations to conclude that “the State should help the stakeholders in this sector communicate about sustainable forestry management and should not only rely on private contributors.”

## Conclusion

Temperate French forests are exposed to a number of large challenges, due to climate change as well as to the public policies developed in France, in Europe and across the world. The multi-functionality of the forests and of sustainable management need to face these new issues. The sector needs to embrace a new systemic vision of the forest to optimise its benefits. Forests therefore need to be part of an innovative public-interest rationale, fully included in the social fabric, where we can all support its protection, its renewal, its maintenance, therefore preserving a heritage asset as well as its economic, social and environmental benefits. This is the very ethos of EcoTree.



Langonnet Forest, Bretagne

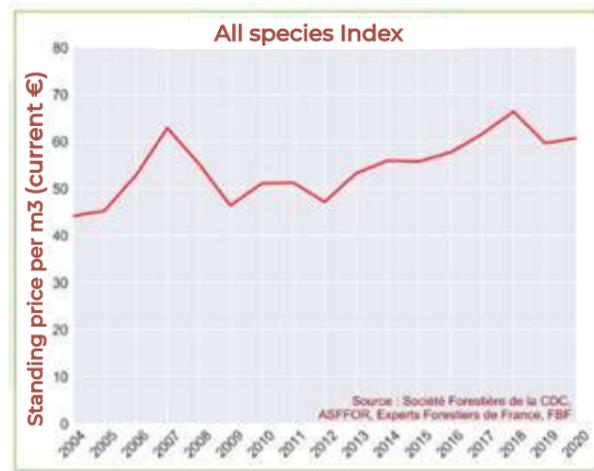
# AGGREGATE INDEXES OF WOOD PRICES

## General index

In a particularly unusual global context in 2020, the wood market should have experienced a difficult period, just like many other economic sectors. This did not happen. Instead, the production and use of wood have remained dynamic, thanks to unexpected readjustments. For example, the increase of imports of coniferous sawlogs to the USA (due to stock shortages related to COVID) and to England (resulting from an anticipation of Brexit).

**This commercial dynamism impacted on the sale of standing wood in 2020: the average price is €61/m<sup>3</sup> i.e. a slight recovery of 2% compared with 2019 (€60/m<sup>3</sup>).**

Just as in 2019, this performance is due to oak trees with relatively stable rates, and particularly to the rate for Douglas firs which grew by 10%, with both these species representing most of the range studied. Other species such as the common spruce and the beech tree are suffering from the health difficulties that they are up against in France and in wider Europe, while the maritime pine is facing the repercussions of a massive harvest of spruce.

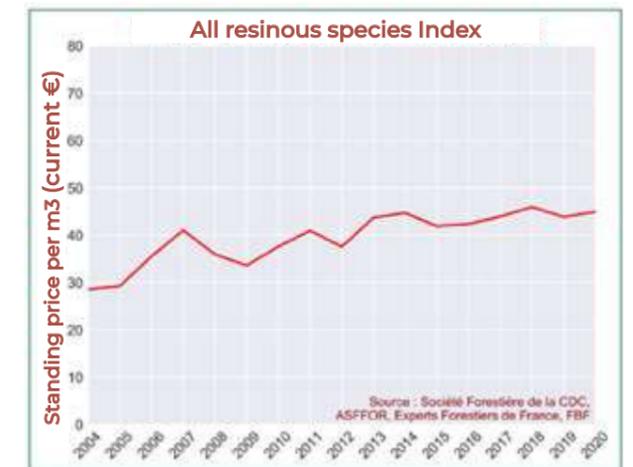


Malicorne-sur-Sarthe Forest, Pays de la Loire

## All resinous species

The “all resinous species” index has increased by almost 3% to €450/m<sup>3</sup> after the drop in 2019, thanks to the boost in Douglas fir prices, and even after the noticeable drops in other species, such as the maritime pine, Sitka spruces and laricio pines. The year 2020 witnessed persistent, massive attacks of bark beetles on the common spruce in a large quarter of the north-east of the country, with prices on this species staying low, at a similar level to that of 2019. Once again, the coniferous market has been shaken up in this region.

Firs and Scots pines are experiencing an enhancement of their rates. There is still a high regional discrepancy, as shown on the maps presented per species. The north of France is more dynamic than the south, with the exception of the southwest for the maritime pine. Demand in coniferous trees was quite large in 2020, particularly because of demand from the USA, and the market was actually more affected by the bark beetle attacks than by the pandemic related to Covid-19.



Malicorne-sur-Sarthe Forest, Pays de la Loire

# INDEX/SPECIES

## OAK

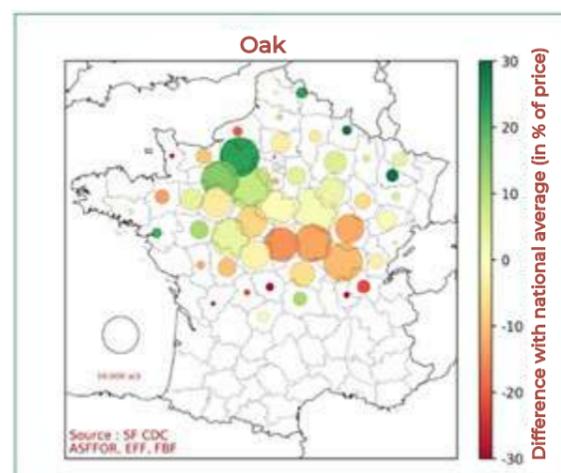
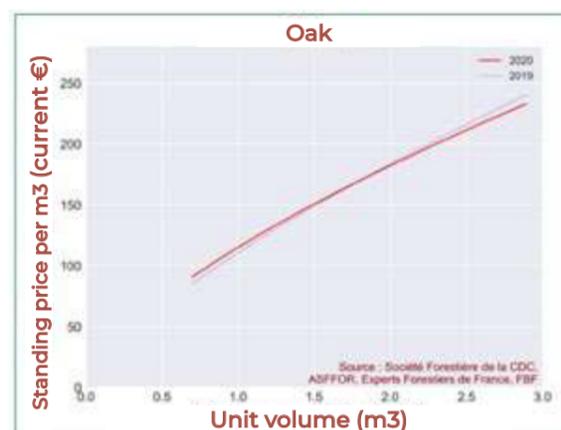
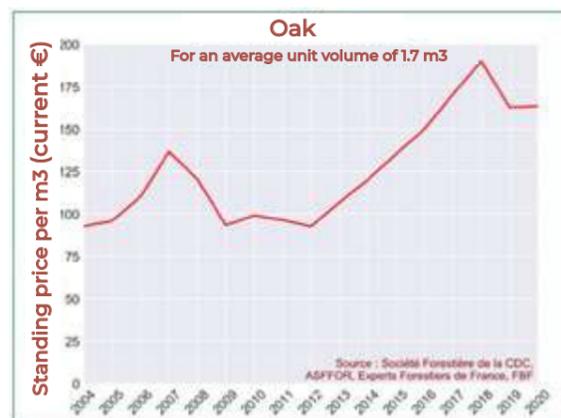
In the end, the health crisis has barely affected the oak market and prices remained stable in 2020: 164 €/m<sup>3</sup> compared to 163 €/m<sup>3</sup> in 2019.

However, the buyers adopted a wait-and-see approach during the first quarter, as they were unaware of the repercussions of the abrupt slowdown of the economic activity over that period. That said, rates have remained steady due to a reduction in the supply of wood.

Trust returned in the summer and markets started to pick up their pace: exports of sawlogs to Asia (China, Vietnam, India), Europe (Germany and Switzerland) and at the end of the year, to England, who was keen to build a stock reserve before Brexit came into force.

Activities remained constant for all types of opportunities, except for wood staves (impact of Covid 19 on middle to high-end wine, and therefore on barrels), particularly on large grain wood. The impact on rates was nevertheless quite limited, as this opportunity only represented a slim proportion of the qualities sold by the private forest.

It should also be noted that Chinese buyers of logs who were accepting secondary quality wood have now raised their expectations.



