

# CanopyStyle Audit Report

## Eastman Chemical - NAIA™

DATE OF EVALUATION
22-24 March 2021
DATE OF REPORT FINALIZATION
21 September 2021

SCS Contact:  
**Brendan Grady** | Director  
Forest Management Certification  
+1.510.452.8000  
[bgrady@scsglobalservices.com](mailto:bgrady@scsglobalservices.com)

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2000 Powell Street, Ste. 600, Emeryville, CA 94608 USA  
+1.510.452.8000 main | +1.510.452.8001 fax  
[www.SCSGlobalServices.com](http://www.SCSGlobalServices.com)

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# 1. Introduction

## 2. General Information

### 2.1 Organizational overview

Eastman Chemical Company's (ECC) corporate headquarters and main production site are in Kingsport, Tennessee, USA. ECC receives dissolvable pulp from three suppliers and produces cellulose acetate flake (CAF), which is used to make its Naia™ line of yarn. CAF is stored onsite to either be spun into yarn in other production processes onsite or be shipped to its other site, Eastman Chemical Barcelona, S.L. (ESC), in Catalonia, Spain. ESC only produces yarn from CAF originating from ECC. Thus, both sites share the same supply chain.

ECC receives dissolvable pulp from three suppliers. All suppliers are PEFC Chain of Custody (COC) certified. Certified suppliers are required to verify non-certified sources to requirements of their applicable COC control systems. Two of the suppliers are also FSC COC certified, and are in the US Southeast. They produce pulp made of the Southern Yellow Pine (SYP) species group (e.g., *Pinus elliotii*, *P. taeda*, and other species) originating primarily from the US States of Alabama, Florida, Georgia, and South Carolina, and supply material with PEFC or FSC claims. The third supplier produces dissolvable pulp from Eucalyptus plantations in Bahia, Brazil under the ownership or management control of its affiliate company, (e.g., *Eucalyptus urophylla*, *E. grandis*, and hybrids) and can supply material with a PEFC claim. This supplier's parent company has been disassociated from FSC, which currently prevents it from achieving FSC certification in any country. The organization has therefore included this supplier's plantations and mill in its FSC Due Diligence System (DDS), applying the requirements of the FSC Controlled Wood standard for COC and the FSC National Risk Assessment for Brazil. This allows material from the Brazilian supplier to be validated by the organization as compliant with FSC controlled wood sourcing requirements. Such material may be sold with an FSC Controlled Wood claim<sup>1</sup> or blended with other FSC-certified sources to be sold with an FSC Mix claim<sup>2</sup>.

The scope of this audit only includes the facilities in Kingsport and Barcelona that produce Naia™.

### 2.2 Organization sourcing policy

The organization's publicly available sourcing policy(ies) can be found on the following website(s):

<https://naia.eastman.com/sustainability>

<https://naia.eastman.com/sites/naia/files/documents/NaiaWoodPulp.pdf>

<https://naia.eastman.com/woodpulppolicy>

[https://www.eastman.com/Company/investors/Corporate\\_Governance/Documents/EMN-HR-6129ACode-of-Business-Conduct.pdf](https://www.eastman.com/Company/investors/Corporate_Governance/Documents/EMN-HR-6129ACode-of-Business-Conduct.pdf)

## 3. Organization Scope

### 3.1 Name and Contact Information

<b>Organization name</b>	Eastman Chemical Company
<b>Contact person</b>	Lacey Johnson

<sup>1</sup> NOTE: in business-to-business transactions and of raw or semi-finished materials only.

<sup>2</sup> NOTE: valid FSC Mix claims include a percentage claim with a minimum of 70% FSC-certified content (controlled wood does not count towards this percentage) or FSC Mix Credit.

<b>Address</b>	301 S. Wilcox Dr., Kingsport, Tennessee 37660	<b>Telephone</b>	+1 423.229.4685
		<b>Fax</b>	N/A
		<b>e-mail</b>	laceyjohnson@eastman.com
		<b>Website</b>	https://naia.eastman.com

### 3.2 Certificate Scope

Item	Certificate scope (check all that apply)	
Number of sites	<input type="checkbox"/> Single	<input checked="" type="checkbox"/> Multi-site
Input material source	<input checked="" type="checkbox"/> Listed in supplier COC form and on <a href="#">organization's website</a> .	<input type="checkbox"/> Other suppliers
Majority fiber input	Dissolving pulp	
Map of Ancient and Endangered Forests Overlay Completed	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No Comments:
Mill capacity (KMT/yr.)	200,000 (total over all sites)	
Primary activity		<input checked="" type="checkbox"/> N/A, no primary activity
Outsourcing	<input type="checkbox"/> FSC-certified outsourcers	<input type="checkbox"/> Non-certified outsourcers
	<input type="checkbox"/> Outsourcing of entire production process	
	<input type="checkbox"/> High-risk outsourcing site(s) included	
	<input checked="" type="checkbox"/> No outsourcing	
Workforce data	Permanent male: Confidential	Permanent female: Confidential
	Contract male: Confidential	Contract female: Confidential
	TOTAL: 275 (70 of which are contractors)	

Site(s)	Location	Function	Year(s) evaluated
Eastman Chemical Company	301 S. Wilcox Dr., Kingsport, TN 37660	<input checked="" type="checkbox"/> Corporate <input checked="" type="checkbox"/> MMCF producer <input checked="" type="checkbox"/> Sales/distribution <input checked="" type="checkbox"/> Other (describe): secondary manufacturing (flake and yarn)	2019, 2021
Eastman Chemical Barcelona, S.L.	Ctra. C-35 Km. 61, Sant Celoni, Catalonia, Spain 08476	<input type="checkbox"/> Corporate <input type="checkbox"/> MMCF producer <input checked="" type="checkbox"/> Sales/distribution <input checked="" type="checkbox"/> Other (describe): secondary manufacturing (yarn)	2021

## 3. Evaluation Process

### 3.1 Evaluation Team

Audit team leader name	Mr. Kyle Meister
Qualifications	Kyle Meister is an FSC®, PEFC™, and SFI® Forest Management (FM) and Chain of Custody (COC), Sustainable Biomass Program®, and Roundtable on Sustainable Palm Oil® Supply Chain Certification Lead Auditor with SCS Global Services. He has conducted FSC FM pre-assessments, evaluations or surveillance audits in Bolivia, Brazil, Canada, Costa Rica, Dominican Republic, Indonesia, India, Japan, Mexico, New Zealand, Spain, and all major forest producing regions of the United States. He has conducted COC assessments in Bolivia, Canada, Panama, and the United States (California, Georgia, Kentucky, North Carolina, Oregon, Pennsylvania, South

	Carolina, Tennessee, Virginia, West Virginia, and others). Mr. Meister has successfully completed CAR Lead Verifier, ISO 9001:2008 Lead Auditor, SA8000 Social Systems Introduction and Basic Auditor, RSPO Supply Chain Lead Auditor, SBP Lead Auditor, and FSC Lead Auditor and Trainer Training Courses. He holds a B.S. in Natural Resource Ecology and Management and a B.A. in Spanish from the University of Michigan; and a Master of Forestry from the Yale School of Forestry and Environmental Studies.
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### 3.2 Audit Overview

Site(s)	Date	Audit time
Eastman Chemical Company (ECC)	22 March 2021	8.0 hrs.
Eastman Chemical Barcelona, S.L. (ESC)	23 March 2021	4.0 hrs.

