

**ACCELERATING
SOLUTIONS
IN THIS TURN
AROUND
DECADE**

***Year One:
Ambition***

**2020 – 2021
ANNUAL
REPORT**

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SURVIVE

A MESSAGE FROM OUR FOUNDER AND EXECUTIVE DIRECTOR

For decades, there have been calls to restructure our global economy in order to safeguard the natural systems that make the Earth livable. This quest has been hampered by a dominant (false) assumption that the magnitude of change needed to resolve the ecological crisis was impossible. Then COVID19 arrived.

Overnight, life as we knew it changed. It has been a bruising year – but from the dark grip of Covid, human and natural resilience has lit a path forward, and we've seen just how much change is possible. Wildlife reclaimed land and waters, long ago abandoned. People rose to the occasion in heroic ways, and with humble gestures. Solutions previously thought impossible, suddenly became real.

The commitment to finding – and advancing – solutions has long been a pillar of our work at Canopy. I am deeply grateful that in spite of the difficulties of 2020, Canopy's stellar team delivered on key campaign milestones and conservation gains and we achieved unexpected breakthroughs – some of which are celebrated in this report. Alongside our amazing strategic and philanthropic partners, we continued full-steam ahead towards ambitious goals of conserving 30 – 50% of the world's forests by 2030, and catalyzing a rapid transition to circular economy production in key supply chains.

While the engines of conventional industry ramp back up, sustainability, which is usually relegated to the back burner in times of uncertainty, has instead come further to the fore. There is tacit understanding across the sectors we work in that conventional production will be changing. It is showing up in new EU and US legislation, in collaborations to trial circular textiles, and in lofty commitments to green financing. Just as importantly it is showing up in the urgency with which many corporate leaders are thinking about how they will transform their businesses within a decade. The undercurrent is becoming the tide.

Reverberations from 2020's reckoning continue to change the way in which many goods are produced. We must harness this opening to create just and sustainable production systems and economies. There is more market support than ever to keep Endangered Forests and other critical ecosystems out of supply chains. We have an unprecedented opportunity to ensure the new normal for paper, packaging, and viscose fabrics is not dependent on intricate forest ecosystems that have evolved over millennia. Forests are our lifeline.

At Canopy, we've always believed that transformational change is possible and that, through collective action, we can create a world where humanity and nature coexist and thrive. With eyes wide open to the challenge, we work to secure large-scale forest conservation, reshape supply chains, and build partnerships to secure the changes our planet desperately needs. We see these as central to the global economic reboot and efforts to prevent further epidemics, to build sustainable and equitable economies, and stabilize our natural world.