## BEECH TREES

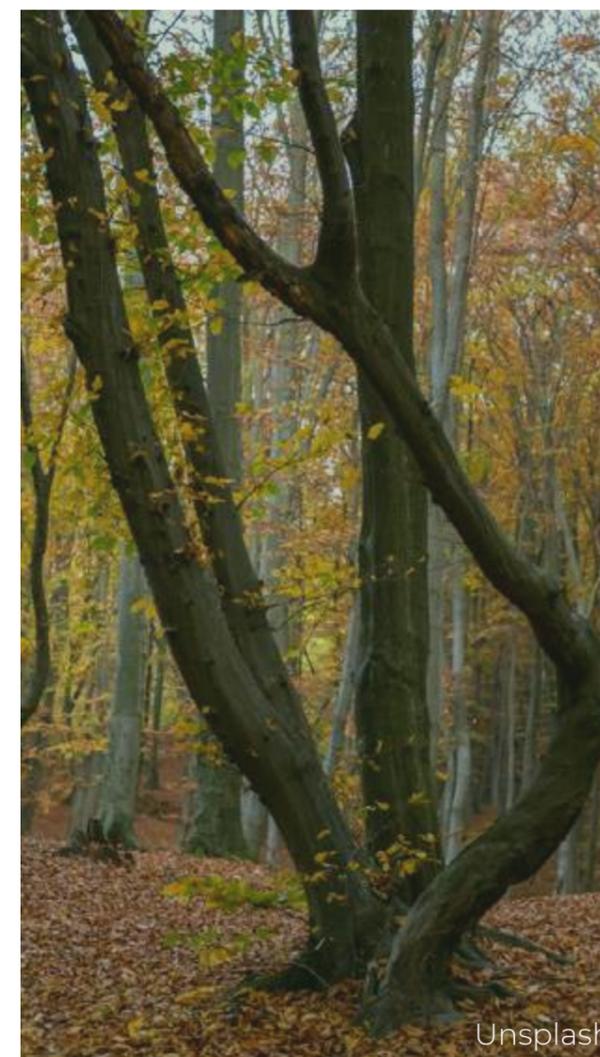
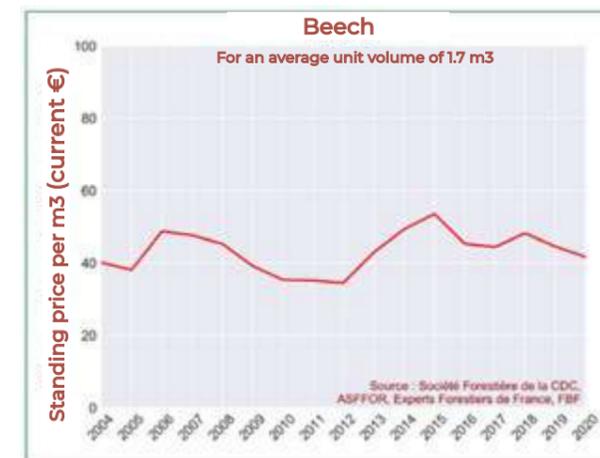
In 2020, rates remained fairly low, with a 6% drop.

The average price was set in 2020 at €42/m<sup>3</sup> for a tree with an average unit volume of 1.7m<sup>3</sup>, compared with €45/m<sup>3</sup> in 2019. We also note a clear reduction in volumes sold over the last 3 to 4 years.

Market conditions remain tricky with the sluggish global economy and major declines in the East of France over the last 2 to 3 seasons, due to drought, particularly in Bourgogne-Franche-Comté and in the Grand-Est region.

Such declines result in a degradation in the quality of the wood (blue stain, appearance of Nectria mushrooms, beetle attacks) leading to an increase in the volumes available for sale, especially those outside of group sales for depreciated wood. However, exports of logs and higher quality orders (peeler logs) are keeping the market stable.

The exploration of new opportunities for European industrials, such as glued laminated timber, finger-jointing and substituting plastic materials for wooden ones, could in time reinvigorate the demand for this species.



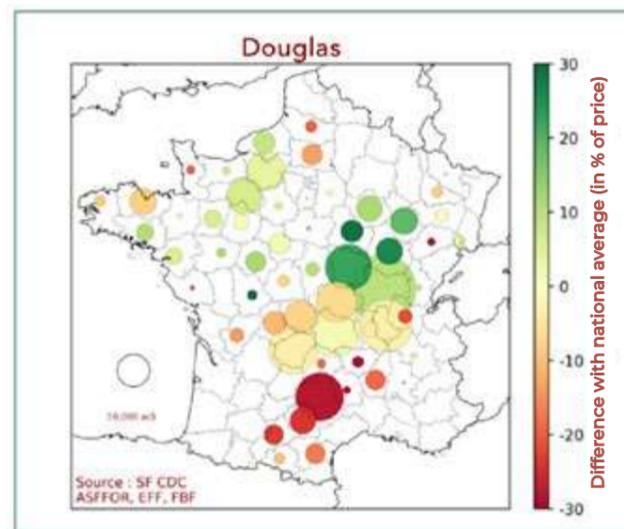
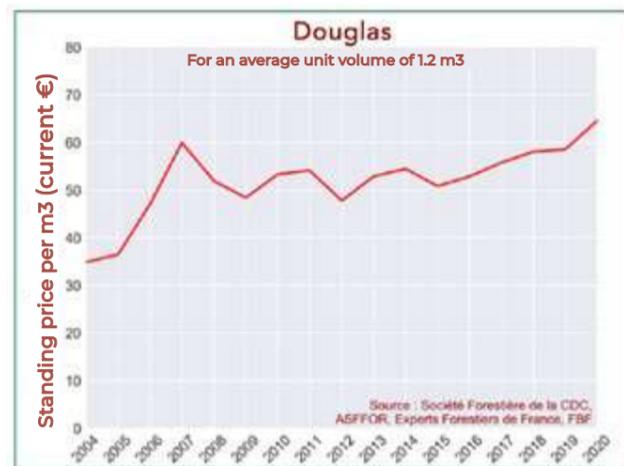
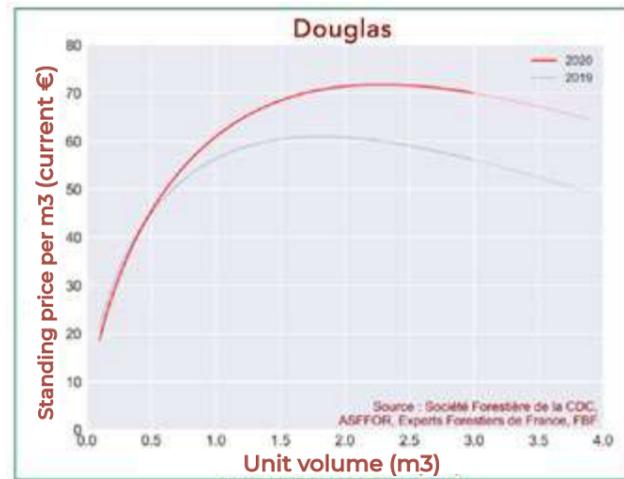
## DOUGLAS

The price of Douglas firs took off (+10%) in 2020 and is high for the fifth year and counting. It reached its highest ever rate since 2001, the year the index started. All regions have been affected by this increase.

We note another slight drop in volumes sold. In the north-east quarter of France, operators resumed their cutting of spruces attacked by beetles and very small volumes of Douglas firs were sold through tenders in this region.

The average price was set at €65/m<sup>3</sup> in 2020 for a tree of 1.2 m<sup>3</sup> of average unit volume, compared to €59/m<sup>3</sup> in 2019.

The difference in price between 2019 and 2020 is largest for trees with an average unit volume higher than 1 m<sup>3</sup> and the appetite in the past for wood with a unit volume higher than 2.5 m<sup>3</sup> seems to have abated. The regional discrepancy is reducing but still present: the difference in price between the east of France and those in Occitanie or in the south of the Massif Central sometimes exceeds 50%. It is surprising that this increase occurs in a market inundated with spruce: this shows that industrials are interested in Douglas firs, which have plenty of attractive characteristics and which have found their market.



