

Fibre Procurement Policy for Protecting Forests

森林保護之纖維採購政策

[Effective: 16, June. 2020]

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AceGreen Eco-Material Technology Co., Ltd. is committed to playing a leadership role in the dissolving pulp & cellulosic fibre industry and will work with our wood fibre suppliers and Canopy in order to promote sustainable forest management and the protection of ancient and endangered forests.

聚泰環保材料科技(股)公司承諾在溶解漿和纖維素產業發揮領導作用，與我們的木纖維供應商和Canopy合作，共同促進可持續性森林管理，保護原始瀕危森林。

AceGreen Eco-Material Technology Co., Ltd. supports the production of cellulosic fibres & fabrics from wood fibre that is not sourced in ancient and endangered forests, such as Indonesia's tropical forest and Canada's Boreal Forest, unless meaningful conservation plans and FSC™ certification are in place.

聚泰環保材料科技(股)公司支持使用非原始瀕危森林(如印尼的熱帶森林和加拿大北方林)採購的木纖維來生產纖維素纖維和面料，除非採購地區已經實施切實森林保護方案並持有FSC™ 認證。

The following principles apply to all man-made cellulosic fibres, fabrics and textiles, including but not limited to rayon, viscose, lyocell, modal and trademarked product lines produced by our company. This commitment addresses our own operations as well as our procurement practices. This policy supports principles that result in long-term environmental, social and economic benefits.

以下原則適用於本公司生產的所有人造纖維素纖維、面料和紡織品，包括但不限於人造絲、黏膠、萊賽爾、莫代爾和其他註冊商標產品。該承諾針對本公司的營運以及採購行為。本政策支持能與環境、社會和經濟帶來長期正面影響的原則。

Scope of Commitment

承諾範圍

All of our operations, including companies we control, manage and/or have an investment in – will be in compliance with this policy.

本公司所有營運，包括我們控股、管理和/或投資的企業，皆滿足本政策承諾。

We will source our raw material only through suppliers that are transparent, traceable and comply with this policy.

我們將只從透明、可追溯以及合規本政策的供應商採購原材料。

If suppliers contravene these criteria, we will first engage them to change practices and then re-evaluate our relationship with them if we find that fibre is coming from sources that do not meet this policy.

如果供應商不符合這些要求，我們將先敦促其改變不合規行為，如果發現所採購纖維來自於違背本政策的來源，我們會重新評估合作關係。

Conservation of Ancient & Endangered Forests¹ and Intact Forest Landscapes²:
保護原始瀕危森林¹ 和完整森林景觀²

AceGreen Eco-Material Technology Co.,Ltd. supports a future that does not use ancient and endangered forest for dissolving pulp to make cellulosic fibres. We will, therefore:

聚泰環保材料科技(股)公司支持不使用來自於原始瀕危森林的溶解漿生產纖維素纖維。因此，我們將：

- **Assess our existing use of wood pulp and fibre and ensure that we are not sourcing fibres made from ancient and endangered forests areas such as the Canadian and Russian Boreal Forests; Coastal Temperate Rainforests; tropical forests and peatlands of Indonesia, the Amazon and West Africa, or endangered species habitat.**
- 評估本公司現有的木漿和纖維採購，確保現有採購沒有來自於原始瀕危森林的原材料，比如加拿大和俄羅斯北方林、沿海溫帶雨林、印尼、亞馬遜和西非的熱帶雨林和泥炭地、或瀕危物種棲息地。
- **Work with our fibre suppliers to phase out and find suitable alternatives to any fibre sourced from these regions.**
- 與纖維供應商合作，消除來自於這些地區的原料採購，尋找合適的替代產品。
- **Eliminate sourcing fibre from other controversial sources including companies that are logging forests illegally³ and from tree plantations established after 1994 through the conversion or simplification of natural forests.**
- 消除來自於其他爭議性來源的纖維採購，包括非法伐木³公司以及1994年以後通過天然林轉化或簡化而來的種植林。