### 3.3 Description of Overall Audit Process

#### Day 1 – 22 March 2021

Time	Topic
8:00 am EST	Opening Meeting: 30-minute intro to Eastman Introductions, client update, review scope of evaluation, audit plan, intro/update to Canopy Style requirements, confidentiality and public summary, conformance evaluation methods and tools, review of open findings, emergency and security procedures for evaluation team, finalizations of audit itinerary.
8:30 am	Overview of sourcing procedures Applicable documents and systems used to fulfill Canopy Style sourcing requirements
9:15 am	Customer Tour Presentation
9:45 am	Remote Facility Inspection Material storage, production processes, volume & process control systems, and storage/delivery of finished product
10:30 am	Review of Canopy Style Assessments ForestMapper, Dissolving Pulp Mill Classification tool, and other assessments (as applicable)
12:30 pm	Break for Lunch
1:00 pm	Sustainability Strategy – KPI 11 Include Naia™ Sustainability Goals
1:45 pm	Chemical Management/ZDHC – KPI 12
2:00 pm	Training/ Safety
2:15 pm	Innovation Strategy – KPI 8 Eastman Circular Economy Journey
3:15 pm	Advocacy Education and Promotion- KPI 9
4:00 pm	Document Review – Day 1
5:00 pm	Day 1 Wrap up

#### Day 2 – 23 March 2021

Time	Topic
8:00 am EST	ESC Site Overview Review of site's functions and responsibilities; and overview of role of site in company's sourcing strategy
8:30 am	Remote Facility Inspection Material storage, production processes, volume & process control systems, and storage/delivery of finished product
9:00 am	Staff Interviews – ESC Employee 1 –Site Procurement Lead Employee 2 –Technical Director Employee 3 – Packaging Operator

9:45 am	Staff Interviews – ECC Employee 1 – Fiber Esters Operator Employee 2 – Fiber Esters Operator Employee 3 – Partner Industrial Contractor, Fibers
10:30 am	Document Review
11:30 am	Audit team reviews procedures, assessments, and other documents independently Daily Summary Audit team delivers summary of daily activities and any requests for additional information **Discuss time of closing meeting on 24 March
12:00 pm	Closing Meeting Preparation
	Audit team takes time to consolidate notes and confirm evaluation findings

\*\* Closing meeting 24 March 2021 at 12:00pm, EST. Summary of audit activities, present findings, confidentiality, SCS dispute policy, timeline for report, and discuss next steps.

## 4. Evaluation Result

### 4.1 Evaluation Conclusions

The organization has measures to track all inputs and evaluate its supply chain for sustainability metrics. Waste reduction, recycling, and material use efficiency are all monitored to identify areas for improvement.

The audit shows that Eastman relies on three suppliers, with two of them being classified as low risk of sourcing from Ancient and Endangered Forests and other controversial sources. However, it still has some indirect risk of controversial sources as it sources from a mill whose parent company is Royal Golden Eagle (RGE), which has been dissociated from FSC due to its sourcing activities in Southeast Asia. It should be noted that Bracell's fibre supply chain is within Brazil.

The organization continues to work with Bracell and its parent company (Royal Golden Eagle (RGE)) to reinstate their association with FSC, as well as address risk connected to the operations of sister company, APRIL, in Indonesia regarding Ancient and Endangered Forests and social conflict. Progress reported included participation in quarterly meetings with Bracell, APRIL, and FSC to develop a roadmap for RGE. The organization remains engaged with Bracell on the ground with its FSC Due Diligence System (DDS) for ensuring compliance with controlled material sourcing requirements. ECC continues to engage Bracell on both reassociation with FSC, as well as the situation in Indonesia.

Table 1. Supplier information and risk summary

Risk Result from CanopyStyle Dissolving Pulp Mill Classification Tool (August 2020) <sup>3</sup>			
Supplier	Classification	Currently Available Information	Suggested Actions for Alignment with CanopyStyle
Bracell Bahia Brazil	Due to ownership connection with Royal Golden Eagle.	-Owned by the RGE family of companies, which has been linked to deforestation and social conflict and has been disassociated from FSC. - Risk is due to ownership connection.	The mill must undertake the following actions to update status in this classification: - Influence RGE and beneficial owner Sukanto Tanoto to remediate Toba Pulp Lestari and APRIL's past social

<sup>3</sup> More information, including sources of information, contained in the Classification Tool and is available upon request from CanopyStyle.

			<p>harm and deforestation activities in Indonesia.</p> <ul style="list-style-type: none"> <li>- Invest in, and develop next generation solutions that use alternative fibres such as recycled textiles and agricultural waste.</li> <li>- Use FSC 100% forest/ plantation management certified inputs, and provide corresponding claims</li> </ul>
GP Cellulose (Georgia-Pacific USA)	No sourcing issues identified based on current information and/or CanopyStyle audit.	<ul style="list-style-type: none"> <li>- Georgia Pacific has a forest sourcing policy for the US South East that prohibits the sourcing of wood from endangered forests, or from recently converted forests.</li> <li>- The company has conducted a mapping exercise to identify and help conserve endangered forests in the U.S.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in the use of next generation fibres such as recycled clothing and agricultural residues;</li> <li>• Build transparency on sourcing for your mills and support traceability initiatives. Specifically publish any additional sources of feedstock/open market fibre outside your</li> </ul>
Rayonier Advanced Material	Local risk mitigated through supplier action.	<ul style="list-style-type: none"> <li>- Mill is not in a CanopyStyle policy specified area of Ancient and Endangered Forest, as listed above, but is located in a region where there are possible deforestation risks.</li> <li>-Preliminary assessment indicates that risk of deforestation is being addressed through mitigation measures.</li> </ul>	<ul style="list-style-type: none"> <li>• mills' region and, where plantation fibre is being used, confirm, and share the date when the plantation was established;</li> <li>• Increase amount of FSC 100% forest management certified inputs used, and use on-product claims.</li> </ul>

## 4.2 Summary of Findings

Rating	Color
Not Applicable	
Commitment Met	
Commitment in Progress	
Commitment Not Met	
Insufficient Information Available	

Key Commitments	Performance Indicators	Corporate	Mills/Production Sites	
			ECC	ESC
1. The MMCF producer has publicly communicated and is implementing the Fiber Sourcing/Forest Policy	1.1 Senior executive and key managers make a publicly available commitment to full implementation of the forest sourcing policy **	<i>Commitment Met</i>		
	1.2 The MMCF producer has developed standard operating procedures (SOP) required to implement the Policy. These are available upon request to stakeholders. **	<i>Commitment Met</i>		
	1.3 The MMCF producer has assigned personnel with responsibility for Policy implementation. **	<i>Commitment Met</i>		
	1.4 The MMCF producer has developed capacity and company structure to implement the Policy.	<i>Commitment Met</i>		
	1.5 The MMCF producer has communicated its commitment to implement its Policy to all its suppliers. **	<i>Commitment Met</i>		
	1.6 The MMCF producer has included requirements to implement the Policy in agreements/contracts with current and future suppliers. **	<i>Commitment Met</i>		
	1.7 The MMCF producer has developed, and is implementing a system to monitor supplier conformance with the Policy. **	<i>Commitment Met</i>		
	1.8 The MMCF producer has put in place a grievance procedure.	<i>Commitment Met</i>		
	1.9 The MMCF producer has developed, and is implementing, an action plan that address any identified non-conformance and grievance received. **	<i>Not Applicable</i>		
	1.10 Key managers at each production site are aware of the Policy and demonstrate a similar commitment to implement it. **		<i>Commitment Met</i>	<i>Commitment Met</i>
	1.11 Each production site managers have developed procedures to implement the Policy, when relevant. **		<i>Commitment Met</i>	<i>Commitment Met</i>
2. The MMCF producer only sources raw material from suppliers that are transparent, traceable and are in	2.1 An assessment of the MMCF producer supply chain has been completed globally. The producer used the Forest Mapper, advice note on Ancient and Endangered Forests and the Dissolving Pulp Classification tool, to make their supply assessment. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>



conformance with the policy				
	2.2 The assessment identifies all suppliers in the chain that supply the MMCF mills, beginning at the forest or plantation of origin.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	2.3 This assessment is updated every year and shared with Canopy, with permission to share with the Leaders Group.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	2.4 The producer developed additional criteria to complete their risk assessment, to include legality, violation of human risks and risks related to the conversion of natural forests to plantations (1994 date), use of Genetically Modified Organism.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	2.5 The MMCF producer publishes its suppliers publicly, or, in the absence of such transparency, is providing its customers with a robust track and trace system that can be used throughout the supply chain up to clothing and textile retailers.	<i>Commitment Met</i>		
3. No conversion of natural forest to plantations	3.1 The initial date of the plantation development has been documented and sourcing only occurs in areas identified pre 1994, or post 1994 with a supporting valid FSC certificate. **	<i>Commitment Met</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
4. Since the signature of the Policy, all sourcing from ancient and endangered forests and other controversial sources have been eliminated	4.1 The MMCF producer has adopted clear definitions for the terms included in their Policy, such as “ancient & endangered forests”, “intact forest”, “natural forest”, “endangered species”, “controversial sources”, “high conservation value”, “high carbon area”, “peatlands”, etc. that are consistent with this document and the forest sourcing policy template. **	<i>Commitment Met</i>		
	4.2 All areas meeting the definition of “ancient and endangered forests” have been identified and mapped and suppliers and fibre that have a high risk of being considered controversial sources have been identified and shared with Canopy, with permission to share Leaders Group. **	<i>Commitment Met</i>		
	4.3 Any raw materials in the MMCF producer’s supply chain originating from ancient and endangered forests or other controversial sources, and acquired before the Policy was adopted by the company, such as stocks in log yards, will be documented, identified accordingly and utilised by the mills. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