## COMMON SPRUCE

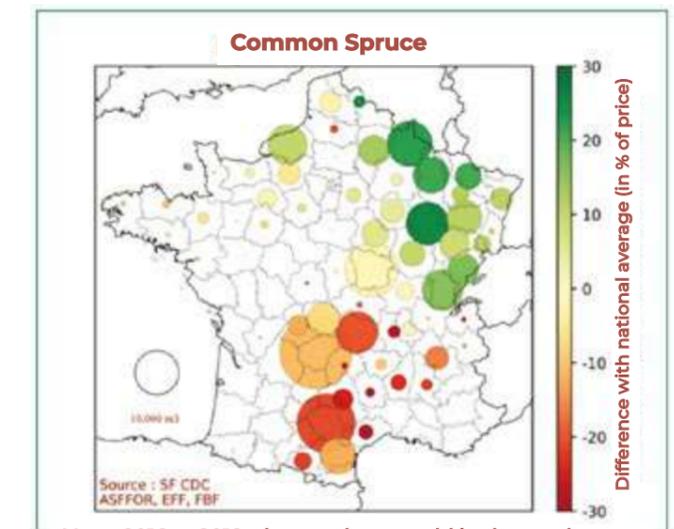
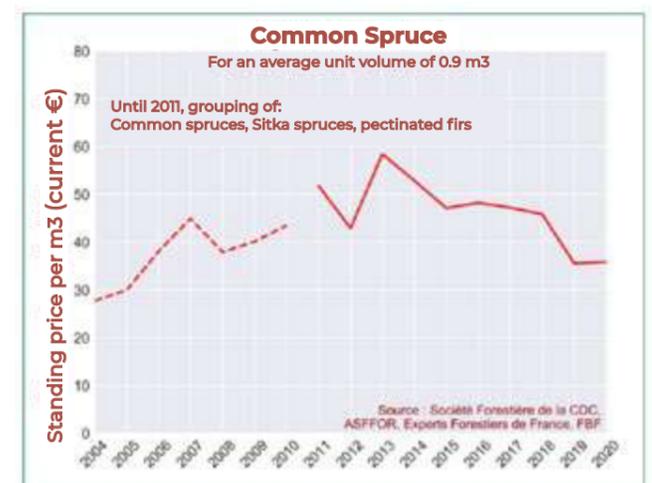
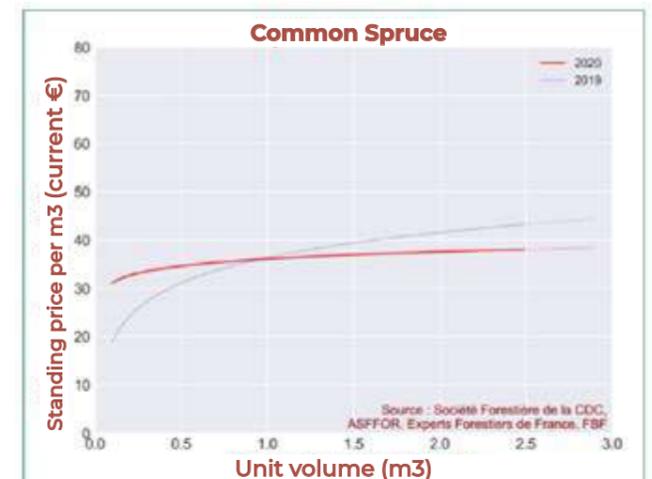
The average price, for a tree of 0.9 m<sup>3</sup> of average unit volume, is stable at €36/m<sup>3</sup> in 2020.

For the second consecutive year, we note that very little wood has been sold through tender in the north-east quarter of France, in the context of the bark beetle crisis. Indeed, operators favoured direct sale to be able to react faster and to limit any losses, as a result.

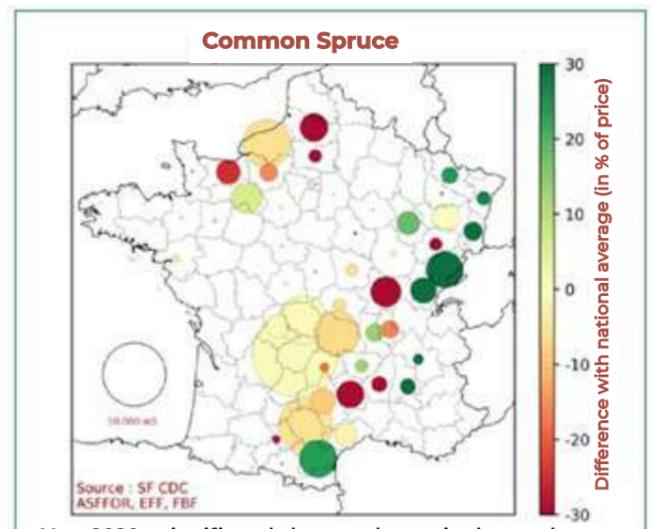
The index is therefore mainly a reflection of the price of a healthy spruce tree outside of the area affected by the bark beetle epidemic.

We note that at the end of the year, the prices were on the increase in the west of France, as a result of the demand from some sawyers who were getting worried about the availability of green spruce in the months and years to come.

In addition, for similar reasons, regional price disparities can also be seen, just like those in the market for Douglas firs (see map).



Years 2016 to 2018 – large volumes sold in the north-east



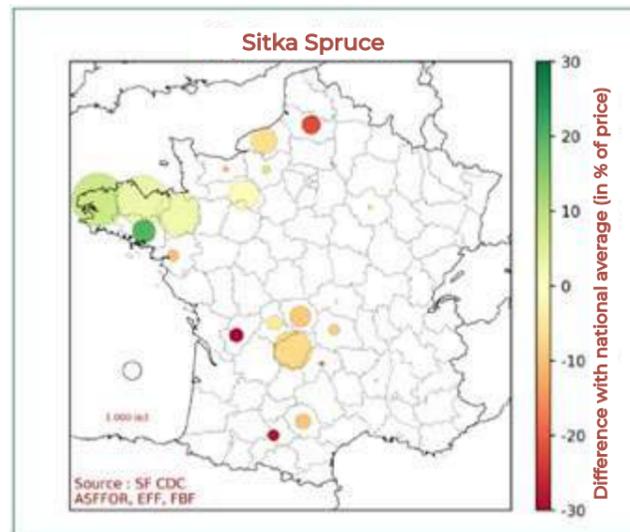
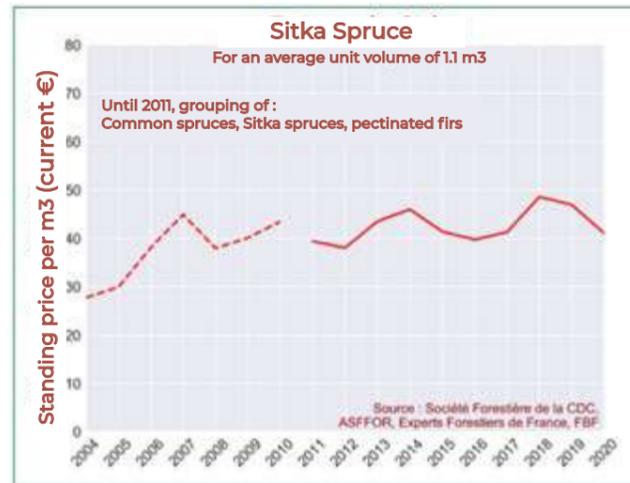
Year 2020 – significantly lower volumes in the north-east, just like in 2019

## SITKA SPRUCE

A dip for the Sitka spruce, for the second consecutive year: €41/m<sup>3</sup> vs. €47/m<sup>3</sup> in 2019 and 49 €/m<sup>3</sup> in 2018.

The rates are similar to those between 2015 and 2017.

Similarly, the offer is slowing down: 58,000 m<sup>3</sup> in 2020 vs. 93,000 m<sup>3</sup> the previous year. This drop particularly affects the region of Bretagne (less than 38,000 m<sup>3</sup>) under the combined effect of several factors: competition from wood affected by bark beetles, from the east, low demand seen over the previous year which did not encourage the owners to increase their logging, and the depletion of the available resource.

