

INDIA'S FIRST-OF-ITS-KIND, BECOMES NO. 1

As part of its CanopyStyle initiative, environmental NGO Canopy has released an updated and expanded edition of its Hot Button Report, a ranking of viscose and rayon producers that represent 70 percent of global viscose production. The report is the first tool of its kind to enable fashion brands and retailers to robustly assess producers' impacts on the world's forests, as well as their leadership in forging solutions to eliminate endangered forest fibre from the rayon and viscose supply chain.

Birla Cellulose has been ranked Number One this year, for eliminating endangered forests from its supply-chain. It has improved its score to 21 from 16 last year. Birla Cellulose, which represents a substantial portion of global supply, have also reached "light green shirt" ranking as a result of their robust forest-sourcing policies, third-party verification audits and alternative fibres.

The report is highly anticipated by over 105 global brands, retailers and designers that are part of the CanopyStyle initiative. The Hot Button Report is the first tool of its kind that enables fashion brands and retailers to robustly assess producers' impact on the world's forests, as well as their leadership in forging solutions to eliminate endangered forest fiber from the rayon and viscose supply chain. It has become a "go-to" resource for fashion brands since first published in 2016.

Highlights from the 2017 Ranking:

- Two major producers, Birla Cellulose and Lenzing, representing 25% of global supply, now have 'light green shirt' ranking;
- Three Chinese producers, Sateri, Sanyou and Fulida, are well underway with CanopyStyle Audits, and audit reports are anticipated to be made public in late Fall 2017;
- Two producers still sit with "red shirts" and continue to be unresponsive;
- One new viscose producer, ENKA, has recently joined the CanopyStyle initiative with the adoption and initiation of the audit;
- Three producers are starting to make progress on transparency by listing their pulp suppliers publicly on their website;
- The ranking features five new criteria to incentivize continuous improvements and progress, aligned with CanopyStyle priorities on alternative fibers, conservation solutions and transparency;
- Completing the CanopyStyle Audit is the priority next step expected from all producers that have not yet started this independent verification process.

"We've seen remarkable progress with CanopyStyle over the past four years as a result of the collective action of our brands partners. In the upcoming year, CanopyStyle brands and designers are looking for additional leadership from their rayon and viscose suppliers," said Canopy's Executive Director and Founder Nicole Rycroft. "Initiating the CanopyStyle Audits, advocating for conservation, and advancing the development and production of next generation solutions are all key performance areas for producers striving to meet their customers' expectations."

VSF Producer Rank 2017

No.	Company	Completion of Canopystyle third party verification audits	Contribution to conservation legacies	Innovation via new alternative fibers	Adoption of robust forest sourcing policy	Traceability & Transparency	Leaders in supply chain shift and sustainable sourcing	Associated with high risk of sourcing from ancient & endangered forests and other controversial sources	Total Points
1	Aditya Birla Group	6.0	4.5	2.0	3.0	3.0	2.0	0.5	21.0
2	Lenzing	5.5	3.5	3.5	4.0	1.5	2.0	0.5	20.5
3	Tangshan Sanyou	3.5	1.0	1.5	4.0	2.5	1.5		14.0
4	Fulida	3.0	2.0		4.0	3.0	1.5		13.5
5	Sateri	3.0	1.5	0.5	3.0	3.0	1.0	-2.5	9.5
6	Shandong Yamei		2.0		4.0	2.0	1.0	-2.0	7.0
7	CHTC / Shandong Helon		1.0		4.0	2.0	1.0	-2.0	6.0
8	Xinxiang Bailu		1.0		4.0	2.0	1.0	-2.0	6.0
9	Nanjing Chemical Fibres	0.5	1.0		4.0			0.5	6.0
10	Jiangsu Xiangsheng				4.0			-5.0	-1.0
11	Aoyang Technology							-5.0	-5.0
Maximum points that can be earned in each criteria		6.0	6.0	8.0	4.0	7.0	4.0	1.0	36.0

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1	Lenzing	4.5	3.5	3.0	3.0	1.0	1.5	0.5	17
2	Aditya Birla Group	4.5	4.0	1.5	3.0	1.5	1.0	0.5	16
3	Tangshan Sanyou	1.0	1.0	1.0	4.0	2.0	1.0		10
4	Fulida		2.0		4.0	2.0	1.0	-2.0	7
5	Shandong Yamei		2.0		4.0	2.0	1.0	-2.0	7
6	CHTC / Shandong Helon		1.0		4.0	2.0	1.0	-2.0	6
7	Xinxiang Bailu		1.0		4.0	2.0	1.0	-2.0	6
8	Nanjing Chemical Fibres		1.0		4.0		1.0	-1.0	5
9	Sateri	1.0			2.0	2.0	0.5	-1.5	4
10	Jiangsu Xiangsheng				4.0			-5.0	-1
11	Aoyang Technology							-5.0	-5
Maximum points that can be earned in each criteria		6.0	6.0	4.0	4.0	3.0	2.0	1.0	26

The 2017 edition of the Hot Button Report will be followed later this fall by the public release of several more CanopyStyle Audits of viscose producers as well as additional implementation tools for CanopyStyle brands. Canopy and our over 750 brand partners across all forest product sectors are committed to catalysing commercial scale production of next generation papers, packaging and fabrics and the kind of supply chain transformation that will see meaningful protection for the world's ancient and endangered forests to the benefit of our global climate.