	4.4 The MMCF producer is aware of all relevant local, national and international laws and there is no evidence of non-compliance, with local, national or international laws. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	4.5 The commitment not to source from ancient and endangered forests and other controversial sources is verified. **	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>
5. If suppliers contravene these criteria, the MMCF producer will first engage them to change practices and then re-evaluate its relationship with them	5.1 All MMCF producers' suppliers are identified and the forest of origin is known. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	5.2 The MMCF producer has developed procedures for engaging with suppliers, up to withdrawing from purchase and other agreements in situations where non-conformance is found. ** (Note: This means potential legal and contractual issues associated with withdrawal are identified and addressed.)	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	5.3 The MMCF producer has documented withdrawals from supply agreements where non-conformance has been found. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
6. The MMCF producer welcomes interested stakeholders and Leaders Group observers to verify the implementation.	6.1 When requested, Canopy, Leaders Group and other stakeholder observers are invited to participate freely and to report observations during this verification process. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	6.2 The MMCF producer requires of its supplier to complete large scale scientifically based conservation planning, High Conservation Value assessments, and/or High Carbon Value assessment, identifying areas for protection, has been completed, based on best available science, by a credible third party, and made public. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
	6.3 If sourcing from controversial areas, with records of conflict and human rights violation, an assessment that includes participatory mapping of lands owned or claimed by indigenous and local communities, identification of areas for protection, areas for conflict resolution and remedy of past harms that involve affected parties, their chosen	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>

	advisors and relevant stakeholders, have been completed by a credible and mutually agreed third party and made public. **			
	6.4 The MMCF producer requires of its supplier to have developed a management plan that identifies measures to protect areas identified in large scale scientifically based conservation planning, HCV and HCS assessments with the Free, Prior and Informed Consent of indigenous and local communities whose land or land claims are impacted and with input from credible ENGOs. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
	6.5 The MMCF producer has developed and implemented a time-bound action plan to actively seek the legal protection of these areas with final land-use decision-makers in a way that meets principles of Free Prior and Informed Consent. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
7. The MMCF producer shall recognize, respect and uphold human rights and the rights of communities and workers affected by the operations of their supply chain and affiliated companies	7.1 The MMCF producer has developed and requires its suppliers to adopt a similar policy, systems and procedures to implement Free, Prior and Informed Consent of indigenous people and local communities. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	7.2 Suppliers document how they conform with the MMCF producer’s commitment to recognize and respect human rights, community rights, First Nations rights and rights of workers. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	7.3 The MMCF producer and its suppliers show responsible handling of complaints and resolution of conflicts in a transparent and accountable manner that is mutually agreed by the parties and includes relevant stakeholders.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	7.4 The MMCF producer and its suppliers have developed internal capacity and Companyal structure to recognize and respect the rights of its workers	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	7.5 The MMCF producer has developed procedures to ensure its Tier one suppliers uphold the International Labour Company (ILO) Declaration on Fundamental Principles and Rights at Work and will require the equivalent of their own suppliers.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>

	7.6 Recognition and respect for human rights is demonstrated by the MMCF producer and its pulp suppliers. There is no evidence of avoiding or failing to resolve social conflicts and remedy past or current human rights violations. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
8. Development of Innovative and Alternative Fiber	8.1 The MMCF producer has developed and implemented an internal action plan to collaborate with innovative companies and suppliers to explore and encourage the development of new alternative fiber sources that reduce environmental and social impacts, such as agricultural residues and recycled fibers. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	8.2 The research and development phase for the production of pulp and cellulosic fiber made from alternative fiber sources has been successfully completed and the MMCF producer is entering a commercial scale phase.	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>
9. Voluntary advocacy for conservation solutions	9.1 The MMCF producer has a track record of participating in events that support collaborative and visionary system solutions that aim protect remaining ancient and endangered forests. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	9.2 When prompted, the MMCF producer uses its brand influence or purchasing influence to positively impact conservation and development solutions that have the Free, Prior and Informed Consent of affected indigenous and local communities. **	<i>Commitment Met</i>		
	9.3 The MMCF producer publicly supports science-based international and national target(s) and programs for preserving designated protected and conservation areas that have the Free, Prior and Informed Consent of affected indigenous and local communities.	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>
	9.4 The MMCF producer is developing and implementing specific programs to increase the endangered species population and the maintenance of their habitat through time, with government and/or ENGO programs. **	<i>Not Applicable</i>	<i>Not Applicable</i>	<i>Not Applicable</i>
10. Responsible forest management	10.1 The MMCF producer has defined criteria for responsible forest management, gives a preference for FSC certification and has developed and implemented an action plan to increase FSC intake. **	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
11. Reduction of Greenhouse Gas (GHG) Footprint by recognizing the importance of forests	11.1 The MMCF producer has procedures to evaluate their suppliers' performance in reducing GHG.	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>	<i>Commitment in Progress</i>

and peatlands as carbon storehouses				
	11.2 MMCF producer has procedures to know whether their suppliers are sourcing from tropical peatlands and/or intact forest landscapes.	<i>Commitment Met</i>	<i>Commitment Met</i>	<i>Commitment Met</i>
	11.3 The MMCF producer can document giving preference to suppliers that are not operating in intact forest landscapes or on drained tropical peatlands and that have identified, withdrawn from and are restoring peatlands and their hydrology. **		<i>Commitment Met</i>	<i>Commitment Met</i>
12. Pollution Prevention	<p>12.1 * This verification process <u>will not</u> address the pulp and viscose manufacturing process which can lead to air and water emissions that impact overall environmental quality.</p> <p>Canopy expects MMCF producers to invest in and use the cleanest dissolving pulp and viscose manufacturing technology (i.e. Iyocell process), and to implement the ZDHC new viscose guidelines available at <a href="https://www.roadmaptozero.com/post/zdhc-man-made-cellulosic-guidelines-released">https://www.roadmaptozero.com/post/zdhc-man-made-cellulosic-guidelines-released</a></p>	<i>Not Applicable</i>	<i>Commitment Met</i>	<i>Commitment Met</i>

### 4.3 Volume Summaries

Category	Description	Range (as a % of total sourced material)
FSC Controlled Wood	Material received with an FSC Controlled Wood claim (either from a COC- or CW/FM- certified supplier)	60-75%
Controlled material	Noncertified material verified in the organization's FSC Due Diligence System (DDS)	20-30% (equal to PEFC since supplier is verified through organization's FSC DDS)
FSC Mix	Material received with an FSC Mix Credit or FSC Mix XX% claim from a COC-certified supplier.	<5%
FSC 100%	Material received with an FSC 100% claim from an FM/COC- or COC-certified supplier.	0
Non-FSC	Material received with no valid FSC claim.	0
PEFC	Material received with a PEFC claim. Note that material can be received with both PEFC and FSC claims (no double-counting)	20-30%

## Appendix A – STANDARD CHECKLIST (CanopyStyle Verification Framework)

### 1. Evaluation of Site: Eastman Chemical

Primary responsible person(s): <i>(Responsible for control system at site(s))</i>	Lacey Johnson, Manufacturing Technologist (both sites)
Auditor(s):	Kyle Meister (both sites)
People interviewed/Title: <i>Note: names are withheld to protect privacy; all interviewees corporate, unless otherwise noted.</i>	Manufacturing Technologist; Marketing Director; Sustainability Leader; Sourcing Manager; Product Manager; Quality Manager; Quality Representative; Global Leader, Textiles Technology; Quality Assurance Specialist (ESC); Commercial Manager; Procurement Representative, Situational; General Manager, Textiles; Director, Sustainability; HST Technologist; Site Procurement Lead (ESC); Technical Director (ESC); Packaging Operator (ESC); Fiber Esters Operators (2; ECC); and Contractor, Fibers Warehouses (ECC)

### 2. Standard Checklist

NOTE: Where the *CanopyStyle Audit Guidelines and Verification Framework* document has declared that a requirement is not applicable to certain MMCF sites by default, a diagonal line has been drawn through the indicator and finding. For example, the *Guidelines* declare 1.1-1.9 applicable to the corporate level only.

