

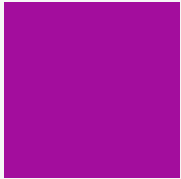
HOT BUTTON CRITERIA UPDATE

OCTOBER 2026

Criteria will be updated again in 2031 with specific attention on Next Gen and conservation.

CRITERIA	DESCRIPTION	APPROX. %
CRITERIA 1	Adoption of Policy and Completion of CanopyStyle Audits	16%
CRITERIA 2	Leadership in Low Risk Sourcing	31%
CRITERIA 3	Traceability and Transparency	13%
CRITERIA 4	Leadership in Scaling Next Gen	27%
CRITERIA 5	Contribution to Conservation Legacies	13%
		100%

LEGEND



Main Hot Button Criteria



The criteria highlighted with a Canopy gold button indicate high achievement related to CanopyStyle’s goals.



Criteria in red results in a red shirt

SIMPLIFIED SHIRT COLOURS



22-45 buttons



13-21.5 buttons



0-12.5 buttons

CRITERIA 1 TO 3 FOR ALL COMPANIES

CRITERIA 1 Adoption of Policy and Completion of CanopyStyle Audits (7 buttons)		
1.1. The company has completed its CanopyStyle Audit. (4 buttons)		
a)	The company has completed and published its CanopyStyle Audit with frequency determined by the size of the company and/or risk levels.	4
b)	The company has started its CanopyStyle Audit, but it has not been published yet.	3
c)	The company has initiated the CanopyStyle Audit process (signed contract with auditor).	2
d)	The company has not undertaken a CanopyStyle Audit.	0
1.2. Full adoption of the CanopyStyle policy. (3 buttons) *See Appendix 1 for CanopyStyle policy criteria.		
a)	The company's policy meets all the CanopyStyle policy criteria.	3
b)	The company's policy meets at least 75% of the CanopyStyle policy criteria.	2
c)	The company's policy meets at least 50% of the CanopyStyle policy criteria.	1
d)	The company's policy does not meet 50% of the CanopyStyle policy criteria.	0



CRITERIA 2 Leadership in Low Risk Sourcing (14 buttons)		
2.1. The company has low or no known risk of sourcing from Ancient and Endangered Forests, based on an assessment of audit findings and information available through Canopy tools. (4 buttons)		
a)	The company’s audit has determined low risk of sourcing from Ancient and Endangered Forests and controversial sources.	4
b)	The company’s audit has determined no known risk of sourcing from Ancient and Endangered Forests and other controversial sources, and it has completed or is currently conducting additional supplier verification.	3
c)	The company’s audit has determined no known risk of sourcing from Ancient and Endangered Forests and other controversial sources, and the company provides updated supplier information/maps for each CanopyStyle Audit cycle.	2
d)	The company’s audit has determined no known risk of sourcing from Ancient and Endangered Forests and other controversial sources, and the company is not pursuing any additional due diligence.	1
e)	The company’s audit has determined known risk of sourcing from Ancient and Endangered Forests and/or other controversial sources, and the risk has not been eliminated.	0
2.2. The company has committed to not expand its production through the use of wood fibre. (4 buttons)		
a)	The company commits publicly that any growth in its MMCF production beyond the year 2030 will be made with Next Gen, and not through the use of wood. This public commitment is accompanied by a detailed action plan. *	 4
b)	The company commits publicly that any growth in its MMCF production beyond the year 2032 will be made with Next Gen, and not through the use of wood. This public commitment is accompanied by a detailed action plan.	3
c)	The company does not commit publicly to not expand its production through the use of wood fibre.	0

*Only Green Shirt producers are eligible for the Canopy gold button.