Recognizing, respecting and upholding human rights and the rights of communities
認可、尊重和支持人權及社區權利

We will request that our suppliers respect the Universal Declaration of Human Rights and acknowledge indigenous and rural communities legal, customary or user rights to their territories, land, and resources.⁴ To do so, we require that our suppliers acknowledge the right of Indigenous People and rural communities to give or withhold their Free, Prior and Informed Consent (FPIC) before new logging rights are allocated or tree plantations are developed, resolve complaints and conflicts, and remediate prior human rights violations through a transparent and accountable grievance mechanism and mutually agreeable dispute resolution process.

本公司將要求供應商尊重(世界人權宣言)，認同原住民和當地社區對區域、土地和資源的合法、傳統或使用的權利。⁴ 為此，本公司要求供應商在獲得新的伐木許可或開發種植林之前認可原住民和當地社區給予或拒絕給予”事先知情同意”的權利，解決糾紛和衝突，透過透明的、可信的投訴機制和雙方都接受的糾紛解決城市來糾正過去發生的侵犯人權的問題。

Innovative and Alternative Fibre Development
開發創新性和替代性纖維

We will collaborate with Canopy, innovative companies and suppliers to explore and encourage the development of fibre sources that reduce environmental and social impacts. Where appropriate, we will play an active role in the research and development and eventual adoption of commercial scale production of pulp and cellulosic fibre made from alternative fibre sources such as agricultural residues⁵ and recycled fibres.

本公司將與Canopy、創新技術公司和供應商合作，共同開發和激勵能減小環境和社會影響的纖維材料研發。如遇合適機會，我們將積極研發並最終實現用替代性纖維（比如農業剩餘物⁵和回收纖維）生產的漿粕和纖維素纖維的商業量產。

Advocacy for Conservation Solutions

支持森林保護方案

Working with Canopy we will support collaborative and visionary system solutions that protect remaining ancient and endangered forests such as the Coastal Temperate Rainforests of Vancouver Island and Great Bear Rainforest⁶, Canada's Boreal Forests⁷, and Indonesia's Rainforests.⁸

我們將與Canopy一道共同支持多方參與的長期森林保護方案，保護全球尚存的原始瀕危森林，比如溫哥華島沿海溫帶雨林、大熊雨林⁶、加拿大北方林⁷和印尼的雨林⁸。

Forest Certification

森林認證

We will preference fibre sourced from forests that are responsibly managed forests, certified to the Forest Stewardship Council™(FSC™) certification system. FSC certified plantations⁹ are part of the solution. We are FSC certified organization (FSC-C136617)

本公司將優先選擇獲得森林管理委員會認證的負責任管理的森林材料，其中包括優先選擇獲得FSC™認證的種植林⁹。我們是取得FSC認證的企業(FSC-C136617)

Transparency, Traceability and Verification

透明性、可追溯性和審核

We will ensure the transparency & traceability of our own operations and supply chains by 2019, and will identify the origin of our raw material sourcing, including pulp and plantations/wood fibre, through mapping our entire supply chain (chain of custody) back to the mills, plantations, and forest areas. We will work with stakeholders to develop third party verification systems of our operations and supply chain and be verified low risk of sourcing from ancient & endangered forest by 2020.

本公司將在2019年前實現自身運營和供應鏈的透明性和可追溯性，形成可追溯到工廠、種植林和森林地區的供應鏈(監管鏈)，以便追蹤原材料(包括漿粕、種植林/木纖維)的採購來源地。我們將與利益相關方協作，開展針對公司營運和供應鏈的第三方審核，確保2020年之前實現原始瀕危森林零採購的低風險。

Reduction of Greenhouse Gas Footprint

減少溫室氣體足跡

Recognizing the importance of forests and peatlands as carbon storehouses, we will support initiatives that advance forest conservation to reduce the loss of high carbon value forests, by encouraging vendors and suppliers to avoid harvest in these areas, and by giving preference to those that use effective strategies to actively reduce their greenhouse gas footprint.