1. The MMCF producer has publicly communicated and is implementing the Fiber Sourcing/Forest Policy			
Corporate		Mills/Production Sites	
Indicators	Findings – Corporate	Findings – ECC	Findings – ESC
1.1 Senior executive and key managers make a publicly available commitment to full implementation of the forest sourcing policy.**	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> Confirmed via review of <a href="#">website</a> (viewed 22 Mar 2021). Interviews with staff confirm awareness of the policy. Procedures and supplier agreements reviewed detail measures to implement the policy.	/	/

<p>1.2 The MMCF producer has developed standard operating procedures (SOP) required to implement the Policy. These are available upon request to stakeholders. **</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Reviewed SOPs during audit, including those used for sourcing FSC- and PEFC-certified material. Stakeholders may submit requests via the contact form on the organization’s <a href="#">website</a>. Note that a confidentiality agreement may be required to view SOPs.</p>		
<p>1.3 The MMCF producer has assigned personnel with responsibility for Policy implementation. **</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Confirmed via interviews with staff that are assigned responsibilities via job descriptions and continuing training (i.e., internal training program).</p>		
<p>1.4 The MMCF producer has developed capacity and organizational structure to implement the Policy.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Interviews with staff confirm that each person is assigned responsibilities, including</p>		

	<p>continuing training. Reviewed organizational chart on organization’s intranet. Training report for four staff completed at Spain site and approximately 10 staff for Kingsport site for 2021 reviewed. Interviewed Health &amp; Safety Training technologist for overview of training program.</p>		
<p>1.5 The MMCF producer has communicated its commitment to implement its Policy to all its suppliers.**</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> Policy commitment is included in the organization’s supplier agreement and includes reference to Canopy’s requirements. Reviewed agreements for all three suppliers.</p>		
<p>1.6 The MMCF producer has included requirements to implement the Policy in agreements/contracts with current and future suppliers.**</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> Policy commitment is included in the organization’s supplier agreement and includes reference to Canopy’s requirements. Reviewed agreements for all three suppliers.</p>		
<p>1.7 The MMCF producer has developed, and is implementing a</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met                 </p>		



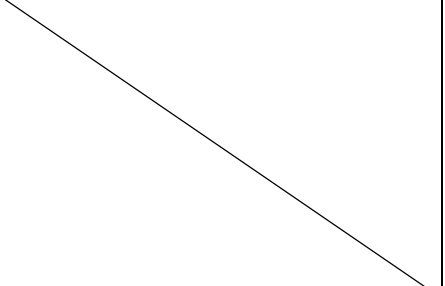
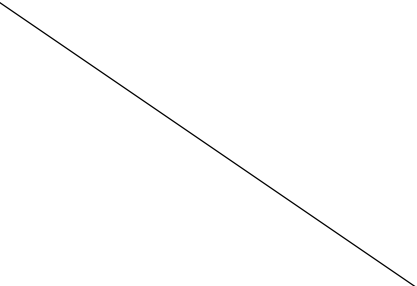
<p>system to monitor supplier conformance with the Policy.**</p>	<p><input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Reviewed procurement procedures (GPWI-212), which includes a quarterly review of all suppliers during meetings. Reviewed sample of meeting minutes to confirm monitoring of performance/ conformance (17 March 2021 and 15 September 2020).</p>		
<p>1.8 The MMCF producer has put in place a grievance procedure.</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Any stakeholder may submit comments via the <a href="#">website comment form</a>. Complaints/grievance procedures are also addressed in FSC and PEFC procedures.</p>		
<p>1.9 The MMCF producer has developed, and is implementing, an action plan that address any identified non-conformance and grievance received.**</p>	<p><input checked="" type="checkbox"/> Not Applicable, no identified non-conformance or grievance received.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>		

<p>1.10 Key managers at each production site are aware of the Policy and demonstrate a similar commitment to implement it. **</p>		<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Interviews with site representatives (staff and contractors) confirm awareness of the corporate Policy, such as through presentations and availability of related marketing materials and procedures. Staff interviews confirm knowledge of how to access relevant procedures and communications processes.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Interviews with site representatives (staff) confirm awareness of the corporate Policy. Staff interviewed confirmed that there are both corporate- and site-level procedures, which undergo similar approval processes via corporate. Staff also confirmed that raw material is from the ECC production site, so corporate controls the sourcing of input materials. Staff interviews confirm knowledge of how to access relevant procedures and communications processes.</p>
<p>1.11 Each production site managers have developed procedures to implement the Policy, when relevant. **</p>		<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> The organization applies the same sourcing procedures to all sites. Staff interviews confirm knowledge of how to access</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> The organization applies the same sourcing procedures to all sites. Staff interviews confirm knowledge of how to access</p>

		<p>relevant procedures and communications processes.</p>	<p>relevant procedures and communications processes. Staff interviewed confirmed that there are both corporate- and site-level procedures, which undergo similar approval processes via corporate. Staff also confirmed that raw material is from the ECC production site, so corporate controls the sourcing of input materials. Staff interviews confirm knowledge of how to access relevant procedures and communications processes.</p>
<p><b>Summary:</b> All Canopy sourcing requirements are referenced in supplier agreements. The organization has procedures and processes in place to periodically review compliance with supplier agreements and progress in achieving objectives related to Canopy. Personnel at all sites are aware of procedures related to their job responsibilities.</p>			

2. The MMCF producer only sources raw material from suppliers that are transparent, traceable and are in conformance with the policy.			
Corporate		Mills/Production Sites	
Indicators	Findings	Findings – ECC	Findings – ESC
2.1 An assessment of the MMCF producer supply chain has been completed globally. The producer used the Forest Mapper, advice note on Ancient and Endangered Forests and the Dissolving Pulp Classification tool, to make their supply assessment. **	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> All sourcing related to Canopy is managed at the corporate level. All production of CAF is done at ECC. Both ECC and ESC sites produce yarn from CAF. Confirmed via review of organization’s presentation on Forest Mapper, risk assessment, and Dissolving Pulp Classification tool for each supplier. All suppliers are certified, with most supply (60-75%) from FSC Controlled Wood. One supplier is verified for controlled material sourcing via the organization’s FSC DDS, which means that each supplier evaluates for the presence of forests included in Forest Mapper. Two suppliers are classified as low risk of sourcing from Ancient and Endangered Forests, and one supplier has indirect risk of controversial sources as it sources from a mill that has an ownership connection with Royal Golden Eagle Group.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.

