chempolis
pure future

CHEMPOLIS ANCIENT FOREST FRIENDLY AND NEXT GENERATION SOLUTION POLICY FEBRUARY 28TH, 2025

Chempolis is committed to playing a leadership role in delivering innovative biorefining technologies that provide profitable, sustainable and cost-effective solutions by refining lignocellulosic raw materials and non-food biomasses such as straw, bagasse, grasses, bamboo, etc. into high-quality products instead of exploiting Ancient and Endangered Forests. We are committed to supporting supply chain solutions that promote responsible environmental and ethical practices in sourcing, manufacturing, and the protection of global ecosystems including Ancient and Endangered Forests.

Chempolis recognizes that business leadership and long-term success must consider the environment. Consequently, Chempolis is dedicated to building environmental awareness about these issues among customers, employees, suppliers and peers.

Conserving Ancient and Endangered Forests and Ecosystems

Chempolis provides a clear solution to inputs originating from the world's Ancient and Endangered Forests[i], with technologies for biorefining of all lignocellulosic raw materials and non-food biomasses that enable the production of multiple value-added products from renewable raw materials. As such we are helping to protect the world's remaining Ancient and Endangered Forests including the Canadian[ii] and Russian Boreal Forests; Coastal Temperate Rainforests[iii]; tropical forests and peat lands of Indonesia[iv], the Amazon and West Africa, and the protection of biodiversity and ecosystems contained within these forests.

As the issue of Ancient and Endangered Forest fiber in paper, packaging and cellulosic fabrics gains increasing awareness among global retailers, brands, designers and producers, Chempolis will work with suppliers, Canopy and businesses that have Canopy policies in place to support the protection of Ancient and Endangered Forests and forward solutions to reduce demand on the world's forests. We will prioritize production partners who avoid sourcing from Ancient and Endangered Forests to maximize the availability of solutions that meet the purchasing preferences of Canopy's policy signatories.

Innovation and Development

Chempolis has a third-generation technology for biorefining of non-food biomasses: formicodeli™ for the co-production of advanced biofuels, cellulosic sugars, platform biochemicals and biocoal. This provides Chempolis' customers with a guarantee that the company is not sourcing from controversial sources including wood from: illegal logging[v], endangered species habitat, logging in contravention of First Nations/indigenous peoples' rights or in contravention of Free, Prior or Informed Consent (FPIC).

Advance Joint Conservation Solutions

Chempolis supports the implementation of visionary agreements in key forest areas, such as the Canadian Boreal Forests, Coastal Temperate Rainforests and Indonesia. We look to Canopy to identify opportunities to encourage existing and new initiatives that seek to protect the world's remaining ancient and endangered forests.

Reduce our Carbon Footprint

Chempolis aims to reduce our company's own greenhouse gas emissions. Where possible, they will play a role in mitigating climate change by participating in initiatives that reduce the

loss of biogenic carbon from carbon-rich forests (e.g. ancient old growth temperate rainforests and forests growing on peat lands) by encouraging the development of products made within a circular mode of production and low carbon feedstock.

Pollution Prevention
Conventional pulp production is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. Chempolis is scaling a technology for biorefining of non-food biomasses such as straw, bagasse, grasses, bamboo, etc. that enables production of multiple value-added products from renewable raw materials in a closed loop process. Chempolis is committed to continuous improvement and development of its process to minimize emissions and to maximize feedstock efficiency for high value products.

Internal Paper and Packaging
Chempolis is committed to improving efficiency in paper use in its own operations, and to reducing waste. We are committed to ensuring that any paper and packaging we use does not include fiber sourced from Ancient and Endangered Forests[vi] and to achieving this by the end of year 2025 or sooner. In line with Chempolis' own business production, we will source 100% post-consumer recycled paper and packaging and make efforts to source products which include ag-fiber.[vii] If any of our paper and packaging suppliers are found to be sourcing from Ancient and Endangered Forests we will engage them to change practices and/or re-evaluate our relationship with them.