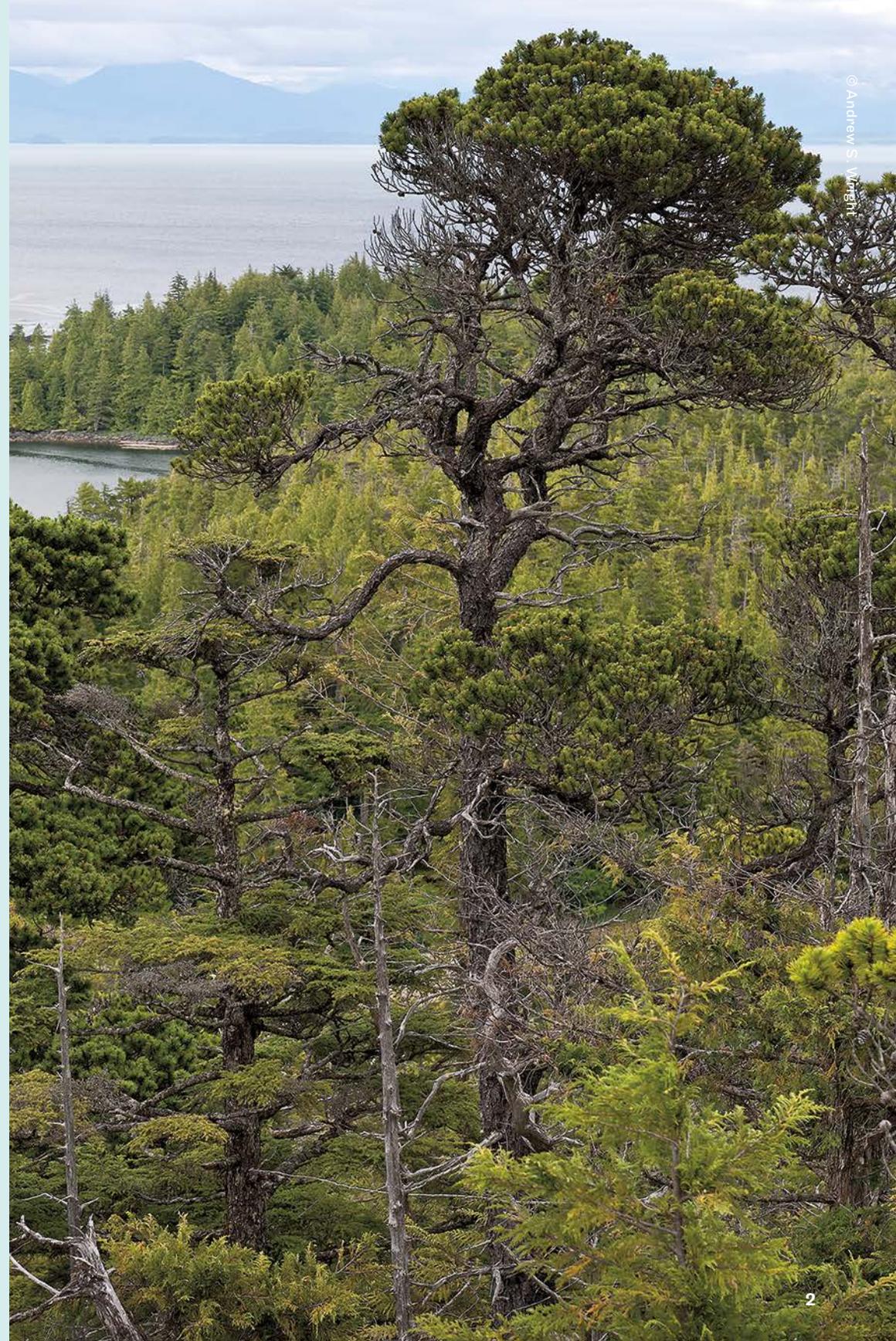
We look forward to working alongside our partners to scale the solutions needed to create a healthy and vibrant planet for us all. Thank you for your support and work.

Onwards!



Nicole Rycroft

Founder and Executive Director



© Andrew S. Wright

PURSUE

FOUNDER AND EXECUTIVE DIRECTOR



Nicole Rycroft

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Executive Assistant



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IDENTIFYING OUR CAMPAIGNS



Operations



Finance



CanopyStyle



Next Generation Solutions



Landscapes of Hope



Pack4Good



Communications

TRANSITIONS TO NEW ENDEAVOURS

Cecile Monteyne Charleston (Maternity Leave),
Mélissa Filion

CAMPAIGN TEAM



Tamara Stark
Campaign Director



Casey Brennan
Senior Corporate Campaigner



Amanda Carr
Director of Strategic Initiatives



Lafcadio Cortesi
Senior Corporate Campaigner



Elly Dinnadge
Corporate Campaigner



Catherine Grant
Senior Corporate Campaigner



Valerie Langer
Fibre Solutions Strategist



Neva Murtha
Senior Corporate Campaigner



Catherine Stewart
Senior Corporate Campaigner



Lee-Ann Unger
Senior Corporate Campaigner



Peter Wood
Senior Corporate Campaigner



Michelle Cliffe
Corporate Campaigner



COMMUNICATION TEAM



Mike Hudema
Communications Director



Laura Repas
Communications and Marketing Specialist



Muryani
Digital Specialist



Lindsay Hughes
Digital Specialist



DECADE CRITICAL

Necessity is the mother of invention. With forests being decimated for packaging and fabrics, a growing climate crisis, species going extinct in unprecedented numbers, and a global pandemic – wow, do we ever need some invention! That is why this needs to be the decade of solutions.

SURVIVAL: A Pulp Thriller is Canopy's \$69 billion roadmap that shows how we can meet the scientific imperatives of the climate and biodiversity crises, help keep the world's forests standing, and use the growing piles of waste to do it.

This decade will be about making *SURVIVAL* a reality.



ACCELERATE SOLUTIONS

At Canopy, we're dedicated to discovering and scaling solutions that are proportional to the problems humanity is grappling with.

When Canopy first started our Next Generation Solutions work, producers told us that a transition to Next Gen was impossible. This year, thanks to our work with brands, innovators, producers, governments, and investors, it's a different story ...