	<p>All incoming raw material used to make MMCF is processed into Cellulose Acetate Flake (CAF) at ECC. CAF is then processed into yarn at ECC or shipped to ESC to be processed into yarn, as confirmed via remote inspection, interviews with personnel, and review of procedures for all facilities.</p>		
<p>2.2 The assessment identifies all suppliers in the chain that supply the MMCF mills, beginning at the forest or plantation of origin.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> The organization uses three suppliers, as confirmed via review of the supplier list and risk assessment. The organization’s presentation on Forest Mapper includes a map of each supplier’s logical procurement radius.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
<p>2.3 This assessment is updated every year and shared with Canopy, with permission to share with the Leaders Group.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Reviewed email shared with Leaders Group and Canopy (11 March 2020). The organizations FSC COC certificate also includes publicly available information on its DDS for sourcing of</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>

	<p>controlled material for one supplier in Brazil (refer to <a href="#">FSC database entry</a>).</p>		
<p>2.4 The producer developed additional criteria to complete their risk assessment, to include legality, violation of human risks and risks related to the conversion of natural forests to plantations (1994 date), use of Genetically Modified Organism.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Language related to this requirement is included in supplier agreements (e.g., ILO conventions, FSC CW, 1994 plantation cut-off date, etc.). This topic is reviewed during contract re/negotiation per interviews with staff, and review of one updated agreement (dated 20 Mar. 2021) and management review meeting minutes (26 Jan. 2021). 2 of 3 suppliers are FSC-certified, and the other is included in the organization’s FSC DDS per review of FSC and PEFC COC reports.</p> <p>Eastman is engaging with supplier Bracell to address risk related its to ownership connection with RGE.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
<p>2.5 The MMCF producer publishes its suppliers publicly, or, in the absence of such transparency, is providing its customers with a robust track and trace system that can be used throughout the supply chain up to clothing and textile retailers.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Confirmed via review of <a href="#">PDF</a> on Naia™ Eastman</p>		

	<p>website. Organization is FSC- and PEFC-certified and can sell material with relevant claims using a track and trace system. Organization also has a separate testing process to verify that finished product is Naia™ fibre, as confirmed via review of customer presentation and interview with marketing director. Finished product can also be traced to production data via barcodes and other tracking systems. Confirmed availability of track and trace system via review of sales records in the FSC and PEFC COC reports.</p>	/	/
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**Summary:** The organization has assessed its suppliers’ supply chains using the required Canopy tools, verification of its suppliers COC certificates (e.g., FSC, PEFC, etc.), and implementation of FSC DDS for one supplier, all of which confirms low risk for 2 suppliers, and indirect risk due to ownership connection for one supplier. Information on FSC- and PEFC-certified suppliers, including DDS (when relevant) is available on each scheme’s respective databases. The organization provides customers with sufficient track and trace systems to ensure that the origin of fabric is known.

<b>3. No conversion of natural forest to plantations</b>			
<b>Corporate</b>		<b>Mills/Production Sites</b>	
<b>Indicators</b>	<b>Findings</b>	<b>Findings – ECC</b>	<b>Findings – ESC</b>
<p>3.1 The initial date of the plantation development has been documented and sourcing only occurs in areas identified pre 1994, or post 1994 with a supporting valid FSC certificate. **</p>	<p> <input type="checkbox"/> Not Applicable, not sourcing from its own plantations.  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b> All suppliers sourcing from plantations are FSC-certified except for Bracell, which is PEFC-certified. While these plantations were previously FSC-                 </p>	<p> <input checked="" type="checkbox"/> Not Applicable, does not source primary material.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b> </p>	<p> <input checked="" type="checkbox"/> Not Applicable, does not source primary material.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b> </p>

	<p>certified and most of the areas likely meet the pre- and post-1994 requirements, the disassociation of Bracell’s parent company means that this cannot be fully verified without further information. Bracell’s plantations are evaluated for risk per the organization’s FSC Controlled Wood DDS and FSC Brazil NRA. FSC Forest Management certification provides assurance that plantations have not been established on lands that were natural forest post-1994, but FSC Controlled Wood and PEFC certification do not. The plantations established by Bracell were previously certified to the FSC Forest Management standard, meaning that they were verified as being established pre-1994. Thus the current supply chain is composed of either natural forest or pre-1994 plantations, so the indicator can be graded as commitment met.</p>		
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**Summary:** One supplier is not FSC-certified but its plantations were previously FSC Forest Management certified, which means that the pre- and post-1994 plantation establishment requirement would be met on this supply base. The indicator can be graded as commitment met as long as the current supply base does not expand to include any new forest management units without separate verification of these areas.

4. Since the signature of the Policy, all sourcing from Ancient and Endangered Forests and other controversial sources have been eliminated.			
Corporate		Mills/Production Sites	
Indicators	Findings	Findings – ECC	Findings – ESC
4.1 The MMCF producer has adopted clear definitions for the terms included in their Policy, such as “ancient & endangered forests,”	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met	/	/



<p>“intact forest,” “natural forest,” “endangered species,” “controversial sources,” “high conservation value,” “high carbon area,” “peatlands,” etc. that are consistent with this document and the forest sourcing policy template.**</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Confirmed via review of the <a href="#">sourcing policy</a> available on the organization’s website and agreements with the three suppliers (RYAM, 23/Dec/20; Bracell, 22/Dec/20; and GP, 20/Mar/2021).</p> <p>While there is reference to several of these terms identified in 4.1 in the organization’s sourcing Policy, some terms are missing, notably “natural forest” and “high carbon area”. Definitions, or reference to them, for all terms is not included in the Policy.</p> <p>References to FSC and Canopy definitions are included in supplier agreements.</p> <p>It is noted that Canopy has not explicitly defined these terms in a glossary or in its CanopyStyle Audit Guidelines and Verification Framework. Instead, it refers to other sources of information and has incorporated elements from these sources in its Forest Mapper and Dissolving Wood Pulp tools. Searches of the Canopy website for the term “definitions” on 23 March 2021 yielded two results.</p>		
<p>4.2 All areas meeting the definition of “Ancient and Endangered</p>	<p><input type="checkbox"/> Not Applicable</p>		

<p>Forests” have been identified and mapped and suppliers and fibre that have a high risk of being considered controversial sources have been identified and shared with Canopy, with permission to share with the Leaders Group. **</p>	<p><input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Confirmed via review of all supplier agreements mentioned previously, Forest Mapper results (including maps of logical procurement zones for all suppliers), Dissolving Wood Pulp tool, and FSC COC audit report. It confirms low risk for 2 suppliers, and indirect risk due to ownership connection for one supplier. There have been no changes to risk designations since the last audit.</p>	<p style="text-align: center;">/</p>	<p style="text-align: center;">/</p>
<p>4.3 Any raw materials in the MMCF producer’s supply chain originating from Ancient and Endangered Forests or other controversial sources, and acquired before the Policy was adopted by the company, such as stocks in log yards, will be documented, identified accordingly and utilised by the mills. **</p>	<p><input checked="" type="checkbox"/> Not Applicable, no such raw materials sourced.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, no such raw materials sourced.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Raw material supply chain is the same as the corporate/main production site.</p>	<p><input checked="" type="checkbox"/> Not Applicable, no such raw materials sourced.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Raw material supply chain is the same as the corporate/main production site.</p>
<p>4.4 The MMCF producer is aware of all relevant local, national and international laws and there is no evidence of non-compliance, with local, national or international laws. **</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met</p>

	<p><b>Description of finding:</b> Confirmed via interviews with personnel that the organization has corporate and site-level human resources departments to ensure compliance with social and labour laws. Review of Code of Business Conduct, and FSC and PEFC COC audit reports confirm that the organization has measures in place to ensure legal compliance throughout the supply chain, including through implementation of FSC DDS to one supplier in Brazil.</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Confirmed via interviews with personnel that the organization has corporate and site-level human resources departments to ensure compliance with social and labour laws. Review of Code of Business Conduct, and FSC and PEFC COC audit reports confirm that the organization has measures in place to ensure legal compliance.</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Confirmed via interviews with personnel that the organization has corporate and site-level human resources departments to ensure compliance with social and labour laws. Review of Code of Business Conduct, and FSC and PEFC COC audit reports confirm that the organization has measures in place to ensure legal compliance</p>
<p>4.5 The commitment not to source from Ancient and Endangered Forests and other controversial sources is verified. **</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> The audit confirms low risk for two suppliers, and indirect risk for one supplier, due to ownership structure. Canopy’s Classification of Dissolving Pulp Mills indicates potential risks for Bracell due to affiliation with the controversial RGE family of companies, which are linked to deforestation, forest conversion and social conflict. Confirmed via review of supplier agreements and quarterly meeting minutes cited previously. When a supplier agreement is set to expire, this requirement is reviewed</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>

