

Glarus, 8 December 2021

Dear Cooperative Members  
Dear Committed and Interested Parties

Together with the Board of Directors and the operational team, I sincerely wish you and your loved ones a happy end of the year, a joyful Advent and Christmas season and a happy New Year.

It is important for us to inform you today about two developments in order to hear your opinions and your support. Both are about how we as a cooperative should behave - in general in the increasingly articulated and installing circular economy as well as specifically and concretely on the ground in Glarnerland.

### **Findings from the "Alpine Conference", a network meeting in South Tyrol**

From 19-20.11.21 we hosted the Alpine Conference with about thirty participants from Italy, Germany, Austria and Switzerland with the aim of closing the gaps in the production of articles from renewable raw materials, especially from the useful hemp. Aspects were textiles, building materials, pulp, energy. We were able to find out: Our cooperative, Glärnisch Textil, is also a driving force and a pacesetter and is right at the forefront with its expertise, its holistic focus and approach as well as its integrative efforts. Based on the insights I have gained, I have formulated a handful of project assignments for us at Glärnisch Textil, which we would like you, dear members of the cooperative, to give us by subscribing to further earmarked share certificates. In this way you may recognise which special development you are vehemently supporting with your previous and possibly further commitment. We are extremely grateful to have you with us.

May I say it right away: In order to simplify the process of subscribing and issuing new, additional share certificates, I would like to ask you to pay the chosen amount into our account at the Glarner Regionalbank, IBAN CH42 0680 7710 0632 3267 6 in the name of Genossenschaft Glärnisch Textil, Holenstein 7, 8750 Glarus. In the note, please mention the project to which you would particularly like to contribute. I will issue the share certificates to you in return. Please let us know your impressions and opinions about this letter and our work by sending an e-mail to [martin.kloeti@glarnischtextil.ch](mailto:martin.kloeti@glarnischtextil.ch) or by calling 079 405 69 33. We thank you from the bottom of our hearts for your sympathy and prompt support.

So let me briefly introduce you to the upcoming projects:

#### *Project 1: Start of production in Schwändi*

We are still producing large quantities of fibres and shives in the old year, which are enjoying a steadily increasing demand. We will receive a missing compressed air rail this week or next week and instead of a prescribed, much too expensive fire protection curtain, we will find a tolerable solution. The vibrated fibre screen mentioned at the AGM has now been installed and most of the rather large expenses associated with it have been paid for. We have learned that we use this crushing plant for the production of building materials, while the textile applications require intact long fibres. So we designed a relatively simple yet effective flywheel crushing plant for the long fibres (project 2).

*Project 2: Simple but effective flywheel crushing plant for high-demand long fibres*

A tower-shaped fly bast debarking plant for obtaining clean, long fibres of hemp and flax from the whole, parallel-bound stalks. For the spinning trials at Rieter Winterthur with one of our many bales of cottonised, i.e. shortened, linen fibres did produce a few bobbins of yarn of the theoretical strengths Nm7 and Nm12. But the actual tensile strength of these yarns is sobering. These yarns are too weak for woven fabrics. This teaches us that we must quickly switch to long fibres from winter hemp for textiles, which we fortunately obtain from some farmers in spring and can then refine and process in such a way that the resulting hard-wearing clothing is nevertheless accompanied by a cotton-like wearing comfort.

*Project 3: A collection of hard-wearing work and outdoor winter clothing under the own brand "Patchwork".*

We have just taken six first bales of the above cottonised linen fibres to VIAS in St. Gallen, where they will be blended with Swiss wool to make thick textile fleeces. These fleeces are planned for use in an emerging range of warm, highly functional, hard-wearing winter suits with trousers, jackets and gilets in the so-called "onion-shell principle" for work and leisure. This can be imagined as a civilian, peaceful implementation of the new combat suits, to the production of which Textildruck Mitlödi and Schöller Textilveredlung also contribute. Since we will not have hemp fabric until next year, we would like to fill the gap for the time being with stocks of strong cloth that are still to be found, which will be printed with patchwork patterns at Textildruck Mitlödi. "Patchwork" - the motto in the enclosed concept. Cut in Hohenstein, the finished pieces would then be made in the sewing workshops, which would be created in the valley if the "patchwork" concept works out.

*Project 4: Harvesting method for parallel laid winter hemp straw*

At the Alpine Conference we learned from Italy about a method for harvesting winter hemp with the whole hemp stalks laid down in parallel to the field and also packed in parallel into round bales. We would like to bring this method to Switzerland and provide the necessary harvesting machines.

*Project 5: Selling crushing plants to an increasing number of regions calling for them*

The lengthy negotiations and customised offers for bast fibre crushing plants in Allgäu, Tyrol, Serbia, Croatia, Bulgaria and Western Switzerland for long fibres to be used on the textile side and short fibres suitable for the construction side will in all probability be concluded very soon. The preparatory visits to us in Schwändi and to our customers will soon pay off.

*Project 6: Utility Hemp Handbook*

By producing an application-oriented and as complete as possible manual on the cultivation, roasting, processing, applications and use of hemp, we want to contribute to the increased success of the whole, newly emerging industry and to the simplification of our own operations.

*Project 7: Continuation of network meetings in the Alpine Space*

I myself have to admit that the realisation and moderation of the network meeting "Alpine Conference" from 19-20.11.21 in Silandro was a "hell of an exercise" for me personally. But the insights gained and the potential for closing the gaps identified justified the commitment. We are happy to remain synergetically networked in this kind of intensive, personal encounter with exponents in the Alpine region and in the wider Europe and will resume planning for the next network meeting in spring 2022.

8) CO2 certificates and trading

We are still attracted by the idea of participating in the trading of CO2 reductions and offsets. To this end, we should be able to obtain CO2 certificates for our activities.

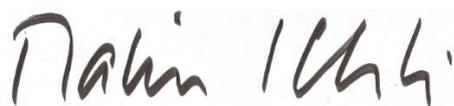
**"Patchwork" as a great invitation to the Glarus region**

In the follow-up to the Annual Report 2020/21 on the occasion of our General Assembly, the negotiations with the investors who appeared at that time proved to be alienating in the truest sense of the word, so that we would rather not bring them to Glarnerland. Rather, Glarnerland, as our pilot region, should create the economic reformation "out of itself" with its own forces and means, which are known to us. In this way, the efforts can be granted the success they deserve for *generations to come*.

With the text and the presentation in the enclosure, we would like to present to you how and where we would like to be involved in the Canton of Glarus in the sense of synergy-rich cooperation and motivating departure together with the companies and opportunities in the valley. There are large numbers in the presentation, but we want to look the facts fearlessly in the eye. It is particularly advantageous that the current mood in politics, society and the economy gives us a tailwind and thus good cards in our hands.

Once again, we thank you from the bottom of our hearts for your prompt and tangible commitment and wish you a happy Advent and Christmas season and a happy New Year. May we all remain happy and healthy.

Kind regards



Martin Klöti