Four out of five of the world's largest viscose producers are now selling (small volume) product lines made with 20 - 50% recycled textiles, and numerous other producers have announced commitments to invest in or scale up Next Gen production. Notably, CanopyStyle policy holder and viscose producer Tangshan Sanyou inked a landmark offtake agreement with Canopy innovation partner Renewcell - unlocking construction of the world's first waste-textile pulp mill in Sweden. This mill will produce 60,000 tons of Circulose pulp for clothing production annually.

So grab your (eco) running shoes, and let's solve some problems together.



@Simon Cornelissen

**FORESTS
ARE OUR
LIFELINE**

INTENSIFY

CANOPYSTYLE

While you keep yourself fashionable, CanopyStyle works for those timeless classics that never go out of style – forests.

In 2020, the first year of a critical decade for our planet, CanopyStyle intensified its efforts, adding over 126 new brands and doubling its collective market share from \$266 to \$578 billion. There are now over 333 brands pushing to eliminate high carbon and high biodiversity forests from their viscose fabrics, and rapidly ramping up the availability of Next Generation alternatives.

Now that's fashion forward!

Key new partners include Amazon, Ralph Lauren, Sainsbury's, Ted Baker and ASDA/George.

@Gabriela Spielmann



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MEET THE CHALLENGE

PACK4GOOD

Our Pack4Good campaign invites industry leaders to think outside the box.

Mountains of boxes have been delivered to our doorsteps since the start of the pandemic, compounding the impact of paper packaging on forests. In response, Canopy has ramped up its Pack4Good initiative to transform the packaging supply chain. In just over a year since its launch, Pack4Good has developed strong early momentum, with more than 132 brand partners, worth \$76 billion in annual revenues, committed to ensuring that Ancient and Endangered Forests are not in your next delivery.

And as debate swirled around the false choice of “paper or plastic” packaging, Canopy championed a cross-movement position paper signed by over 188 groups, in 40 countries, calling for an end to single use in both paper and plastic packaging.

Key new partners include cosmetics company Lush, clothing retailers The Very Group and StichFix, and printers Digital Color Concepts and Hemlock.



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CHANGE THE GAME

A few years ago the viscose supply chain was opaque and filled with fibre from the world's most Ancient and Endangered Forests. This year, that's changing.

Viscose producers representing a whopping 52% of the global viscose market received the 'green shirt' ranking in Canopy's **2020 Hot Button Report**. That means over half of global viscose production is low risk, or has taken substantive action to eliminate known risk of sourcing rayon and viscose from Ancient and Endangered Forests. Ninety percent of the viscose supply chain is now formally engaged in CanopyStyle, and with 333 CanopyStyle brands relying on the Hot Button Ranking to make informed sourcing decisions, this number is set to grow.

The viscose playing field has shifted dramatically this past year with the leadership of both producers and brands. All this to say – we aren't done yet.



© Marcus Loke

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BE HOPEFUL

CLAYOQUOT SOUND

This past September, following decades of market engagement and advocacy, the government of British Columbia announced a two-year deferral of logging of old growth rainforests in the 262,000 ha Clayoquot Sound, one of the largest areas of intact coastal temperate rainforest remaining in the world. The announcement marks a significant step forward as we work with First Nations and the B.C. government to ensure permanent protection of this ecologically-critical landscape.

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BE HOPEFUL

THE BROADBACK

In the final weeks of 2020, the Quebec and Cree Nation governments announced four million hectares of protected areas in the Cree Nation's traditional territories, the Eeyou Itsc'hee. This announcement contains some of the last remaining unprotected areas of the ecologically-critical Broadback Forest. Canopy has worked closely with the Cree leadership and communities to advance protection across their traditional territories over the past decade, and remains in dialogue with the Cree as they strive to realize their long-term conservation vision.



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BE HOPEFUL

THE OGOKI

In October, global viscose producer Aditya Birla agreed to scenarios with Canopy that propose to conserve approximately 70% of key Ancient and Endangered Forests, and the advancement of FSC certification in sourcing tenures – while maintaining the harvesting opportunities critical to First Nations and local communities, and recognizing that in Canada’s Boreal Forests all final decisions rest with First Nations’ and Provincial governments. This collaborative process offers a clear example of how a producer can take meaningful action to support conservation in a landscape impacted by their operations – and, if successful, will offer an important model of what is possible for other regions around the world.

© Andrew Male

An aerial photograph of a lush green forest with a winding lake in the center. A white heartbeat line graphic is overlaid on the bottom half of the image, starting from the left edge and ending near the text. The text 'FORESTS ARE OUR LIFELINE' is written in bold, white, uppercase letters within the heartbeat line.