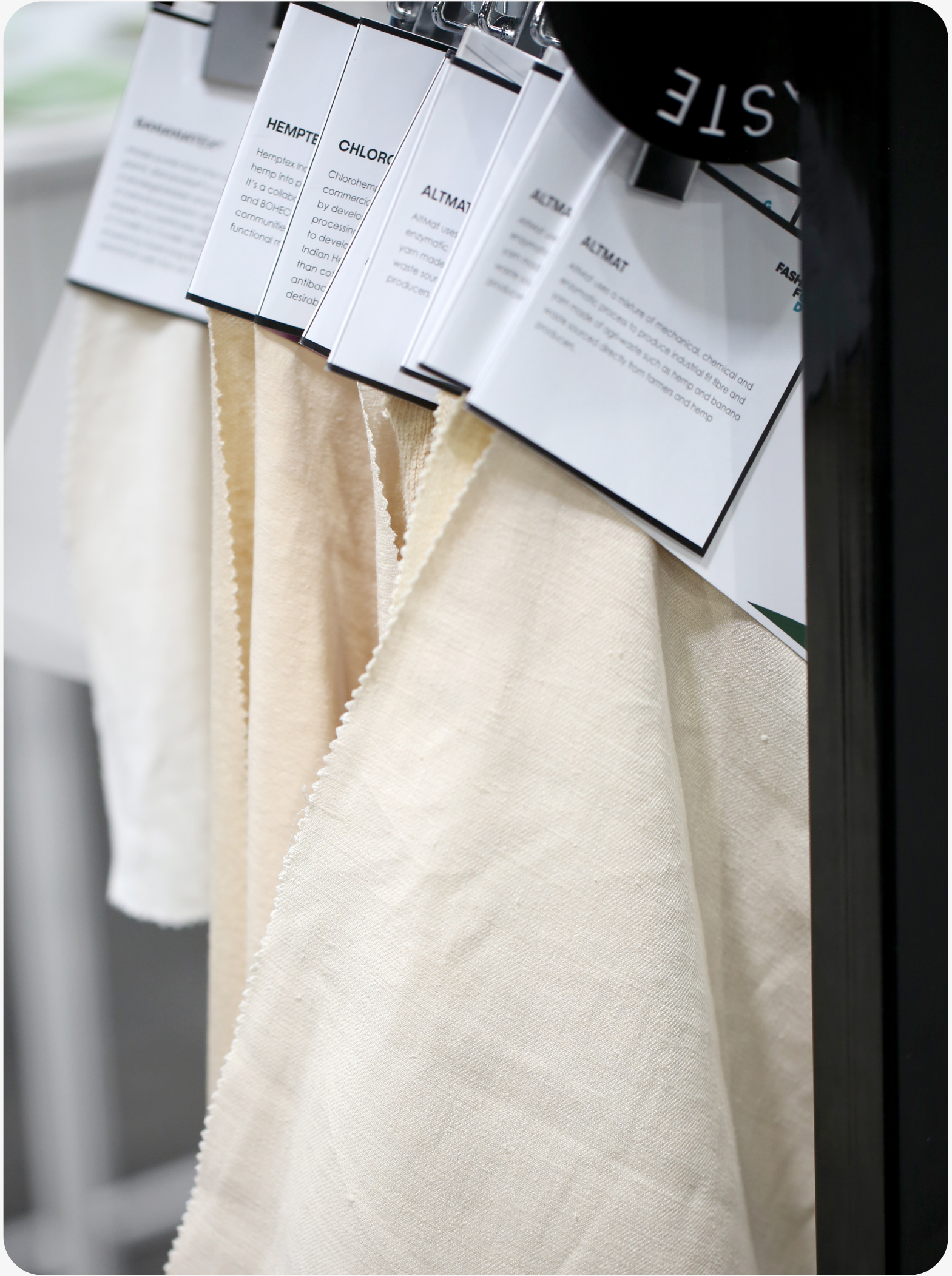


CRITERIA 2 CONT'D

2.3.	The company has, and acts on, its preference to source from Forest Stewardship Council (FSC) certified forests. (6 buttons)	
a)	100% of the company's wood-based fibre inputs are either FSC 100% or FSC Mix.	6
b)	75% or more of the company's wood-based fibre inputs are either FSC 100% or FSC Mix, and any changes in proportions do not result in an overall decrease in FSC-certified fibre since the previous year.	5
c)	50- <75% of the company's wood-based fibre inputs are either FSC 100% or FSC Mix, and any changes in proportions do not result in an overall decrease in FSC-certified fibre since the previous year.	4
d)	25- <50% % of the company's wood-based fibre inputs are either FSC 100% or FSC Mix, and any changes in proportions do not result in an overall decrease in FSC-certified fibre since the previous year.	3
e)	10-25% of the company's wood-based fibre inputs are either FSC 100% or FSC Mix, and any changes in proportions do not result in an overall decrease in FSC-certified fibre since the previous year.	2.5
f)	Less than 10% of the company's wood-based fibre inputs are either FSC 100% or FSC Mix, and any changes in proportions do not result in an overall decrease in FSC-certified fibre since the previous year. OR The company has FSC preference in place, and more than 50% of its wood-based fibre inputs are FSC controlled wood.	2
g)	The company has FSC preference in place, and more than 50% of its wood-based fibre inputs are certified to a forest certification system other than FSC.	1
h)	The company does not have FSC preference and less than 50% of its wood-based fibre inputs are certified to a forest certification system other than FSC.	0



CRITERIA 3Traceability and Transparency (6 buttons)		
3.1. The company has a traceability system that allows brands and partners in the supply chain to trace the fibre used back to the forest of origin. (3 buttons)		
a)	The company has a verified traceability system that allows it to trace its fibre back to the forest of origin.	3
b)	Company uses an FSC Chain of Custody (CoC) system to track fibre AND has received forest of origin information from its suppliers.	2
c)	Company uses an FSC CoC system to track fibre AND has requested forest of origin information from its suppliers.	1
d)	The company does not have a traceability system that allows it to trace its fibre to forest or origin.	0
3.2. The company has a traceability system that allows brands and supply chain partners to track from MMCF fibre to the finished product. (2 buttons)		