	<p>to determine if any changes are necessary, as confirmed via review of updated supplier agreements (e.g., RYAM, 2019 vs. 2021; Bracell, 2019 vs. 2021; and GP, 2019 vs. 2021) and the organization’s internal Global Sourcing &amp; Procurement Vendor Assessment tool. The audit also confirms that the organization met quarterly with Bracell and parent company RGE in order to communicate concerns related to RGE’s operations, and to encourage the company to take action to address these concerns.</p>		
<p><b>Summary:</b> The organization uses several tools to assess its suppliers’ supply chains, including the Forest Mapper and Dissolving Wood Pulp classification tool, and FSC and PEFC DDS. It applies its FSC DDS to one supplier that is currently unable to supply FSC claims to ensure low risk. It applies its Global Sourcing &amp; Procurement Vendor Assessment, management review, and quarterly meeting processes to evaluate and monitor supplier performance.</p>			

<p><b>5. If suppliers contravene these criteria, the MMCF producer will first engage them to change practices and then re-evaluate its relationship with them.</b></p>			
<p><b>Corporate</b></p>		<p><b>Mills/Production Sites</b></p>	
<p><b>Indicators</b></p>	<p><b>Findings</b></p>	<p><b>Findings – ECC</b></p>	<p><b>Findings – ESC</b></p>
<p>5.1 All MMCF producers’ suppliers are identified and the forest of origin is known.**</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b> All sites share the same supply chain. The organization uses three suppliers, as confirmed via review of the supplier list and risk assessment. The organization’s presentation on Forest                 </p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                 </p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available   <b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                 </p>

	<p>Mapper includes a map of each supplier’s logical procurement radius. All suppliers supply material with an FSC or PEFC claim and/or via the organization’s FSC DDS.</p>		
<p>5.2 The MMCF producer has developed procedure for engaging with suppliers, up to withdrawing from purchase and other agreements in situations where non-conformance is found.** (Note: This means potential legal and contractual issues associated with withdrawal are identified and addressed.)</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> Confirmed via review of supplier agreements and interviews with staff. Per procedure GP-WI-106, the organization may issue corrective actions or withdraw from purchase/supplier agreements.</p> <p>The organization understands the importance of engagement with RGE on addressing RGE’s policy on FSC association concerns and other issues related to sourcing from Ancient and Endangered Forests and other controversial sources, and in fact, meets quarterly with the involved parties as stated in section 4.1</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input type="checkbox"/> Refer to corporate-level finding.</p>
<p>5.3 The MMCF producer has documented withdrawals from supply agreements where non-conformance has been found.**</p>	<p> <input checked="" type="checkbox"/> Not Applicable, no withdrawals from supply agreements and/or no non-conformance found.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p>	<p> <input checked="" type="checkbox"/> Not Applicable, no withdrawals from supply agreements and/or no non-conformance found.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p>	<p> <input checked="" type="checkbox"/> Not Applicable, no withdrawals from supply agreements and/or no non-conformance found.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p>

	<b>Description of finding:</b>	<b>Description of finding:</b>	<b>Description of finding:</b>
<b>Summary:</b> Per review of supplier agreements and procedures, the organization knows the forests of origin and has measures to correct nonconformances detected in the supply chain related to this standard.			

<b>6. The MMCF producer welcomes interested stakeholders and Leaders Group observers to verify the implementation.</b>			
*If sourcing from key priority areas of Ancient and Endangered Forests, the MMCF producer (and/or supplier) is actively engaging its supplier(s) to undertake large-scale scientifically based conservation planning and seeking FSC 100% certification for all wood sourcing. (if, and when the producer is vertically integrated, they may execute the conservation planning themselves)			
<b>Corporate</b>		<b>Mills/Production Sites</b>	
<b>Indicators</b>	<b>Findings</b>	<b>Findings – ECC</b>	<b>Findings – ESC</b>
6.1 When requested, Canopy, the Leaders Group and other stakeholder observers are permitted to participate freely and to report observations during this verification process. **	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> Per interviews with staff, there have been no such requests. Marketing director states that the organization is open to such requests.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.
6.2 The MMCF producer requires of its supplier to complete large scale scientifically based conservation planning, High Conservation Value assessments, and/or High Carbon Value assessment, identifying areas for protection, has been completed, based on best available science, by a credible third party, and made public. **	<input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b>	<input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.	<input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.

<p>6.3 If sourcing from controversial areas, with records of conflict and human rights violation, the MMCF producer requires of its supplier to complete an assessment that includes participatory mapping of lands owned or claimed by indigenous and local communities, identification of areas for protection, areas for conflict resolution and remedy of past harms that involve affected parties, their chosen advisors and relevant stakeholders, have been completed by a credible and mutually agreed third party and made public. **</p>	<p><input checked="" type="checkbox"/> Not Applicable, no sourcing from such controversial areas.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> NOTE: supplier agreements cover human rights issues.</p>	<p><input checked="" type="checkbox"/> Not Applicable, no sourcing from such controversial areas.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, no sourcing from such controversial areas.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>
<p>6.4 The MMCF producer requires of its supplier to have developed a management plan that identifies measures to protect areas identified in large scale scientifically based conservation planning, HCV and HCS assessments with the Free, Prior and Informed Consent of indigenous and local communities whose land or land claims are impacted and with input from credible ENGOs. **</p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>
<p>6.5 The MMCF producer requires of its supplier to have developed and implemented a time-bound action plan to actively seek the legal protection of these areas with final land-use decision-makers in a way that meets principles of Free Prior and Informed Consent. **</p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>	<p><input checked="" type="checkbox"/> Not Applicable, does not source from ancient and endangered forests.  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b></p>

		<b>Description of finding:</b>	<b>Description of finding:</b>
<p><b>Summary:</b> The organization is open to stakeholder engagement and has demonstrated its participation in events with relevant stakeholders in its industry, as confirmed via review of evidence cited in parts 8-12 of this standard.</p>			

**7. The MMCF producer shall recognize, respect and uphold human rights and the rights of communities and workers affected by the operations of their mills and their supply chain and affiliated companies in the forestry sector.**

Corporate		Mills/Production Sites	
Indicators	Findings	Findings – ECC	Findings – ESC
7.1 The MMCF producer has developed and requires its suppliers to adopt a similar policy, systems and procedures to implement Free, Prior and Informed Consent of indigenous people and local communities. **	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b> The organization has included reference to the UN’s FPIC policy in its online <a href="#">sourcing policy</a>. Supplier agreements require compliance to FPIC and the sourcing policy. Compliance with supplier agreements is reviewed in quarterly meeting, management review, and the internal Global Sourcing &amp; Procurement Vendor Assessment tool, as referenced previously in other requirements.</p>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
7.2 Suppliers document how they conform with the MMCF producer’s commitment to recognize and respect human rights, community rights, First Nations rights and rights of workers. **	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b> Supplier agreements include clauses related to FPIC and the rights detailed in this indicator. Supplier records confirm that there is no sourcing from indigenous reservations and territories, and that in the case of Bracell that public consultation is done as a part of FSCBrazil Controlled Wood control measures to confirm low risk, Verification of this indicator would be demonstrated through Eastman’s FSC Controlled Wood due diligence, which includes direct consultation with community members by Eastman and its 3<sup>rd</sup> party auditor. See</p>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>