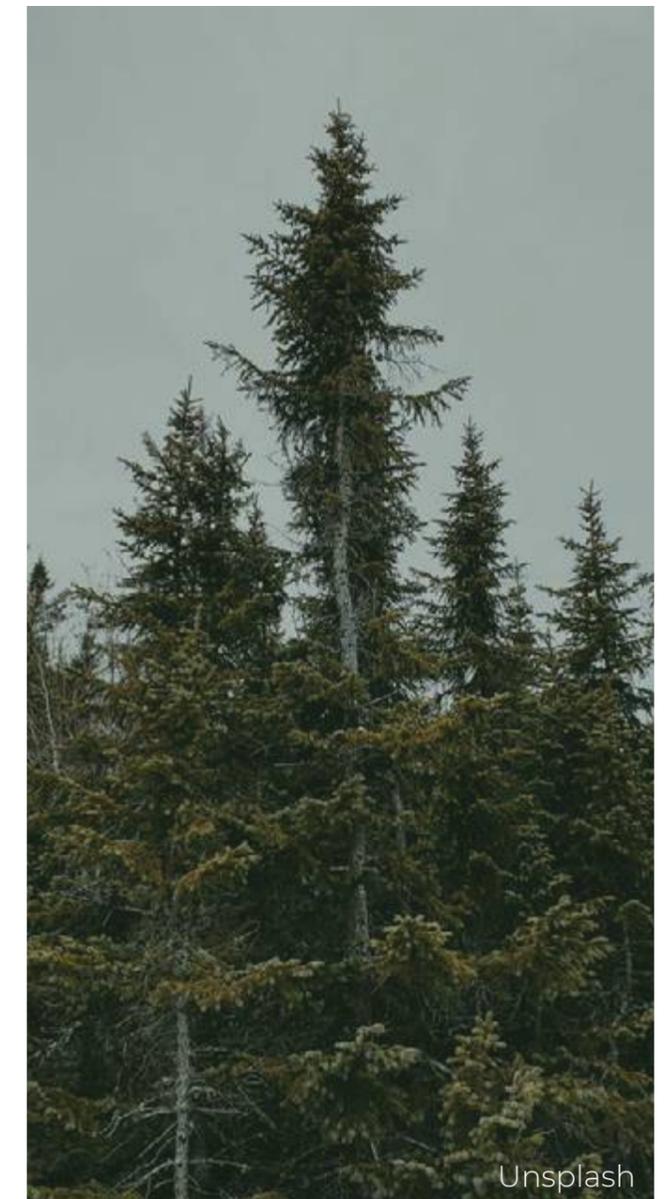
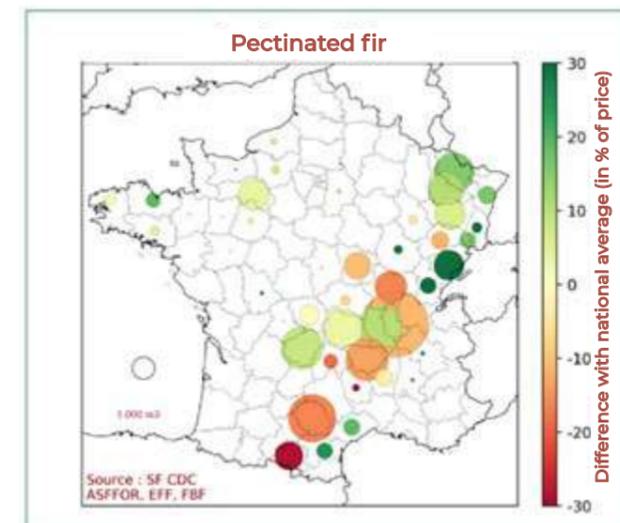


## PECTINATED FIR

For the third year of the publication of the pectinated fir index, the rates show an 8% increase, back to their 2018 level. The average price is therefore set at €43/m<sup>3</sup> in 2020 for a tree of 1.75 m<sup>3</sup> for an average unit volume, compared with €39/m<sup>3</sup> in 2019.

The volumes sold are decreasing once again, due to the drop of sales in the north-east quarter of France resulting from the health crisis on spruce trees. The index is therefore affected by the increase in the price of pine in the other regions, as pine benefited from a boost in buyer interest in 2020.

As for all of the coniferous species, we note a large regional price disparity.



## MARITIME PINE

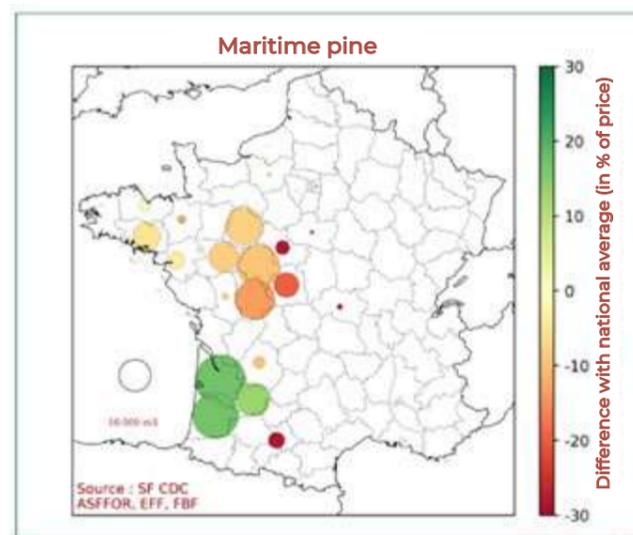
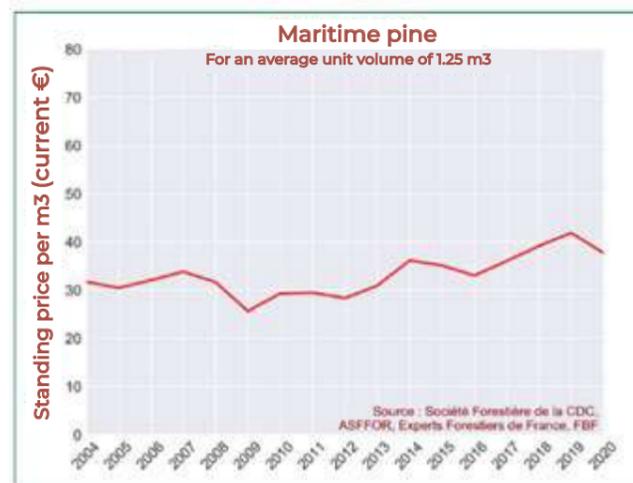
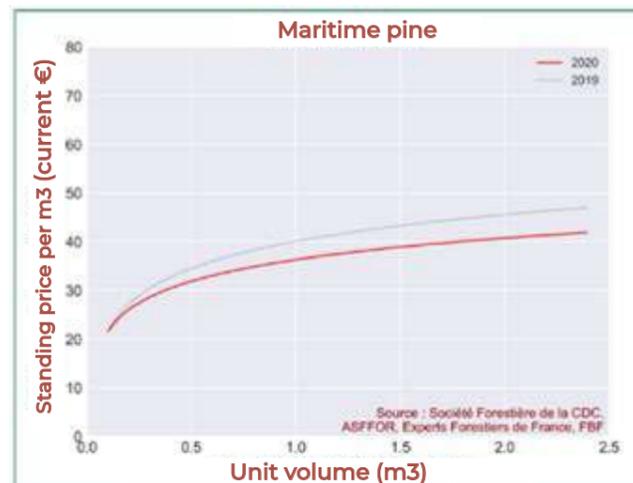
After having increased for 3 years, the price of maritime pine dropped by 10%, followed by a similar drop of the price of most types of wood. The average price was set at €38/m<sup>3</sup> in 2020 for a tree of 1.25 m<sup>3</sup> of average unit volume, against €42/m<sup>3</sup> in 2019.

The price of maritime pine closely follows the market development in the south-west, a major region for production and consumption. Demand dropped there in 2020 due to the competing spruce from areas hit by bark beetles (these areas benefited from transport aid), and due to the transformation units closing in the south-west.

The prices of harvested maritime pines in the central-west of France have remained stable. The regional pricing map clearly shows that the market of maritime pine actually consists of two clear segments: the south-west, where the prices are higher, and the central-west, where the prices are lowest.



Unsplash



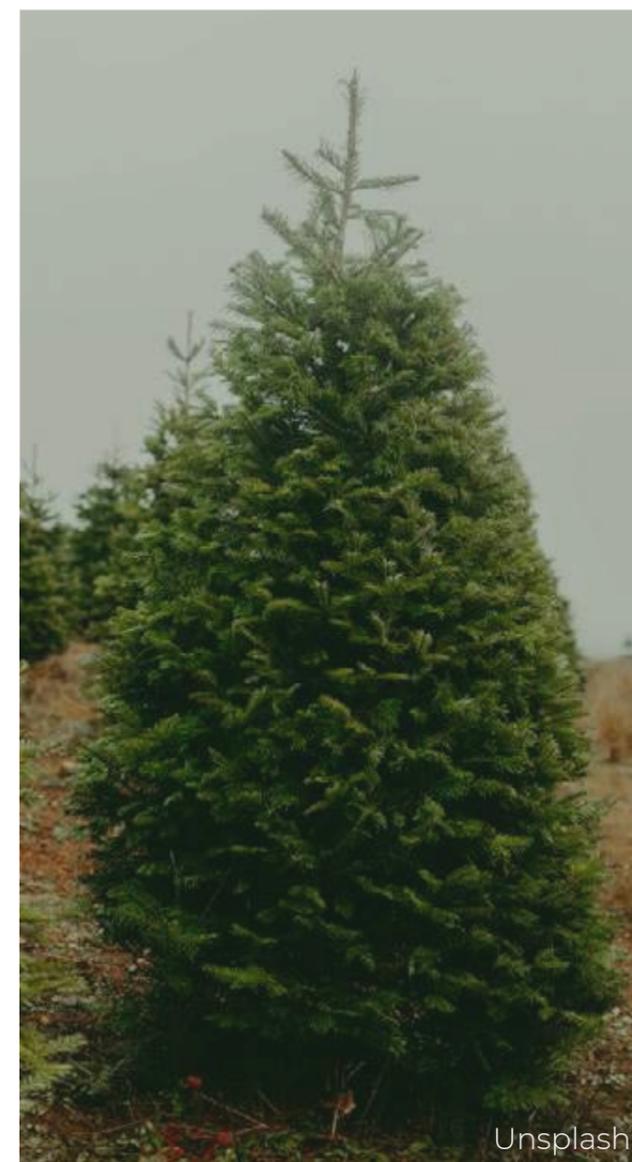
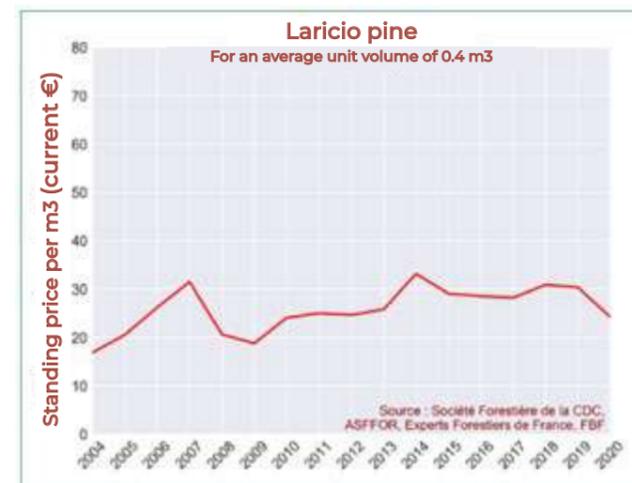
## LARICIO PINE

The price of laricio pine dropped significantly by 20% in 2020.