a)	Company has adopted a traceability platform where fibre can be traced from fibre to garment.	2
b)	Company has an internal traceability system that it can offer to brands who want to trace fibre to garment.	1.5
c)	Company does not work with any traceability platform and cannot offer traceability of its fibre.	0
3.3. The company annually updates its list of suppliers (pulp supplier names and locations) and publishes it on its website. (1 button)		
a)	The company publishes its pulp supplier names and locations and updates the list annually.	1
b)	The company shares its pulp supplier names and locations with Canopy but does not publish it.	0.5
c)	The company does not share nor publish its supplier names and locations.	0



CRITERIA 4 AND 5 FOR LARGE COMPANIES (>100,000 TONNES):

CRITERIA 4Leadership in Scaling Next Gen (12 buttons)		
4.1. The company is investing in research and development (R&D) related to Next Gen fibre or materials. (4 buttons)		
a)	The company can demonstrate capital infrastructure, or other comparable, investment in Next Gen in the last 10 years.	4
b)	The company can demonstrate lab, pilot and commercial testing of at least one Next Gen feedstock or technology in the last five years.	3
c)	The company can demonstrate lab and pilot testing of at least one Next Gen feedstock or technology in the last five years.	2
d)	The company can demonstrate lab testing of at least one Next Gen feedstock of technology in the last five years.	1
e)	The company has not conducted Next Gen R&D at any level in the last five years.	0
4.2. The company has the capacity to produce Next Gen products. (4 buttons) Companies will be assessed for this criteria based on size: 100,000-299,999 tonnes and 300,000+ tonnes. Feedstocks will be assessed differently (see Appendix 2).		
a)	The company (300,000+ tonnes) has Next Gen capacity of 100,000 tonnes. OR The company (100-299,999 tonnes) has Next Gen capacity of 30,000 tonnes.	4



CRITERIA 4 CONT'D

4.2. Cont'd

b)	The company (300,000+ tonnes) has Next Gen capacity of 50,000 tonnes. OR The company (100-299,999 tonnes) has Next Gen capacity of 15,000 tonnes.	3
c)	The company (300,000+ tonnes) has Next Gen capacity of 25,000 tonnes. OR The company (100-299,999 tonnes) has Next Gen capacity of 5,000 tonnes.	2
d)	The company (300,000+ tonnes) has Next Gen capacity of 10,000 tonnes. OR The company (100-299,999 tonnes) has Next Gen capacity of 1,000 tonnes.	1
e)	The company does not have any Next Gen capacity.	0