Promote Industry Leadership
Chempolis recognizes the benefit of creating environmental awareness amongst its team, customers, and partners. The company will work to highlight our environmental efforts on our website, in public communications and social media, and in partnership with stakeholders.

Strong Certification and Forest Management Standards
Chempolis fully supports responsible forest management practices that protect biodiversity and ecosystem integrity, provide long-term social and economic benefits to communities, and facilitate a stable, sustainable supply chain and climate of operational certainty. If any of our business partners, clients or suppliers are using forest products we will encourage them to preference fiber certified to the Forest Stewardship Council (FSC) standard outside of Ancient and Endangered forests if virgin fiber is needed and until alternatives to virgin wood-based products are available.

Chempolis also supports the adoption of Roundtable on Sustainable Biomaterials certification throughout our entire alternative supply chain, and the Carbon Initiative Manifesto for the European Commission (2024-2029)

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28th February, 2025

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[i] Ancient and Endangered forests are defined as intact forest landscape mosaics, naturally rare forest types, forest types that have been made rare due to human activity, and/or other forests that are ecologically critical for the protection of biological diversity. Ecological components of endangered forests are: Intact forest landscapes; Remnant forests and restoration cores; Landscape connectivity; Rare forest types; Forests of high species richness; Forests containing high concentrations of rare and endangered species; Forests of high endemism; Core habitat for focal species; Forests exhibiting rare ecological and evolutionary phenomena. As a starting point to geographically locate ancient and endangered forests, maps of High Conservation Value Forests (HCVF), as defined by the Forest Stewardship Council (FSC), and of intact forest landscapes (IFL), can be used and paired with maps of other key ecological values like the habitat range of key endangered species and forests containing high concentrations of terrestrial carbon and High Carbon Stocks (HCS). (The Wye River Coalition's Endangered Forests: High Conservation Value Forests Protection – Guidance for Corporate Commitments. This has been reviewed by

conservation groups, corporations, and scientists such as Dr. Jim Strittholt, President and Executive Director of the Conservation Biology Institute, and has been adopted by corporations for their forest sourcing policies). Key endangered forests globally are the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests of British Columbia, Alaska and Chile; Tropical forests and peat lands of Indonesia, the Amazon and West Africa. For more information on the definitions of ancient and endangered forests, please go to: http://canopyplanet.org/solutions/ancient-forest-friendly/the-science-behind-the-ancient-forest-friendly-brand/

[ii] Protection of Boreal Forests where the largest remaining tracts of forests are located worldwide is critical. Canada's Boreal Forest contains the largest source of unfrozen freshwater world-wide and are part of the world's largest terrestrial carbon sink – equivalent to 26 years worth of global fossil fuel use. Canopy is committed to working collaboratively on the establishment of new protected areas, the protection of endangered species and the implementation of sustainable harvesting in Canada's Boreal Forest.

[iii] Conservation solutions are now finalized in the Great Bear Rainforest, located in coastal temperate rainforests that originally covered 0.2% of the planet, and where now less than 25% of the original forests remain. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced 38% protection in the Great Bear Rainforest and an ecosystem-based management approach that will see 85% of this region off limits to logging. Provided these agreements hold – sustainable sourcing has been accomplished in this ancient and endangered forest. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification. British Columbia's last stands of coastal temperate rainforests on Vancouver Island are not currently afforded the same future. We look forward to supporting and encouraging protection for landscapes of hope on BC's Vancouver Island.

[iv] Indonesia experiences the second highest rate of deforestation among tropical countries, with the island of Sumatra standing out due to the intensive forest clearing that has resulted in the conversion of 70% of the island's forested area (FAO Forest Assessment 2010; Margono, B.A. et al. 2012)

[v] Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

[vi] https://canopyplanet.org/tools/forestmapper/

[vii] See Canopy's Paper Steps: http://canopyplanet.org/resources/the-paper-steps/