The average price is therefore set at €24/m<sup>3</sup> for a tree with an average unit volume of 0.4 m<sup>3</sup> (sales median), compared with 30 €/m<sup>3</sup> in 2019. It drops to the level it had in 2010.

This decrease is most pronounced on trees less than 0.6 m<sup>3</sup>. This clearly shows direct competition from the common spruce. The laricio pine is therefore struggling to find a market that is profitable for the producer, especially since the wood sold have a low average unit volume, as they come mainly from thinning.

We must also raise the significant discrepancies between the massif wood from Montagne Noire and the one from central France and Normandie, valued at 30 to 40% higher than the former.



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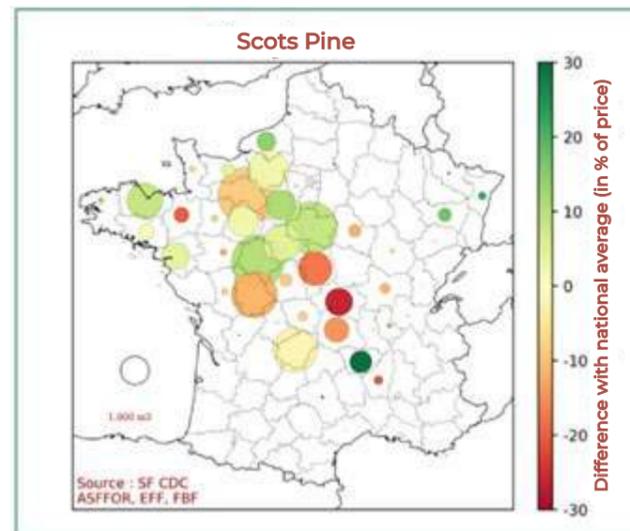
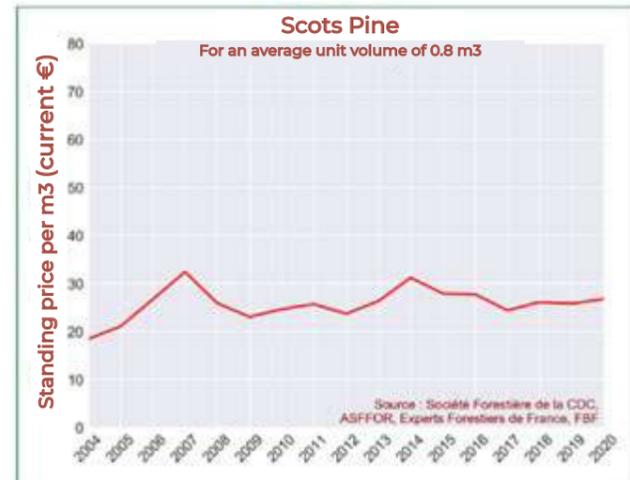
## SCOTS PINE

The price of Scots pine wood increased by 4% in 2020. The price of Scots pine of 0.8 m<sup>3</sup> (sales median) was set at €27/m<sup>3</sup>.

We must note that the Scots pine is a coniferous species which abounds in the French territory, with bundles usually sold in around 70 departments, which results in large price discrepancies, of around 50% between the wood from Auvergne-Rhône-Alpes and the wood from Grand-Est or Normandie for example, being the most popular. However, for 2 years now, we have hardly seen any bundles for sale in the north-east, which reflects the impact of the health crisis on the coniferous market in this region.



Unsplash



## POPLAR

The average sale price of the poplar tree has dropped (- 4%) after an increase over the last 4 years.

The average price was set in 2020 at €40/m<sup>3</sup> for a tree with an average unit volume of 1.35 m<sup>3</sup>, compared with €42/m<sup>3</sup> in 2019.

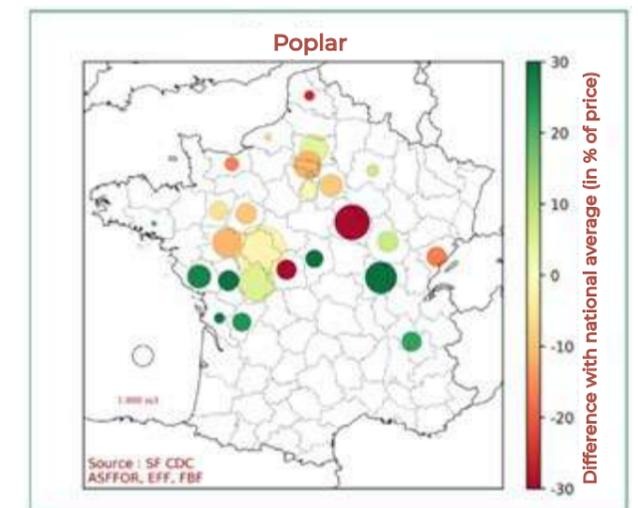
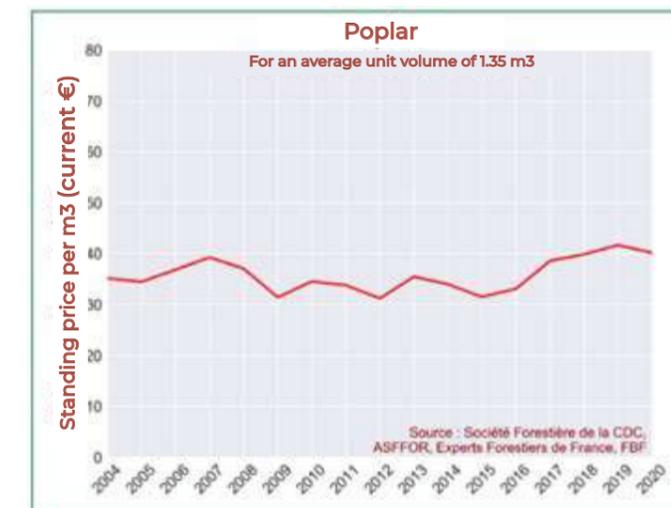
The volumes sold in 2020, after the 2019 drop, are finding a level that is once again comparable to that of the last few years.

As in 2019, the regional map shows the difference in sale prices across the various regions:

- In Franche-Comté and in Rhône-Alpes, with the proximity of Italy which remains very keen on poplar trees, the prices are lower than the national average; the same applies in the Vendée and Charente departments.
- In Normandie, Picardie and Île-de-France, the prices remain lower than the average. The progressive implantation of transformation factories in these regions does not seem to have had any beneficial effect, yet, on local prices.
- Paradoxically, the Val de Loire and Bretagne regions, even though they traditionally use wooden crates for market produce and baskets for seafood, are

experiencing a drop in prices, just like in Bourgogne.

The health crisis related to Covid could be the reason behind this decrease and the regional disparities due to the national slowing down of the food business, which resulted in a reduction of wooden crates being produced as well as a drop in exports. The market is also awaiting the new transformation units, as announced. Indeed, the decrease in 2020 goes against the pressure on resources, resulting from the non-renewal of the poplar plantations in the last few decades, and also goes against the solid demand for high-quality wood and for the development of new markets for peeler logs and veneer.



## DEEP DIVE INTO THE VALORISATION SECTORS

### Main effects of the health crisis on the sector in 2020

During the lockdown at the start of the year, the forest/wood sector was affected in different ways, depending on the sectors:

- The packaging industries (paper, cardboard) and the pallet industry were considered essential to economic continuation and were therefore able to continue their activity during that period.
- Other transformation industries (sawmill) were required to stop production during the first few weeks of lock down.
- Most of the ETF Forestry Companies continued their activity, as the lock down started when plants and saplings were still in nurseries.