4.3. The company has replaced their wood fibre with textile-to-textile (T2T) Next Gen fibre and the products are available for purchase on a commercial scale. (3 buttons)
Assessment of this criteria will consider changes to annual production

a)	5% of the company's pulp inputs come from T2T Next Gen.*	 3
b)	<5-1% of the company's pulp inputs come from T2T Next Gen pulp/feedstocks.	2
c)	>0% - <1% of the company's pulp inputs come from T2T Next Gen pulp/feedstocks.	1
d)	No T2T Next Gen pulp/feedstocks are used in production.	0

*Only Green Shirt producers are eligible for the Canopy gold button.



4.4.	The company has produced, at scale, MMCF products that contain T2T Next Gen fibre in the last three years. (1 button)	
a)	The company has produced at least 5000 tonnes of MMCF that contains T2T Next Gen fibres in the last three years (cumulatively to that amount in tonnes).	1
b)	The company has produced at least 2500 tonnes of MMCF that contains T2T Next Gen fibres in the last three years (cumulatively to that amount in tonnes).	0.5
c)	The company has not produced, at scale, MMCF that contains T2T Next Gen fibres in the previous three years.	0



CRITERIA 5

Contribution to Conservation Legacies (6 buttons)

5.1.

Participation in conservation projects. (4 buttons)

a)	The company funds, invests, and/or participates in a landscape-scale conservation initiative of 10,000–20,000 hectares that provides protection and/or restoration and has been developed with the participation, and/or the consent, of Indigenous Peoples and Local Communities (IPLCs).*		4
b)	The company funds, invests in, and/or participates in a regional conservation initiative of 5,000–<10,000 hectares that provides protection and/or restoration and has been developed with participation and/or the consent of, IPLCs.		3
c)	The company funds, invests in, and/or participates in local conservation initiative of 1,000 ha to <5,000 ha that provides protection and/or restoration and has been developed with participation, and/or the consent, of IPLCs. OR The company funds or participates in conservation initiatives for a smaller area that provides protection and/or restoration and can demonstrate that it has comparable ecological value due the abundance/rarity/uniqueness of the values conserved.		2
d)	The company funds, invests in, and/or participates in a local, small-scale conservation initiative of 100–<1,000 hectares that provides protection and/or restoration that has been developed with participation, and/or the consent, of IPLCs.		1
e)	The company is not funding, investing in, and/or participating in any conservation projects.		0

*Only Green Shirt producers are eligible for the Canopy gold button.

5.2.

Support for conservation initiatives. (2 buttons)

a)	The company funds, invests in, participates, and/or leads in other projects that protect forests and/or biodiversity; or promotes sustainable livelihoods, and empowers communities.		2
b)	The company promotes forest conservation on its website and social media channels.		1
c)	The company is not involved in a conservation project, nor does it promote forest conservation.		0



CRITERIA 4 AND 5 FOR SMALL AND MEDIUM COMPANIES (<100,000 TONNES):

CRITERIA 4

Leadership in Scaling Next Gen (12 buttons)

4.1.

The company has replaced their wood fibre with textile-to-textile (T2T) Next Gen fibre and the products are available for purchase on a commercial scale. (4 buttons)

Assessment of this criteria will consider changes to annual production

a)	At least 5% of the company's pulp inputs come from T2T Next Gen feedstock sources and they have a commercially sold Next Gen line.*		4
b)	<5%-1% of the company's pulp inputs come from any Next Gen feedstock sources.		3
c)	<1%->0.5% of the company's pulp inputs come from any Next Gen feedstock sources.		2
d)	Less than 0.5% of the company's pulp inputs come from any Next Gen feedstock sources.		1
e)	None of the company's pulp inputs come from any Next Gen feedstock sources.		0

*Only Green Shirt producers are eligible for the Canopy gold button.

4.2.