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BE HOPEFUL

LEUSER ECOSYSTEM

Like many of the world's Ancient and Endangered Forests, Indonesia's magical Leuser Ecosystem is under constant pressure. We have been working with local NGO partners to secure and maintain a moratorium on logging in critical elephant and orangutan habitat – and are now supporting efforts to have this land permanently managed for conservation. We have also supported early efforts to develop an Ecotourism master plan for the Leuser Ecosystem as one element of the region's shift to a conservation-based economy.



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BREAK THROUGH

We have always had big ambitions at Canopy. Founded on Canada's west coast with a first year budget of \$1,800 and a bold strategy, Canopy now works with over 750 brand partners and innovators from around the world to change supply chains, forge solutions, and save the world's most integral forests. This year, our Executive Director's bold strategy was acknowledged with one of the world's leading climate prizes.

The Climate Breakthrough Award will help Nicole and Canopy develop and refine a critical stream of our Next Generation Solutions work: catalyzing the investment needed to bring solutions to commercial scale in a world desperately in need of them.



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STAY SEXY

Some would say that using waste to make viscose fashion or paper packaging isn't sexy. We respectfully disagree.

During London and Paris Fashion Weeks, Canopy aired a series of playfully risqué ads to showcase Next Gen products from some of our CanopyStyle and Pack4Good brand partners. The series reached new audiences with 32 publications, platforms, influencers, journalists, and celebrities sharing the ads, leading to more than 2.5 million views.

Solutions that are here today to save forests, reduce waste, and keep us all safe and healthy.

Now that's sexy!

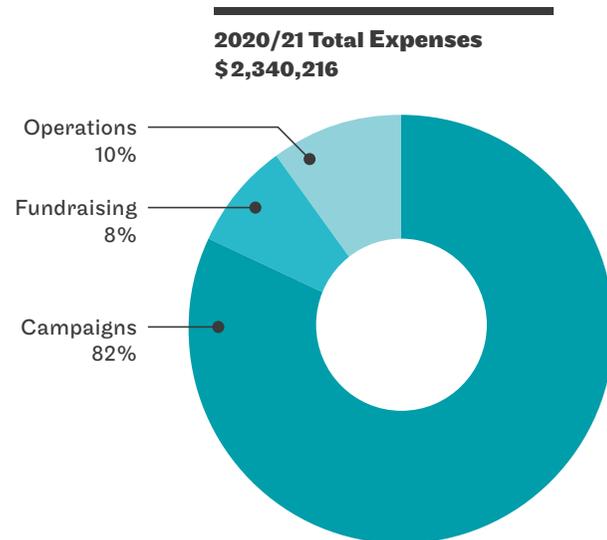
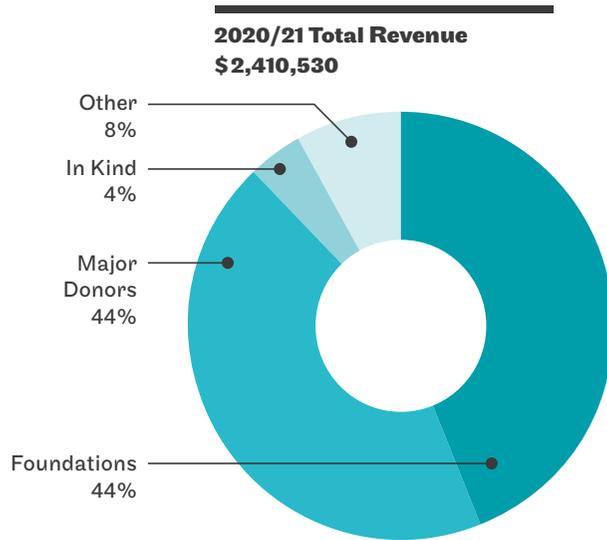


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NUMBERS



Canopy does not accept donations from or charge a fee to the companies with which we work. This maintains our independence and clarity on the nature of the partnerships. It also ensures that company budget limitations do not prohibit brands from engaging in our campaigns.

For the complete policy, go to <http://canopyplanet.org/about-us/corporate-donations-policy/>

In times of crisis, community is more important than ever and we are so thankful to have you as part of ours.



canopy
Transforming Business
for our Planet

www.canopyplanet.org

   @CanopyPlanet
 Canopy-not-for-profit

1726 Commercial Drive,
Vancouver BC V5N 4A3 Canada
For more information,
please contact:
info@canopyplanet.org



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