本公司知曉森林和泥炭地作為碳彙儲存地的重要性，將鼓勵供應商避免從原始瀕危森林採伐，優先選擇採取措施、積極減少溫室氣體足跡的供應商，支持推進森林保護並減少高碳匯價值森林的損失。

Pollution Prevention

減少污染

Pulp and viscose manufacturing is a resource-intensive process that can lead to air and water emissions that impact overall environmental quality. This policy does not address these other critical environmental issues, however, we will invest in and use the cleanest dissolving pulp and viscose manufacturing technology.

漿粕和粘膠的生產是資源密集型的過程，極有可能因廢氣廢水的排放而影響環境質量。本政策雖不針對這些同樣關鍵的環境問題，但我們將大力投資並使用清潔的溶解漿和粘膠生產技術。

Communication

宣傳

We recognize the benefit of creating environmental awareness among our customers, employees and peers. As such, we will highlight our environmental efforts on our website and in public communications.

我們知曉在客戶、員工和同行之間提高環保意識的重要性。因此，本公司將在官網和公眾場合宣傳我們在環保方面做出的努力。

AceGreen Eco-Material Technology Co.,Ltd.

聚泰環保材料科技(股)公司

No.50,Ln20,Sec.1,Nantong Rd., Ershui Township,Changhua County 530, Taiwan

台灣彰化縣二水鄉南通路一段 20 巷 50 號

Tel:+886-4-8796000



Roger Chou

General Manager

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¹ Ancient and Endangered Forest 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 Stritholtt, 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/index.php?page=science-behind-the-brand>

² Intact Forest Landscape (IFL) is an unbroken expanse of natural ecosystems within the zone of current forest extent, showing no signs of significant human activity, and large enough that all native biodiversity, including viable populations of wide-ranging species, could be maintained. (<http://www.intactforests.org/world.map.html>)

³ Legal forest management is management that complies with all applicable international, national, and local laws, including environmental, forestry, and civil rights laws and treaties.

⁵ Agricultural residues are residues/by-products left over from food production or other processes and using them maximizes the lifecycle of the fibre. Depending on how they are harvested, fibres may include flax, bagasse, and hemp.

⁶ Coastal temperate rainforests originally covered 0.2% of the planet, and now less than 25% of these forests remain in their original state. We will consider sourcing from areas within the coastal temperate rainforests where credible conservation solutions are finalized. A legal conservation plan is now finalized for the Great Bear Rainforest a region of 6.4 million hectares within the Coastal Temperate Rainforest zone of British Columbia Canada. On February 1st, 2016 the Government of British Columbia, First Nations, environmental organizations and the forest industry announced an Ecosystem-based Management framework that sets 85% of this region off limits to logging and stringent logging rules in the other 15%. Provided these agreements are fully implemented – sourcing from this ancient and endangered forest region can be considered to be within sustainable levels. We encourage ongoing verification of this through renewal of Forest Stewardship Council certification by the logging tenure holders in the region.

⁷ Canada's Boreal Forest contain 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. This region is slated for the largest increase in mills for dissolving pulp that goes into cellulose-based fabrics.

⁸ 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). Indonesia is home to 10% of the world's mammals, 16% of bird species, 11% of plant species and 70 tons of carbon. Canopy and our NGO partners are focused on forwarding lasting protection of the Leuser Ecosystem – the last place on earth where orangutans, tigers, elephants, rhinoceros and sun bears still co-exist.

⁹ Plantations are areas that have been "established by planting or sowing using either alien or native species, often with few species, regular spacing and even ages, and which lack most of the principal characteristics and key elements of natural forests". Plantations prior to 1994 are often FSC certified. Source FSC: <http://www.fsc.org/download.plantations.441.htm>