The company is investing in R&D related to Next Gen fibre or materials. (5 buttons)

a)	The company has a dedicated Next Gen commercial product that is trademarked and has more than 10% Next Gen content.		5
b)	The company has a dedicated Next Gen commercial product that is trademarked and has 10% or less Next Gen content.		4



CRITERIA 4 CONT'D

4.2. Cont'd

c)	The company can demonstrate lab, pilot, and commercial testing of at least one Next Gen feedstock or technology in the last five years.	3
d)	The company can demonstrate lab/pilot testing of at least one Next Gen feedstock or technology in the last five years.	2
e)	The company can demonstrate that it has conducted a Next Gen R&D project in the last year, either internally or in collaboration with another organization.	1
f)	The company has not conducted any Next Gen R&D projects.	0

4.3. The company is an advocate of the circular economy, and is promoting the use of new and existing alternative fibres. (3 buttons)

a)	The company is promoting their commercially available Next Gen product on their website and in other marketing channels.	3
b)	The company is promoting the use and benefits of alternative or Next Gen materials on their website and in other marketing channels.	2
c)	The company is not promoting the use and benefits of alternative or Next Gen materials on their website and in other marketing channels.	0



CRITERIA 5

Contribution to Conservation Legacies (6 buttons)

5.1.

Support for conservation initiatives. (4 buttons)

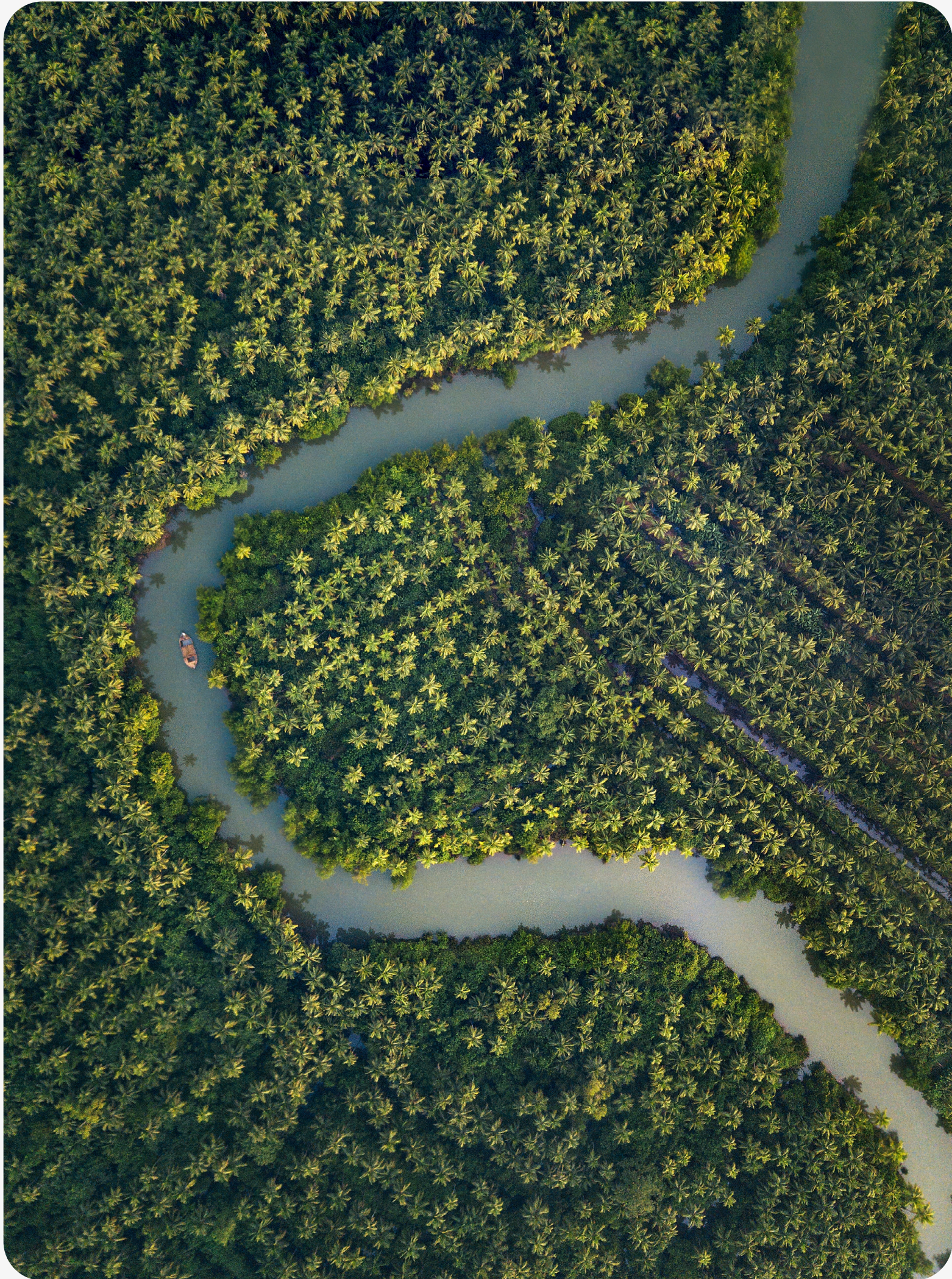
a)	The company funds, invests in, and/or participates in local conservation initiative of at least 1,000 ha that provides protection and/or restoration and has been developed with participation, and/or the consent, of IPLCs.*		4
b)	The company funds, invests in, and/or participates in local conservation initiative of 100- <1,000 ha that provides protection and/or restoration and has been developed with participation, and/or the consent, of IPLCs. OR The company funds or participates in conservation initiatives for a smaller area that provides protection and/or restoration and can demonstrate that it has comparable ecological value due the abundance/rarity/uniqueness of the values conserved.		3
c)	The company provides detailed information about a conservation program to protect forests and/or biodiversity and develops a proposal for how it can support the objectives of this program through in-kind or other support.		2
d)	The company funds, invests in, and/or participates in other projects or with non-governmental organizations (NGOs) that protect forests or species; or promotes sustainable livelihoods, and empowers communities.		1
e)	The company is not involved in a conservation project.		0

