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# Decarbonization Initiative: Airex Energy, Groupe Rémabec, and SUEZ Unveil Groundbreaking Biochar Plant in Port-Cartier, Québec

Airex Energy, Groupe Rémabec and SUEZ join forces to create Canada's first industrial biochar production plant in Port-Cartier, Québec. The first phase of the plant will be finalized in 2024, with an initial production capacity of 10,000 tonnes per year. By 2026, annual production capacity will triple, making it the largest biochar plant in North America and one of the world's most important. This is the first project resulting from the partnership between SUEZ and Airex Energy which aims to produce 350,000 tonnes of biochar by 2035.

The facility, owned by CARBONITY, a joint-venture equally owned by the three partners, will employ 75 people locally. It will produce a carbon-rich biochar with high environmental qualities from the residual biomass of Groupe Rémabec's operations. Biochar is a material with highly promising environmental benefits, identified by the United Nations Intergovernmental Panel on Climate Change (IPCC) as one of five negative-emission solutions to curb global warming and help achieve the carbon-neutral targets set by the Paris agreements.

This first Canadian facility will leverage the cutting-edge equipment, profound expertise, and groundbreaking CarbonFX™ pyrolysis technology developed by Airex Energy as well as on the expertise of SUEZ, a world leader in the transformation and valorization of organic waste, agricultural soil enhancement, biofertilizers, and new resources from the circular economy enabling its customers to reduce their carbon footprint.

"We are delighted to be a partner in this major project, which represents an unparalleled opportunity for decarbonization in Québec. This project is the perfect example of the growth and decarbonization strategy advocated by the Québec government," explains Michel Gagnon, CEO of Airex Energy and Chairman of the joint venture. "This project brings to the forefront CarbonFX™ technology, an innovation proudly developed in Québec, which is now considered a benchmark worldwide," he adds.

"By transforming forest and agricultural residues into carbon sinks and soil amendments, SUEZ creates value over the entire life cycle of the material. SUEZ will leverage its expertise in constructing and operating industrial facilities to enable the global deployment of this groundbreaking decarbonization solution," says Yves Rannou, Chief Operating Officer Recycling & Recovery, Executive Vice-President of SUEZ.

suez.com – VAT number: FR60901644989

"With our partners Airex Energy and SUEZ, we are aiming on creating a more sustainable economy by accelerating decarbonization. We are committed to promoting innovation, fostering new technologies and investing in solutions to tackle climate change head-on, while providing the forest industry with new opportunities. Together, we can build a more sustainable and prosperous future," mentions President and Chief Operating Officer of Groupe Rémabec, Réjean Paré.

This project was made possible thanks to the financial participation of the Quebec and Canadian governments.

"Government of Canada has made concrete commitments to demonstrate that a strong economy and a healthy environment go hand-in-hand. That is why Canada Economic Development for Quebec Regions (CED) is granting a repayable contribution of Canadian \$3M to CARBONITY for its set up project in Port-Cartier. By assisting startups and supporting innovation in the development of greener technologies and products, we are paving the way for the jobs of tomorrow," says The Honourable Pascale St-Onge, Member of Parliament for Brome-Missisquoi, Minister of Sport and Minister responsible for CED.

"Canada's forest sector has been an economic driver for communities across Canada, providing livelihoods and opportunity for workers and families. By investing in innovative technologies and practices, such as CARBONITY, we are creating pathways to lower emissions and good jobs for workers in this key sector," mentions the Honourable Jonathan Wilkinson, Minister of Natural Resource in Canada.

"With this project, Québec is putting additional tools in place to decarbonize its economy. This new biochar plant will make it possible to decarbonize certain metallurgical and agricultural processes more rapidly while creating economic benefits here on the North Shore," indicates Pierre Fitzgibbon, Minister of the Economy, Innovation and Energy, Minister Responsible for Regional Economic Development and Minister Responsible for Montréal and the Metropolitan Region.