	<p>Eastman’s record on the FSC database for more details:  <a href="https://info.fsc.org/details.php?id=a02f300000glsPcAAK&amp;type=certificate">https://info.fsc.org/details.php?id=a02f300000glsPcAAK&amp;type=certificate</a>                      Compliance with supplier agreements is reviewed in quarterly meeting, management review, and the internal Global Sourcing &amp; Procurement Vendor Assessment tool, as referenced previously in other requirements. The Together for Sustainability (TfS) process also includes a review of public perception of suppliers performance related to these topics.</p>		
<p>7.3 The MMCF producer and its suppliers have a grievance mechanism and show responsible handling of complaints and resolution of conflicts in a transparent and accountable manner that is mutually agreed by the parties.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> Supplier agreements include a clause related to complaints. 2 of 3 suppliers are FSC-certified and thus are required to maintain their own complaints mechanisms; the third supplier is verified through the organization’s FSC DDS and is thus subject to its complaints mechanism. The organization has an online contact form and Code of Global Business Conduct as a part of its complaints procedure, and is a part of Together for Sustainability (TfS), which includes an assessment of stakeholder feedback.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
<p>7.4 The MMCF producer and its suppliers have developed internal capacity and organizational structure to recognize and respect the rights of its workers.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> Supplier agreements include clauses related to the rights detailed in this indicator. Compliance with supplier agreements is reviewed in quarterly meeting, management review, and the internal Global Sourcing &amp; Procurement Vendor Assessment tool, as referenced previously in other requirements. The TfS process also includes a review of public perception of suppliers performance related to these topics.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                      Interviews with site-level personnel also</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                      Interviews with site-level personnel also</p>

		confirm that there are policies and processes in place, such as a Human Resources department, to address workers' rights.	confirm that there are policies and processes in place, such as a Human Resources department, to address workers' rights.
7.5 The MMCF producer has developed procedures to ensure its Tier one suppliers uphold the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and will require the equivalent of their own suppliers.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> The organization's <a href="#">sourcing policy</a> and supplier agreements address this indicator. Compliance with supplier agreements is reviewed in quarterly meeting, management review, and the internal Global Sourcing & Procurement Vendor Assessment tool, as referenced previously in other requirements. The TfS process also includes a review of public perception of suppliers performance related to these topics.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding. Interviews with site-level personnel also confirm that there are policies and processes in place, such as a Human Resources department, to address workers' rights.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding. Interviews with site-level personnel also confirm that there are policies and processes in place, such as a Human Resources department, to address workers' rights.
7.6 Recognition and respect for human rights is demonstrated by the MMCF producer and its pulp suppliers. There is no evidence of avoiding or failing to	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met

<p>resolve social conflicts and remedy past or current human rights violations. **</p>	<p><b>Description of finding:</b> The organization’s <a href="#">sourcing policy</a> and supplier agreements address this indicator. Compliance with supplier agreements is reviewed in quarterly meeting, management review, and the internal Global Sourcing &amp; Procurement Vendor Assessment tool, as referenced previously in other requirements. The TfS process also includes a review of public perception of suppliers performance related to these topics. The organization has a corporate-level grievance process per interviews with staff and review of its <a href="#">corporate governance brochure</a>.</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding. Interviews with site-level personnel also confirm that there are policies and processes in place, such as a Human Resources department. Personnel interviewed were knowledgeable of processes available to resolve conflicts and human rights violations such as discrimination.</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding. Interviews with site-level personnel also confirm that there are policies and processes in place, such as a Human Resources department. Personnel interviewed were knowledgeable of processes available to resolve conflicts and human rights violations such as discrimination.</p>
<p><b>Summary:</b> The organization is meeting much of this requirement primarily through its sourcing policy and supplier agreements, and ensures that its suppliers are FSC- and/or PEFC-certified. These chain of custody standards include requirements related to human and worker rights, as well as safety.</p>			

8. Development of Innovative and Alternative Fiber			
Corporate		Mills/Production Sites	
Indicators	Findings	Findings – ECC	Findings – ESC
<p>8.1 The MMCF producer has developed and implemented an internal action plan to collaborate with innovative companies and suppliers to explore and encourage the development of new alternative fibre sources that reduce environmental and social impacts, such as agricultural residues and recycled fibres. **</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Reviewed innovation strategy presentation. Per interviews with staff, there are internal documents that detail more</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>

	<p>specific information on this action plan. Per review of the presentation and interviews with staff, the organization has developed a strategy to develop fibres sourced from pre- and post-consumer recycled materials.</p> <p>The organization has developed methods to convert waste textiles into the Naia™ Renew fabric. This fabric was commercialized in 2020.</p> <p>Research into non-woody biomass and recycled fibres (e.g., Naia™ Next Generation Solutions Platform) is ongoing per presentation reviewed and interviews with staff.</p>		
<p>8.2 The research and development phase for the production of pulp and cellulosic fibre made from alternative fibre sources has been successfully completed and the MMCF producer is entering a commercial scale phase.</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> The Naia™ Next Gen. fabric is scheduled to be commercialized in 2021, and the R&amp;D phase is complete per interviews with staff and review of the innovation strategy.</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p><input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
<p><b>Summary:</b> The organization’s website includes information on its <a href="#">Naia™ Renew</a> product line and includes information about its recycled content. Of note, the product has undergone a third party, ISO-compliant Life Cycle Assessment (LCA).</p>			

<p><b>9. Voluntary advocacy for conservation solutions</b></p>	
<p><b>Corporate</b></p>	<p><b>Mills/Production Sites</b></p>

Indicators	Findings	Findings – ECC	Findings – ESC
<p>9.1 The MMCF producer has a track record of participating in events that support collaborative and visionary system solutions that aim protect remaining Ancient and Endangered Forests. **</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> Confirmed via review of Advocacy, Education, and Promotion presentation, and information shared on the partnerships and news sections of the organization’s website. The organization has several third party certifications and partners with other suppliers to advocate for Ancient and Endangered Forests.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>
<p>9.2 When prompted, the MMCF producer uses its brand influence or purchasing influence to positively impact conservation and development solutions that have the Free, Prior and Informed Consent of affected indigenous and local communities. **</p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p><b>Description of finding:</b> The organization has an option to include marketing material about its fabric on-product. The organization also has a mobile phone app and website that include resources on Ancient and Endangered Forests (AEF) and FPIC. The organization has a public relations strategy that emphasizes B2B communications and some campaigns targeted to consumers. Reviewed mill education program</p>		

	<p>and advertisements/articles in trade magazines.</p> <p>Canopy informed SCS that EEC attended the Great Bear Customer and Investor Roundtable in early 2021 to show support for conservation of this important area.</p>		
<p>9.3 The MMCF producer publicly supports science-based international and national target(s) and programs for preserving designated protected and conservation areas that have the Free, Prior and Informed Consent of affected indigenous and local communities.</p>	<p> <input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b> The organization is FSC-certified and applies its FSC DDS to its supplier in Brazil, which covers issues related to conservation/preservation areas and the rights of indigenous peoples and local communities. Per review of quarterly meeting minutes, the organization is engaging its supplier and FSC about reassociation and sustainability topics. The organization is a member of several NGOs/trade organizations that advocate for sustainability issues, such as Longleaf Alliance that advances work on conservation/protected areas in the US Southeast using science-based targets. The organization’s foundation (Eastman Foundation) has made a commitment to donate to other conservation projects, and has</p>	<p> <input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p> <input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available         </p> <p><b>Description of finding:</b>  <input type="checkbox"/> Refer to corporate-level finding.</p>

	a process for evaluating potential projects. Confirmed via interviews with staff, Advocacy, Education, and Promotion presentation, and news section of <a href="#">Naia website</a> .		
9.4 The MMCF producer is developing and implementing specific programs to increase the endangered species population and the maintenance of their habitat through time, with government and/or ENGO programs. **	<input checked="" type="checkbox"/> Not Applicable, does not source directly from forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b>	<input checked="" type="checkbox"/> Not Applicable, does not source directly from forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b>	<input checked="" type="checkbox"/> Not Applicable, does not source directly from forests. <input type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b>
<b>Summary:</b> The organization participates in several initiatives aimed to protect remaining Ancient and Endangered Forests. The organization has several third party certifications and partners with other suppliers to advocate for Ancient and Endangered Forests. The organization is a member of several NGOs/trade organizations that advocate for sustainability issues, such as Longleaf Alliance that advances work on conservation/protected areas in the US Southeast using science-based targets.			