*Only Green Shirt producers are eligible for the Canopy gold button.

5.2.

Creating awareness about conservation. (2 buttons)

a)	The company holds training and education sessions with staff and management about the importance of Ancient and Endangered forests.		2
b)	Company holds no training or education sessions with staff and management and does not promote forest conservation.		0



ADDITIONAL BUTTON ALLOCATIONS:

Each producer that has 0.1% (or less) of global MMCF capacity AND has been assessed as low risk will be awarded an additional 2 buttons to their overall score. This allocation recognizes the low impact and responsible sourcing practices these smaller producers demonstrated in the previous assessment year.

APPENDIX 1

CanopyStyle Policy Criteria Checklist (2026)

- ☐ Eliminate fibre from Ancient and Endangered Forests.
- ☐ Include the names of Ancient and Endangered Forests named in brand policies (eg, the Canadian and Russian boreal forests; coastal temperate rainforests; and tropical forests and peatlands of Indonesia, the Amazon and West Africa).
- ☐ Eliminate fibre from controversial source: conversion of forests since 1994.
- ☐ Eliminate fibre from controversial source: illegally logged forests.
- ☐ Requirement for respect for human rights, including the Free, Prior and Informed Consent of Indigenous peoples.
- ☐ State a preference for FSC certified fibre.
- ☐ State support for conservation solutions.
- ☐ Commitment to invest in Next Gen R&D and the eventual integration of Next Gen fibres into products.
- ☐ Requirement to re-examine supply relationships if any are found to be in contravention of the policy.

APPENDIX 2

Canopy’s prioritization of Next Generation fibres

Some of the proposed Next Gen criteria (Criteria 4) refer to different scoring for various feedstocks. The list below represents Canopy’s preferred Next Gen feedstock in descending order, and scoring will be determined based on feedstock(s) used.

- 1. Recycled textiles (post-industrial/post-consumer)
- 2. Agricultural residues (such as wheat straw, rice straw)
- 3. Recycled bamboo or recycled wood (post-industrial/post-consumer)
- 4. Purpose grown crops (such as FSC-certified bamboo, juncao grass)

Excluded: Invasive species crops, animal products or by-products.