

SATERI UNVEILS SUSTAINABLE PULP SOURCING POLICY

Shanghai, June 16, 2015:

Sateri, one of the world's largest viscose staple fibre (VSF) producers, unveiled today its <u>Pulp Sourcing Policy</u> which outlines its commitment towards achieving a global supply chain of sustainable wood pulp.

The Policy commits Sateri to only purchase wood pulp that is not:

- illegally harvested or traded;
- from forests of high conservation value, high carbon stock, from ancient and endangered forests or from endangered species habitat;
- from natural forests;
- from genetically modified trees;
- obtained in violation the rights of indigenous people and communities to give or withhold their Free, Prior and Informed Consent (FPIC) to operate on lands where they hold legal, communal or customary rights;
- obtained in violation of workers rights or any of the ILO's Declaration on Fundamental Principles and Rights at Work

Ben Poon, Sateri's Senior Vice President, Commercial: "This Pulp Sourcing Policy guides our purchasing behavior and will influence our pulp suppliers in a significant way as our goal is to eliminate deforestation from our supply chain. By enforcing the Policy, Sateri can ensure that the wood pulp comes from legal and traceable sources, and from forests that are managed in a sustainable way, which includes protection of the rights of indigenous people and workers."

Sateri, a business group managed by RGE (Royal Golden Eagle), will actively engage with its pulp suppliers and encourage them to achieve the appropriate forestry certifications. It will also implement a supply chain tracing system to track the origins of the wood pulp and enlist independent third parties to verify.

"Viscose producers worldwide are getting the message from clothing brands and designers that endangered forests do not belong in our fabrics and fashion", said Nicole Rycroft, Canopy founder and Executive Director. "Canopy welcomes this first stage of Sateri's commitment to stop sourcing from the world's endangered forests, deforestation and controversial sources. Now the work begins to translate it into real improvements for forests and communities on the ground."



ABOUT SATERI

Sateri is one of the largest viscose staple fibre (VSF) producers in the world. VSF is a natural raw material and key ingredient to everyday items such as textiles, and non-woven products such as baby wipes, and personal hygiene products. Sateri has a design annual production capacity of 360,000 metric tonnes of VSF. Its production facilities are located in Fujian and Jiangxi province in China.

Sateri is a business group of RGE (Royal Golden Eagle), which manages a group of world-class companies in the resource-based manufacturing industry supported by a global workforce of 50,000.

Visit <u>www.sateri.com</u>

About Canopy

Canopy is a not-for-profit environmental organization dedicated to protecting forests, species and climate. Canopy collaborates with more than 750 companies to develop innovative solutions, supply chain sustainability and the advance the protection of our world's remaining ancient and endangered forests. Canopy's partners include H&M, Sprint, Penguin - Random House, Zara/Inditex, Aditya Birla, The Globe and Mail and Scholastic. Canopy's work relies on the support of individual donors and foundations who share our passion for the planet.

Canopy initiated its work with the fashion industry in 2012 and is now in dialogue with more than fifty international apparel companies and designers, their viscose suppliers and supply chain partners. Canopy has successfully negotiated active endangered forest commitments with twenty-five leading clothing brands and designers, as well as with three of the world's largest viscose producers who control ~ 50% percent of the global supply of viscose/rayon fibres.

Visit <u>www.canopyplanet.org</u>

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