**For forester experts,** contacting local buyers, users/sawyers quickly revealed the sector's supply need:

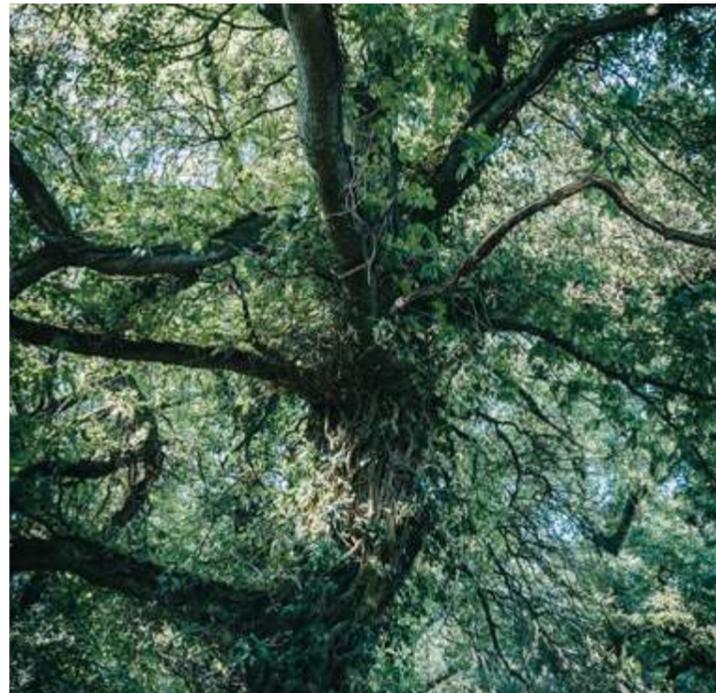
- for some activities, as the opportunities were in priority economic areas (packaging for ex.),
- for many others, to secure their supplies to resume their activities.

**In addition, Experts Forestiers de France led the project to set up electronic sales and this has made it so easy to organise remote sales as early as the first quarter in 2020:** 6 expert sales were made entirely remotely, 7 in a room, on electronic format, with the possibility of online submissions (which was the case for many buyers) out of the 19 sales during the first semester of 2020 which experienced 75% of the usual volumes.

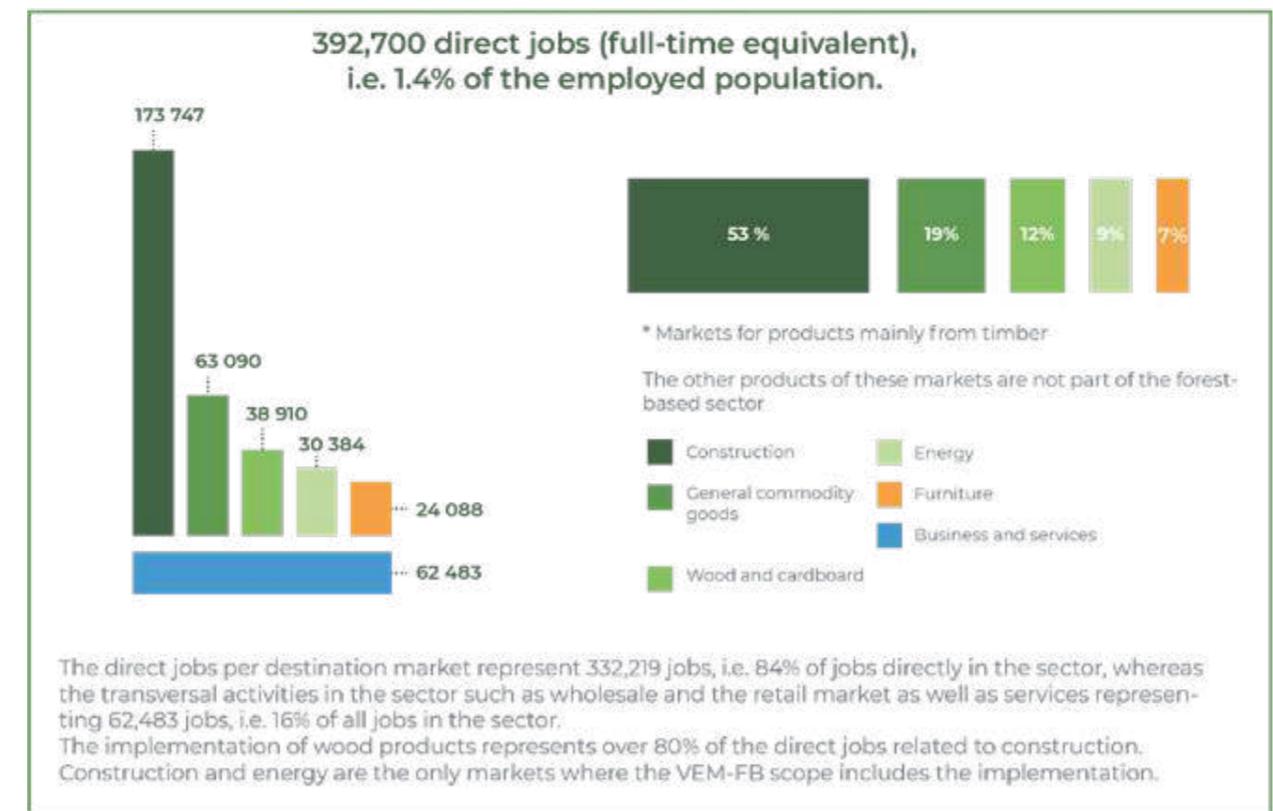
In the autumn, the volumes offered during sales were comparable to previous years even with the pandemic, as the climate was more favourable as buyers were looking for suppliers.

Indeed, FNB, the National Wood Federation, shared the data of its observatory on the activity of companies in the forest/wood section end 2020, beginning 2021. At the start of this year, the level of business activity has remained high, particularly for sawmills of coniferous trees operating beyond their nominal capacity.

The situation is a result of the large consumption and demand from the USA, where wood prices have tripled. Main problem: the lack of opportunities in wood-energy and industrial wood.



## KEY NUMBERS ABOUT THE FORESTRY-BASED SECTOR



- Even with a recurrent annual deficit of around €7 billion, including around 70% owed to furniture and paper, the sector has one major asset: it is independent. Indeed, French forests provide a large part of the volumes of wood used in France.
- As a conclusion, a review of the forest/wood sector has highlighted its valuable features:
  - A diverse sector that creates prosperity and provide a variety of jobs, from crafts to heavy industry.
  - A bio-based sector with a forestry base, improving national self-reliance especially in terms of energy.
  - A sector which presents a real opportunity for growth in the French market.

## OUR PROJECTS IN 2021

Each year, your continued support and the increasing emergency of the situation in French forests and on our planet make us more resolved to set ambitious growth objectives. As such, an ever-increasing number of you are showing your commitment to us and we can now expand our work across France and beyond.

### In 2021, we are staying the course!

In terms of numbers, our aim is to **plant or takeover and manage over 500,000 additional trees** by acquiring another 500 ha. In terms of biodiversity, we have identified **30 projects** that should launch in 2021

### Geographic expansion

We have developed, with the support of our partners, a **thorough territorial network and we are now in a position to study, take over and manage massifs anywhere in France**. We are still focusing on our original objective, which is to **share our knowledge, expertise, and the our client's investment where it will have the most environmental, social and economic impact**. This is why our forest team is studying an impressively large number of potential projects. We assess them according to various criteria, including ecological potential, production potential, sustainability to water stress and global warming, biodiversity, and collaborations with local players.

On a European scale, EcoTree has been steadily growing since 2019.

We aim to **duplicate our concept and provide sustainable forestry management across Europe**, as the issues are global and the needs in Europe very real.

### New offers

Since 2020, we have built our expertise around biodiversity. We've funded projects to create pollen hedges, restore wetlands, plant around river banks, and set up hives. All our biodiversity projects were identified in our forests. Some were completed in 2020 but most of them will be carried out in 2021.

For the first time in our history and responding to our clients' requests, **EcoTree is set to manage, at some point in 2021, some areas with high ecological value**. Our primary aim is to preserve and enhance these fauna and flora ecosystems.



Langonnet Forest, Bretagne

### Sharing and transparency

Finally, in the spirit of full transparency and openness, we are planning to make **even more documentation available to our clients on their personal space**. That includes our good forestry management charter, certifications of forestry plans issued by independent experts, as well as carbon capture calculations of our forests, verified by Bureau Veritas.

