

## Birla Cellulose committed to Sustainable and Responsible Viscose Production

Birla Cellulose, the Pulp and Fibre business of The Aditya Birla Group is a leading global producer of VSF - a natural manmade fibre from wood pulp. The business is deeply committed to improve its environmental foot print across its value chain - from forest to fibre and is engaged in a continuous improvement process to achieve higher standards, which go beyond the currently followed environment norms in the geographies it operates.

In light of recent issues highlighted by "Changing Markets", relating to improvements required in viscose fibre manufacturing, Birla cellulose is undertaking several steps to address the same. It has also joined a global consortium consisting of major brands, industry representatives, and research and standards agencies to evolve industry standards for sustainable chemistry, innovations and best practices in the man-made cellulosic fiber production to protect consumers, workers, communities and environment. We are committed to fully support the outcomes of this initiative.

Specific initiatives under progress include:

- Implementing appropriate technologies to move towards closed loop production processes to minimize Sulphur to air emission to meet the EU Ecolabel standards by 2022. This is being done in a phased manner for each of our units across four countries i.e. India, Thailand, Indonesia and China. The business has already been working on these internally as well as collaborating with leading technology providers to achieve the EU Eco label norms.
- Reduction in waste water effluent discharge from fiber production is a key pillar of our sustainability roadmap. In Indian units, the effluent discharge is already one of the lowest in the industry and much below the local statutory norms. The business is targeting to reduce this further on a continuous basis.
- To enhance transparency, we intend to share the evaluation and improvement progress reports on key milestones of our sustainability journey, prepared by a globally recognized independent agency, with key stakeholders.
- Self-assessment for Sustainable Apparel Coalition's Higg 2.0 for all our units has been conducted and a verification process for Higg FEM 3.0 by a globally renowned agency is underway. This is targeted for completion by end 2018.
- A robust wood sourcing policy with reputed certifications like FSC, SFI and PEFC is in operation. This policy includes our commitment to conservation of ancient, endangered and high conservation value forests, which have been appreciated and reflects in our global ranking on this count.
- Corporate Social Responsibility (CSR) and community initiatives form an integral part of our sustainability efforts. The Group's footprint straddles across 5000 villages globally, reaching out to 7.5 million people annually. We shall continue to build on this legacy and further strengthen it based on an impact assessment study to be conducted periodically through an independent professional agency.

The Aditya Birla Group stands committed to sustainable and responsible viscose production at all its plants and in all the countries where it operates.

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