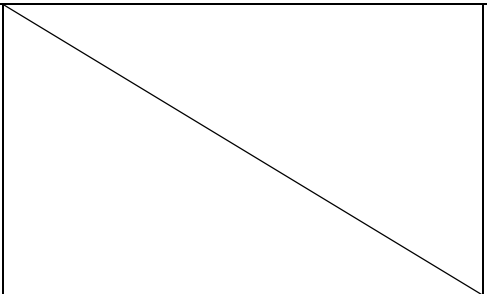
10. Responsible forest management			
Corporate		Mills/Production Sites	
Indicators	Findings	Findings – ECC	Findings – ESC
10.1 The MMCF producer has defined criteria for responsible forest management, gives a preference for FSC certification and has developed and implemented an action plan to increase FSC intake.**	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> The organization is FSC- and PEFC-certified. All suppliers are PEFC-certified. 2 of its 3 suppliers are FSC-certified, with sourcing volumes up to 60-75% of materials being FSC Controlled Wood, and the remaining	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.

	<p>supplier participates in the organization’s controlled wood verification program via its FSC DDS. This ensures that all input pulp material is FSC-compliant. The organization is actively encouraging its supplier, Bracell, to seek reassociation with FSC.</p>		
<p><b>Summary:</b> The organization has demonstrated a preference for FSC certification by maintaining its FSC certification and engaging Bracell in assurance activities in its supply chain. Other suppliers are FSC-certified.</p>			

<b>11. Reduction of Greenhouse Gas (GHG) Footprint by recognizing the importance of forests and peatlands as carbon storehouses.</b>			
<b>Corporate</b>		<b>Mills/Production Sites</b>	
<b>Indicators</b>	<b>Findings</b>	<b>Findings – ECC</b>	<b>Findings – ESC</b>
<p>11.1 The MMCF producer has procedures to evaluate their suppliers’ performance in reducing GHG.</p>	<p> <input type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p> <b>Description of finding:</b> Observed sustainability video and presentation, which detail the organization’s vision for various sustainability metrics such as climate change mitigation. The Naia™ sustainability goals are based on the corporate strategy. By 2030, the organization wants to lower the carbon footprint of Naia™ by 40% by 2030. A part of this will be to establish agreements with suppliers related to measurement of GHG impacts by 2025. In the supplier agreements, the organization has detailed its objectives in climate                 </p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p> <b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                 </p>	<p> <input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input checked="" type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available                 </p> <p> <b>Description of finding:</b>  <input checked="" type="checkbox"/> Refer to corporate-level finding.                 </p>



	mitigation, which will allow it evaluate suppliers' performance. These are reviewed in quarterly meetings to assess attainment of objectives.		
11.2 The MMCF producer has procedures to know whether their suppliers are sourcing from tropical peatlands and/or intact forest landscapes.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> Per review of the organization's sourcing policy and supplier agreements that require adherence to the sourcing policy (cited in other requirements), Forest Mapper, and the organization's FSC DDS for sourcing controlled material from Bracell, this requirement is met. Specifically, this supplier sources from eucalyptus plantations that are not located on any tropical peatlands or intact forest landscapes. The other two suppliers are FSC-certified in temperate forests areas and there are no IFLs within their logical sourcing area. The <a href="#">Global Forest Watch map</a> was checked during the audit to confirm the presence of IFLs.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.	<input type="checkbox"/> Not Applicable <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met <input type="checkbox"/> Insufficient Information Available  <b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.
11.3 The MMCF producer can document giving preference to suppliers that are not operating in intact forest landscapes or on drained tropical peatlands and that have identified, withdrawn from and	/	<input type="checkbox"/> Not Applicable, does not source primary material. <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met	<input type="checkbox"/> Not Applicable, does not source primary material. <input checked="" type="checkbox"/> Commitment Met <input type="checkbox"/> Commitment in Progress <input type="checkbox"/> Commitment Not Met

<p>are restoring peatlands and their hydrology. **</p>		<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> All input material is sourced at the corporate-level for the ECC mill. All input material has either an FSC or PEFC claim.</p>	<p><input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> All input material is sourced from the ECC mill.</p>
<p><b>Summary:</b></p>			

<p><b>12. Pollution Prevention</b></p>			
<p><b>Corporate</b></p>		<p><b>Mills/Production Sites</b></p>	
<p><b>Indicators</b></p>	<p><b>Findings</b></p>	<p><b>Findings – ECC</b></p>	<p><b>Findings – ESC</b></p>
<p>12.1 * This verification process will not verify at first hand the pulp and viscose manufacturing process which can lead to air and water emissions that impact overall environmental quality.</p> <p>Canopy expects MMCF producers to invest in and use the cleanest dissolving pulp and viscose manufacturing technology (i.e. lyocell process), and to implement the ZDHC new viscose guidelines available at <a href="https://www.roadmapzero.com/post/zdhc-man-made-cellulosic-guidelines-released">https://www.roadmapzero.com/post/zdhc-man-made-cellulosic-guidelines-released</a>.</p>	<p><input checked="" type="checkbox"/> Not Applicable  <input type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> Observed sustainability video and presentation, which detail the organization’s vision for various sustainability metrics such as circular economy. Specifically, reviewed objectives to adopt and improve recycling programs, and implementation of alternative fibres program. The new Naia™ Renew fibre, which includes post-consumer recycled inputs, has completed an independent LCA.</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>	<p><input type="checkbox"/> Not Applicable  <input checked="" type="checkbox"/> Commitment Met  <input type="checkbox"/> Commitment in Progress  <input type="checkbox"/> Commitment Not Met  <input type="checkbox"/> Insufficient Information Available</p> <p><b>Description of finding:</b> <input checked="" type="checkbox"/> Refer to corporate-level finding.</p>

	<p>Reviewed presentation on chemical use and recycling. The backbone of the organization’s chemical HSES policy is to comply with applicable OSH, EHS, and security laws and regulations. The organization has its responsible care pledge available publicly on its website. The organization has several programs to control, reduce, and recycle chemicals used in industrial processes to demonstrate its commitment to ZDHC. The ZDHC score incorporates the impacts of the organization’s suppliers as the chemical lists include those of the suppliers. The organization currently does not use any chemicals on ZDHC’s restricted substance list. The organization expects to upload data to ZDHC’s Gateway to complete its scorecard by Q3 of 2021.</p>		
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**Summary:** The organization has established methods to measure and monitor waste, recycling, and material use efficiency. It also participates in ZDHC.

## Appendix B – Canopy Recommendations



### Recommendations for Eastman Chemical – Naia July 30, 2021

Canopy applauds Eastman for completing its second CanopyStyle audit. The audit confirms deep engagement of suppliers, as well as a thorough assessment of risk in the supply chain. The audit also finds that the company has developed systems to address several of the issues identified in the last audit.

The CanopyStyle audit is a learning opportunity, and in the spirit of continuous improvement, actions can be taken over time to implement Eastman policy commitments. Based on the review of the audit report, Canopy recommends the following next steps:

- Work with suppliers to determine the date of establishment for any plantation fibre entering into the company's supply chain;
- Increase the amount of FSC fibre used, with a preference for FSC 100%;
- Develop procedures for assessing the GHG emissions of suppliers;
- Develop and launch a commercial product which uses Next Generation alternatives to wood fiber to reduce pressure on forests;
- Build on the company's initial actions to support the conservation of key Ancient and Endangered Forests, including advocacy for science-based targets for protection of forests globally;
- Continue to adopt best in class processing and work with experts in the field to continuously meet new standards related to chemical discharge and pollution. Continue to work with ZDHC to develop new guidelines for chemical management, which give suppliers unified criteria for measuring output indicators like wastewater, sludge, air emissions and other process- related parameters.

We recommend that the company develop an action plan for these priority issues, so that they can be addressed before the next annual audit.

As mentioned in the CanopyStyle audit framework, ongoing audits and/or random site visits will support Eastman to continue to implement their policy and meet the expectations of the CanopyStyle Initiative.

Once again, we congratulate you for the completion of the audit and for proactively taking steps to reduce risk in your supply chain. We look forward to working collaboratively with Eastman to address any outstanding issues.