#### Biochar: a wide range of benefits

Used as a soil amendment, biochar offers several benefits, including carbon sequestration, increased nutrient retention, and optimized soil aeration and drainage. Its properties allow it to contribute to soil regeneration, limit the use of fertilizers and sustain water resources.

When added to concrete or asphalt formulations, biochar brings new functionalities to the final material while helping to reduce its carbon footprint, a key issue for the construction sector. At last, the production of biochar at high-temperature and with oxygen-free pyrolysis will generate surplus energy in the form of steam or pyrolysis oil, which can be directly reused on site.

Find out more about the SUEZ Group on the <u>website</u> and on social media







The project will sequester 75,000 tonnes of carbon per year. By sequestering carbon, biochar production will generate guaranteed, certified carbon credits<sup>1</sup> that will be sold on the voluntary market<sup>2</sup> by First Climate.

"Our partnership with CARBONITY is an important step in the implementation of large-scale carbon storage and recovery projects. The players entering this market have confirmed the potential of biochar to meet the objectives of the Paris Agreement. First Climate will ensure that the carbon recovery achieved through the groundbreaking Port-Cartier industrial project will be sustainable, transparent and value-added, in compliance with the highest standards and norms," adds Olaf Bachert, CEO of First Climate<sup>3</sup>.

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#### **About Airex Energy:**

An innovative leader, Airex Energy develops and delivers world-class decarbonization solutions with the capacity to significantly reduce GHG emissions. Thanks to its CarbonFX™ technology, Airex Energy transforms biomass into high value-added ecological products such as biochar, biocarbon and biocoal. Since 2016, the company has operated Canada's first and only industrial biochar production plant. Today, the company exports its solutions to the four corners of the globe, including the United States, Europe and Asia. www.airex-energy.com

#### **About SUEZ:**

Faced with growing environmental challenges, SUEZ has been delivering essential services that protect and improve our quality of life for more than 160 years. SUEZ provides its customers with innovative and resilient solutions for water and waste services. With 40 000 employees across 40 countries, the Group works with customers to create value over the full lifecycle of their assets and services, and to drive their low carbon transition. In 2022, SUEZ provided drinking water for 68 million people worldwide and sanitation services for more than 37 million people. The Group generated 3.7 TWh of energy from

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<sup>&</sup>lt;sup>1</sup> Compliant with the EBC (European Biochar Certificate) guidelines, several certification methods are available.

<sup>&</sup>lt;sup>2</sup> The voluntary carbon market is a carbon credit trading mechanism not linked to international regulations, which companies can use on a voluntary basis to offset their greenhouse gas emissions.

<sup>&</sup>lt;sup>3</sup> First Climate is one of the world's leading providers of carbon management and green energy services to businesses and the public sector. It develops, finances and delivers verified emissions reduction projects worldwide, enabling customers to support local sustainable development and climate change mitigation activities on the ground. With access to an extensive network of international partners and expertise in operational green energy procurement, First Climate is also a leading provider of renewable energy solutions, offering procurement options to help businesses reduce their energy-related carbon footprint. <a href="https://www.firstclimate.com">www.firstclimate.com</a>

waste and wastewater, and avoided 4 million tons of CO2 emissions. In 2022, SUEZ has generated revenues of 8.8 billion euros\*. For more information: www.suez.com / Twitter @suez

\*restated on a 12-month basis.

#### About Rémabec:

Founded in 1988, Groupe Rémabec is proud to be the largest private forestry contractor in Quebec and one of the most important sawyers in the province, which allows it to provide direct quality employment to nearly 2 000 people. Firmly established in three forest regions of Quebec with the seven factories of its Arbec lumber division, which work in fields such as sawing, planning and finger jointing of softwood. With the operation of three other hardwood species wood processing plants and one plant in the green energy sector, the Rémabec Group has eleven plants in total. Groupe Rémabec is owned by two groups of investors. The founders and management in place, as well as Produits Forestiers Arbec Inc., one of the main players in Quebec's forest industry specializing in OSB panels.