EcoTree will also continue to pursue its **research into forestry plans and will further enhance the ecosystem services of forests**. We will share the results with you, particularly during the five webinars throughout the year, which will give you a chance to ask questions.

### Objectives in 2021, in a nutshell

- 500,000 additional trees planted and/or managed
- an additional 500 ha
- 30 biodiversity projects
- 5 webinars
- 1st forest abroad



Langonnet Forest, Bretagne

## CONCLUSION

As early as 1931, Paul Valéry was already stating that “the era of the end of the world is beginning”, urging to re-evaluate the destiny of our civilisation and the progress of science. 98 years later, while our world is awakening from a crisis of incredible proportions, human beings are holding on to the present, petrified at what tomorrow may bring. What will happen next? Will this ending be the start of something else? Or will it be an epitaph?

At EcoTree, we are resolutely optimistic. Beneath the rubble, there may be seeds of a new mindset, one based on cooperation instead of competition, attachment to Earth instead of disunion, sincerity, honesty and integrity. We firmly believe that something good is underway. That at an individual level, people can accept forgoing some of their sovereignty and to draw up a new social contract where common sense prevails.

We want to contribute in practical ways. We look for good ideas that place life (forests and their biodiversity) at the heart of our what we do. Our offer is relevant to everyone – the general public and companies – with no assumptions. Our talent forges and fuels thinking in our teams, clients and suppliers. And our model ensures that you always receive what you are owed, as per the saying that good deeds are rewarded, and what Marcel Mauss describes as the psychology of gift-receiving, involving giving, reciprocating, receiving.

Preparing this annual report has been a hugely satisfying process. Our continued growth and expansion outside of our national borders is a source of great pride. It shows us that our idea unites people and is practically useful. We can see that the choice we took to commit to forestry management that is close to nature (a far cry from any output-intensive rationale) is bearing its fruits. While the rest of France is battling against the bark beetle crisis, our sites have been spared and the independent forestry experts who audited our forests confirm that we are in the clear.

The road is long. We still have a lot to achieve and the room for improvement is vast. Once we became aware of that, we sought to surround ourselves with those who consistently hold us accountable. We are now working closely with our ethics committee, our independent forestry experts, world-renowned certification bodies, legal and financial experts and, of course, our clients (both corporate and individual). What do we ask of them?

To be uncompromising with us, hunt down the smallest flaw, and press where it hurts. In short, to lay ourselves bare, so that we can never be faulted, be it in our range of services or how we implement them, and to ensure

that our philosophy remains completely focused on common sense ecology.

This is how EcoTree will continue to grow. This is why, this year, we will be in a position to offer our clients managed forests in Northern European countries outside of France.

We will continue to increase awareness amongst the general public and organisations in this way, and to focus on the invaluable heritage of forests and biodiversity.

Our planet will change on a profound level this century, unless human beings fundamentally redirect their development towards an economy that is more rational and less destructive of natural resources. Plants capture the CO<sub>2</sub> contained in the air to produce complex carbon chains, and provide food, materials and energy. Forests of the world, as with agriculture, will be used

“  
**We strongly feel that  
EcoTree can contribute  
in practical ways.**



in novel ways, as we shift from the fossil era to one of renewables, from petrol to green carbon. This is a major turning point that the world is still not fully grasping, as we can see with the hesitant tone of international negotiations on climate. The food security issue (feed the world), climate challenge (mitigate climate change) and the energy issue (providing enough energy required by human development) have become closely correlated at a global level. We need options, now, to reverse the emission curbs over the next two to three decades – later will be too late. Using wood as a material can save fossil resources and therefore reduce greenhouse gas emissions. Wood products can prolong carbon storage in forests. This stock can last for decades if not millennia, depending

on how the product is used, as the frames of some historical monuments can testify. Reusing or recycling a wood product means that stock can be prolonged. There has been much progress on an international level in terms of the position of forests and wood in strategies related to climate change. In France, not as much, in terms of the valuation of the assets of its forest-based sector. Demand for fuel wood is on the rise, boosted by powerful public levers, and is growing so much that it is actually impeding other uses. However, the potential for sequestration in forests is clearly and largely still under-used. Forests need to become a universal priority. This is certainly EcoTree's mission.

**Théophane Le Méné**

EcoTree co-founder



**FRANÇOIS DU CLUZEAU**  
FORESTRY EXPERT  
EXPERT AT THE COURT OF APPEAL OF VERSAILLES  
Member of the French Forestry Committee  
Member of the Expert Foresters of France  
Member of the Council of Agricultural and Forestry  
Land Expertise (CNEPAP)  
Tel. 06 79 88 42 60  
f.du.cluzeau@gmail.com



Our references: FC/fc/20-21-076

## SUSTAINABLE MANAGEMENT CERTIFICATE 2020

### EcoTREE FORESTS

I, undersigned François du Cluzeau, received from EcoTree, whose head office is located at 110 rue Charles Nungesser, 29490 Guipavas, the task to assess the sustainable management of the forests belonging to this company for the year 2020.

#### NOTION OF SUSTAINABLE MANAGEMENT AND SCOPE OF THE TASK

First of all, we feel that it is important to establish what is meant by "sustainable management of a forest". For this certificate, we based the reference value and the range of expertise on *X Article 1.1 of the French Forestry Code*. It states that "(...) the sustainable management of forests ensures their biological diversity, their productivity, their regeneration capacity, their vitality and their ability to meet, currently and in the future, the pertinent economic, ecological and social functions, at local, national and international levels, without creating any damage to other ecosystems (...)"

#### SCREENING PROTOCOL

We carried out two main verifications to establish the sustainable management of forests belonging to EcoTree. One purely regulatory verification on the compulsory administrative aspects (1) and one more technical verification on the actual implementation in each forest (2).

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Member of an approved association. Payment may be made by cheque.

## 1. The existence of a sustainable management certificate

For a management entity with a surface area above 25 ha, the French Forestry Code requires that the forest must be managed in compliance with a Simplified Forestry Management Plan (PSG). We therefore checked that forests within the scope of this law did indeed have a valid PSG. The owner provided us with the CRPF confirmation letter showing the agreement date and the validity period of the sustainable management document. By providing this document, we felt that the owner benefited from an assumption of sustainable management and that their style of management was in accordance with the legal framework imposed.

For forests with a surface area under 25 ha, the French Forestry Code does not require them to have a management document. For these forests, we checked that they were either registered to the French Code of Good Forestry Practice (CBPS) or that they adhered to a management-type regulation.

Indeed, the legal compliance of interventions carried out in a forest already presents an assumption of significant guarantee of sustainable management on which this certificate is based. A request for additional information on the technical management applied in each forest enabled us to refine our appraisal (2).

## 2. Compliance of the management implemented with the definition from the French Forestry Code

We therefore asked EcoTree to provide us with an annual management summary for each forest, carried out by the forestry manager responsible for each massif, to check that the management implemented covered the legal criteria previously mentioned, i.e.

- biological diversity
  - productivity
  - regeneration capacity
- vitality and potential to fulfil, both now and in the future, relevant ecological, economic and social functions at local, national and global levels, without causing any damage to other ecosystems.

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## THE FORESTS BELONGING TO ECOTREE

EcoTree asked us to give our opinion on the following forests:

Forest	Surface area in ha	Mandatory sustainable management document	Sustainable management document with EcoTree	Management document no.	Valid period
Sarran	6,98	none	RTG	21 - 014	05/02/2031
Gioux	30,69	None as surface planted lower than 25 ha	RTG	20 - 158	02/12/2030
Palotas	22,7	none	RTG	20 - 043	20/03/2030
Loguivy	0,95	none	CBPS	CP 22-0552-1	13/06/2026
Lanrivain - Plouguernevel	23,03	none	CBPS	CP-22-0611-1	11/06/2030
Louargat	4,28	none	CBPS	CP-22-0609-2	25/05/2030
Pleyben	12,43	none	CBPS	CP 29-1005-2	10/06/2030
Cleden Poher	12,02	none	CBPS	CP 29-0942-1	17/04/2029

Forest	Surface area in ha	Mandatory sustainable management document	Sustainable management document with EcoTree	Management document no.	Valid period
Pont de Buis	9,72	none	registration pending		
Langoëlan	15,93	none	CBPS	CB 56-0384-1	14/10/2026
Melrand	19,97	none	CBPS	CP 56-0492-1	12/06/2028
Melgven	3,72	none	CBPS	CP-29-10004-1	04/06/2030
Plouray	11,41	none	CBPS	CP-56-0446-1	23/11/2027
Ploërdut 1	8,95	none	CBPS	CP 56-0556-1	17/06/2029
Ploërdut 2	2,68	none	CBPS	CP-56-0594-1	04/06/2030
Faouët 1	15,35	none	CBPS	CP 56-0447-1	23/11/2017
Faouët 2	3,9	none	CBPS	CP-56-0593-1	04/06/2030
Faouët 3	2,95	none	registration pending		

