

Point No. 3.6

To, Catharine Grant Senior Corporate Campaigner p: 902.412.2902

Date :- 08.08.2022

Letter of Support for the Purchase of Next Generation Pulp for Viscose Filament Yarn (MMCF Textiles)

Century Rayon (Under The Management and Operation of Grasim Industries Limited) has an interest in purchasing Next Generation products for our sales and business operations that contribute to the conservation and protection of the world's ancient and endangered forests. This is detailed in the <u>Fibre_Procurment_Policy_for_Protecting_Forest.pdf</u>

(centuryrayon.co.in) policy we developed in partnership with Canopy. Next Generation products include Man Made Cellulosic Fibres (MMCF) textiles made from recycled waste fabrics, microbial cellulose, and left-over residues from agricultural crops and paper and packaging derived from agricultural fibres such as wheat straw, miscanthus grass and other agricultural residues as well as dissolving pulp.

Century Rayon (Under The Management and Operation of Grasim Industries Limited) directly purchases from our suppliers:

• Dissolving pulp to manufacture viscose filament yarn

Century Rayon (Under The Management and Operation of Grasim Industries Limited) is interested in purchasing from our current or from new suppliers, up to 3000

tonnes/year of Next Generation fibre dissolving pulp given the following conditions:

• pilot samples that demonstrate comparable quality and functionality to our current pulp inputs can be provided for us to test prior to making a commitment to purchase



Grasim Industries Limited (VFY – Fashion Yarn Business) Unit : Century Rayon, Murbad Road, Shahad - 421 103, Dist. Thane, Maharashtra, INDIA. T: +91 251 2733670 (10 Lines) | F: +91 251 2730064 E: century.rayon@adityabirla.com | W: www.raysil.co.in / www.grasim.com Registered Office: Birlagram, Nagda - 456 331 (M.P.) | Corporate ID No.: L17124MP1947PLC000410



- a competitive price range over the long term (we are open to discussing shorter term first-to-market price premiums within limits, if it is demonstrated this is necessary until economy of scale production is sufficient to reduce the price point)
- a preference for the Next Generation pulp to be produced close to our manufacturing and supply regions to limit carbon emissions from shipping to facilitate lower carbon footprints in our operations.
- the regions that would be most relevant for our pulp sourcing are: US Latin America
 Canada Europe
 Indonesia China
 Sweden

Century Rayon (Under The Management and Opeartion of Grasim Industries Limited) supports the efforts of Canopy and its financial partners to develop and scale the production capacity necessary to meet demand for alternative fibre products. Such efforts include establishing fund-based solutions to help direct private capital into Next Generation technology ventures and alternative fibre mill infrastructure.

Century Rayon (Under The Management and Operation of Grasim Industries Limited) looks forward to working both with Canopy and its financial partners as a thought partner, and with Next Generation producers as an product offtaker, to help further the commercialization of these alternative fibre technologies.

This Letter of Support does not create or constitute any legally binding or enforceable obligations or liabilities between the parties, and may be subject in the future to further amendment or modification. This does, however, represent an accurate expression of our interest in developing our supply chain and our business operations towards circular production and low environmental impact.

Mr.Apurva Gupta

Unit Head –Kalyan Unit





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