Drax partners with Molpus Woodlands to fuel BECCS operations in the Southeast US

The sustainable fiber supplied will enable high-quality carbon removals, to be sold as credits on the voluntary carbon market.

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Carbon removals and renewable energy company Drax Group has announced a new partnership with Molpus Woodlands Group (Molpus). The agreement will provide Drax with an option to purchase sustainably sourced woody biomass to fuel its bioenergy with carbon capture and storage (BECCS) operations in the US Southeast.

Drax will have the option to take up to 1 million green tons per year of sustainably sourced fiber under a long-term fiber supply agreement. This supply will anchor Drax's BECCS developments in the region, which will generate renewable baseload power to contribute toward US energy independence while permanently removing carbon dioxide from the atmosphere.

"The renewable power produced through BECCS will contribute to a more diverse and resilient US power grid, while supporting hundreds of jobs across the US South, particularly in rural communities," said **Arabella Freeman, Senior Vice President of Biomass Strategy at Drax.** "The sustainable fiber

secured through this agreement with The Molpus Woodlands Group, a leading US forestry company, takes us one step closer to bringing Drax's BECCS ambitions to life."

Sustainably sourced biomass – when paired with carbon capture and storage technology – is the only carbon negative technology that can permanently remove carbon from the atmosphere while simultaneously contributing to the diversity of the power grid. The fiber to be provided through Molpus meets Drax's high sustainability standards, enabling the production of high-quality carbon dioxide removals (CDR) credits that can be purchased on the voluntary carbon market to help decarbonize other organizations and industries.

Sustainable fiber is sourced from low-grade roundwood including forest thinnings and residues left over from timber harvesting. Low-grade roundwood is not suitable for sawmilling, and BECCS can provide a valuable new market for this forestry byproduct.

This partnership with Molpus represents a key milestone toward Drax realizing its intent to become a global leader in carbon removals through the implementation of BECCS technology, with the goal of capturing 6 million metric tonnes of carbon a year in the US.

Drax's new and future BECCS projects could also result in hundreds of permanent jobs, with thousands more supported during construction and through the supply chain. Landowners will also be incentivized to practice sustainable forest management to improve the health and resilience of forests for generations to come.

"Drax shares our passion for responsible forest management and, in bringing BECCS to the Southeastern US, will provide a valuable use for the fiber sourced from sustainable forest management practices, lumber production, and other related industries," said **Terrell Winstead, President and CEO at Molpus.** "Together, we look forward to supplying value to the power grid, economy, environment, and local communities throughout the region for years to come."

To learn more about BECCS by Drax and our ambition to remove 6 million tons of carbon annually in the United States, visit https://www.drax.com/bioenergy-with-carbon-capture-and-storage-beccs/.

To learn more about Molpus' sustainable forestry practices, visit https://www.molpus.com/esg/.

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About Drax
Drax Group's purpose is to enable a zero carbon, lower cost energy future and in 2019 announced a world-leading ambition to be carbon negative by 2030, using bioenergy with carbon capture and storage (BECCS) technology.

Drax's approximately 3,000 employees operate across three principal areas of activity – electricity generation, electricity sales to business customers and compressed wood pellet production and supply to third parties. For more information, visit www.drax.com.

About Molpus Woodlands Group
The Molpus Woodlands Group, LLC (Molpus), an SEC registered investment adviser, acquires, manages, and sells timberland as an investment vehicle for pension funds, college endowments, foundations, insurance companies, and high-net-worth individual investors. Molpus currently manages over 1.7 million acres of timberland investments in 15 states. It incorporates environmental, social, and governance (ESG) policies and practices into investment analysis and decision-making. It believes its strong ESG initiatives have positive implications for the environment and the future of Molpus. Molpus was founded in 1996 as a timber investment management organization and has a company legacy dating back to 1905. Molpus is one of the oldest timber-related companies in the United States. For more information, visit www.molpus.com.

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