

# RED LEAF PULP LTD.'S POLICY SUPPORTING PROTECTION OF ANCIENT AND ENDANGERED FORESTS AND PROMOTING NEXT GENERATION ALTERNATIVE FIBERS

#### **AUGUST 2025**

Red Leaf Pulp Ltd. ("Red Leaf") is committed to playing a leadership role in scaling pulping capacity for next generation fibre production for tissue, paper and packaging that utilizes an annual feedstock alternative to Ancient and Endangered Forests<sup>i</sup>. We are also committed to supporting supply chain solutions that promote responsible environmental and ethical practices in crop optimization, manufacturing, and stewardship of global ecosystems.

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

# Increasing Utilization of Agricultural Crops and Conserving Ancient and Endangered Forests and Ecosystems

Red Leaf provides an alternative to inputs originating from the world's Ancient and Endangered Forests, through the launch of a low footprint pulping technology designed to process agricultural residues (primarily wheat, barley and oat straws) into market pulp for molded products, tissue, paper, and packaging. In doing so, we improve the profitability and sustainability of food crop producers while helping to protect the biodiversity and ecosystems contained within all global forests, particularly the world's remaining Ancient and Endangered Forests.

The global awareness of sustainable harvest levels for forest-based fibre is increasing amongst retailers, brands, designers and producers. Red Leaf will work with Canopy Planet Society ("Canopy"), their partners, and our combined network of suppliers and businesses with policies supporting the protection of Ancient and Endangered Forests to develop progressive solutions that reduce the demand for virgin wood products. We will prioritize opportunities to blend Red Leaf's non-wood pulp with recycled pulps or low-risk forest fibre, partnering with producers who have a proven track record of avoiding sourcing from Ancient and Endangered Forests. These collaborations will help reduce reliance on critical forest ecosystems and create products that align with the purchasing preferences of Canopy's brand partners.

#### **Innovation and Development**

Red Leaf's process produces a renewable market pulp made from agricultural fibres, significantly reducing the energy, water and chemical inputs required compared to conventional pulping processes. This process represents a substantial reduction in the carbon lifecycle of manufacturing naturally derived fibres and in the use of precious resources such as water. The process utilizes a feedstock that is still widely considered as waste, creating a viable circular economic cycle. Red Leaf will provide customers with a recyclable and compostable alternative fibre that is not from controversial sources, including wood from illegal logging ii, 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**

Red Leaf 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 will protect the world's remaining Ancient and Endangered Forests.

### **Reduce our Carbon Footprint**

Red Leaf aims to reduce greenhouse gas emissions. Red Leaf 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.

#### **Pollution Prevention**

Conventional pulp production is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. Red Leaf's pulp process reduces overall emissions, does not use harmful chemicals that cannot be recycled in a closed process, minimizes air and water pollution, and maximizes water-use efficiency.

#### **Internal Paper and Packaging**

Red Leaf 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 fibre sourced from Ancient and Endangered Forests and finds a recycled outcome after our use. In line with Red Leaf's own business goals, we aim to source agricultural residue and/or 100% post-recycled content tissue, paper and packaging products.<sup>iii</sup> If any of our suppliers are found to be sourcing from Ancient and Endangered Forests, we engage them to change practices and re-evaluate our relationship with them immediately.

#### **Promoting ESG Leadership in the Industry**

Our agricultural fiber-based pulp aligns with the growing ESG policies of global brands, offering a pathway to reduce reliance on Ancient and Endangered Forests. We are committed to advancing collaborative conservation solutions and best practices in crop management that protect vital ecosystems while working with the wood pulp industry and end users to promote sustainable practices and responsible sourcing.

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

## **Strong Certification and Forest Management Standards**

Red Leaf 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 fibre certified to the Forest Stewardship Council (FSC) standard outside of Ancient and Endangered forests and to use of alternatives such as our own wheat straw fibre.

We also support the adoption of the Roundtable on Sustainable Biomaterial Certification and realization of the United Nations Sustainable Development Goals throughout our upstream and downstream supply chain.

Darby Kreitz August 14, 2025

Darby Kreitz

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: <a href="http://canopyplanet.org/solutions/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/ancient-forest-friendly/anci

<sup>&</sup>lt;sup>ii</sup> Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

iii See Canopy's Paper Steps: https://canopyplanet.org/news/the-paper-steps