Forest	Surface area in ha	Mandatory sustainable management document	Sustainable management document with EcoTree	Management document no.	Valid period
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Fauët 4	3.52	none	registration pending		
Ploërdut 3	16.83	none	registration pending		
Berné 1	3.96	none	CBPS	Berné 1	3.96
Pézarches	15.92	none	PSG	Pézarches	15.92
Malicorne-sur-Sarthe	68.05	PSG	PSG	Malicorne-sur-Sarthe	68.05
Ruillé	21.44	none	RTG	Ruillé	21.44
Pontvallain	6.72	none	CBPS	Pontvallain	6.72
Châtelain	12.86	none	PSG	Châtelain	12.86
Préaux	10	none	CBPS	Préaux	10
La Chapelle saint Remy	13.14	none	registration pending		

Forest	Surface area in ha	Mandatory sustainable management document	Sustainable management document with EcoTree	Management document no.	Valid period
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Luthenay	112	PSG	PSG	58 - 0851 - 2	22/03/2035
Champeau-en-Morvan	6.79	none	CBPS	CB21 0169 1	16/11/2030
<b>Summary</b>	Except for 5 forests that have been recently acquired, for which the management documents and the registration are currently under way, we have seen that all the other forests have a corresponding management document. Furthermore, we have noticed that the PSG no, for the Châtelain Forest is missing. This information will need to be given before the next certification for 2021.				

The information shared by EcoTree show that, by all accounts, the administrative status of the forests are in line with the current legislation, with regard to the sustainable management documents.

## THE MANAGEMENT IMPLEMENTED PER FOREST

The report presented below was given to us for each forest and was prepared by each of the managers in place without any site visit.

From the information given, we have seen the following:

Intervention and/ or type of management covering:				
Forest	Biological diversity	Productivity	Regeneration capacity	Vitality and potential to fulfil, both now and in the future, relevant ecological, economic and social functions at local, national and global levels, without causing any damage to other ecosystems.
Sarzan	3 species implanted in this forest (Douglas fir, larch tree, taeda pine).	The dynamic reforestation shows that all forests studied are lined up for the production of construction wood.	In all of these forests, we note an actual commitment to renewal. This commitment results from binding regulatory requirements from the subscriptions to CBPS, RTG and PSG as well as the treatments applied, both in regular and irregular high forest.	All of the forests were analysed in-depth. The management implemented is dynamic and the significant and diversified reforestation with species adapted to the site reveal bold steps taken to ensure the future vitality of the stands of trees. As such: the economic functions, through wood production in particular, the ecological functions, through the diversity of species and respectful practices; the social functions, especially through the work generated by all these interventions.
Gioux	Mix of Douglas firs and larch trees and an area for responsible grazing			
Palotas	6 plots including 1 with pectinated fir, 5 planted with red oak trees /cherry trees, Atlas cedar trees, larch trees/pectinated firs, Douglas firs / larch trees, thuyas			
Loguivy	1 plot planted with Sitka spruces.			
Lantivain - Plouguemevel	3 plots, one management takeover, 2 planted with Sitka spruces.			
Louargat	2 plots, 1 planted with Douglas firs with red oak trees and Sitka spruces as companion species, 1 with Scots pines			
Pleyben	Around 20 plots with cherry trees, fully-grown, chestnut trees, thuyas, maple trees, Sitka spruces, Douglas firs, red oak trees			
Cleden Poher	3 plots planted with Douglas firs / chestnut trees / beech trees, larch trees / red oak trees / pectinated firs, thuyas / spruces / beech trees			

Pont de Buis	2 plots planted with cedar trees/red oak trees and Douglas firs/chestnut trees /beech trees. A plot with holly and beech hedge was left as is.	The dynamic reforestation shows that all forests studied are lined up for the production of construction wood.	In all of these forests, we note an actual commitment to renewal. This commitment results from binding regulatory requirements from the subscriptions to CBPS, RTG and PSG as well as the treatments applied, both in regular and irregular high forest.	All of the forests were analysed in-depth. The management implemented is dynamic and the significant and important reforestation with species adapted to the site reveal bold steps taken to ensure the future vitality of the stands of trees. As such: the economic functions, through wood production in particular; the ecological functions, through the diversity of species and respectful practices; the social functions, especially through the work generated by all these interventions. present solid guarantees in general, without causing any damage to other ecosystems.			
Langoelan	8 plots including 3 with Douglas firs or Sitka spruces, mature or semi-mature, and Douglas firs / red oak trees, thuyas and Sitka spruces were planted.						
Melrand	plots planted with Douglas firs, maritime pines, poplar trees						
Melgven	1 plot planted with Douglas firs / chestnut trees. Creation of a honey hedge						
Plouray	3 plots planted with Douglas firs / thuyas, spruces / thuyas / birch trees/ firs, and Douglas firs / thuyas / red oak trees / larch trees. Creation of a honey hedge						
Floërdut 1	3 plots planted with Douglas firs / red oak trees, Douglas firs / chestnut trees, Scots pines						
Floërdut 2	1 plot of Sitka spruces taken over and managed, 1 plot where a mixture of Sitka spruces / thuyas was planted.						
Faouët 1	2 plots of Douglas firs planted with a mixture of red oak trees and spruces.						
Faouët 2	3 plots of Douglas firs and thuyas as a companion species, cedar trees and Douglas firs and red oak trees, with chestnut trees as the companion species.						
Faouët 3	1 plot of Douglas firs planted with sequoias as the companion species.						
Faouët 4	1 plot of Douglas firs planted with chestnut trees as the companion species.						
Floërdut 3	2 plots with maritime pines and thuyas / spruces planted						
Berné 1	Takeover 1 plot of Douglas firs.				The dynamic reforestation	In all of these forests, we note	All of the forests were analysed in-depth. The management implemented is dynamic

Pézarches	2 plots now managed with sessile oak trees, pedunculated pines, ash trees, cherry trees, hornbeam, linden and chestnut trees	shows that all forests studied are lined up for the production of construction wood.	an actual commitment to renewal. This commitment results from binding regulatory requirements from the subscriptions to CBPS, RTG and PSG as well as the treatments applied, both in regular and irregular high forest.	and the significant and diversified reforestation with species adapted to the site reveal bold steps taken to ensure the future vitality of the stands of trees. As such: the economic functions, through wood production in particular; the ecological functions, through the diversity of species and respectful practices; the social functions, especially through the work generated by all these interventions.
Malicorne-sur-Sarthe	Takeover. 10 plots. Maritime pines, lario pine, cherry trees, chestnut trees, irregular high-forest of oak and chestnut trees.			
Ruillé	Takeover. 1 plot of sessile oak trees with a thicket of chestnut trees.			
Pontvallain	Takeover. 3 plots of lario pine and maritime pines.			
Châtelain	Forest lease. Sessile oak trees. Setting up hives.			
Préaux	Takeover. 4 plots, sessile oak trees, cherry trees, ash trees and black walnut trees.			
La Chapelle saint Remy	1 plot of lario pine and reforestation with Douglas firs and maritime pines.			
Luthenay	Takeover. 9 plots of Douglas firs, red oak trees, poplar trees, lario pine, taeda pine, sessile oak trees. 1 plot of 25 ha in natural regeneration, reforested this winter with red oak trees, taeda pine and lario pine. The regeneration will be protected. Planted 800 t / ha.			
Champeau-en-Morvan	Takeover. 3 plots of Douglas firs, including a former clear-cut plot reforested this winter with Douglas firs and larch trees. Another plot which has been replenished.			
Generally speaking, the species are adapted to the site. They are selected and mixed according to the situation. In some cases, mainly with the small plots, we note some residual mono specific forests, which do not call into question, overall, the implementation of steps to ensure biodiversity.				

More information on the various reports given are included as annexes to this report.

## CONCLUSION

The information given show administrative compliance. EcoTree forests are part of a sustainable management approach as defined and imposed by the current legislation. In addition, the management carried out on site seems to be coherent and adheres to the criteria that are needed to ensure sustainable management. This document could not have been drafted without the trust we have bestowed upon the Ecotree foresters who sent us the information contained in this document. This information confirms that the above-mentioned forests are sustainably managed.

Paris, on January 21<sup>st</sup>, 2021

This certificate is issued for all legal intents and purposes

François du Chuzeau



## Annexes

- detailed report per forest provided by EcoTree (a 68-page document).
- documents relating to each forest (30 files including maps of forests, the recent invoices for work carried out and the legal correspondence confirming the approval from PSG, CB PS and RTG).