

Environmental Sustainability Profile



2021

SARENA



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Introduction

Company Profile

Sarena Textile Industries (Pvt) Ltd. is the most dynamic versatile and well rounded textile company from Pakistan. Sarena's journey of excellence spans over 21 years, Company has invested heavily to ensure sustainability in all operations and achieved compliance with the most rigorous standards. Sarena has always focused on its people, plant & planet as strategic priority. We introduced integrated and sustainable technologies and techniques to remain globally updated. Since Sarena's inception, company has grown by leaps and bounds, In last two decades Sarena established a repute in the competitive markets , providing diversified, standardized and reliable services to its customers around the globe. As it stands today, Sarena has a top of the line, vertically integrated supply chain, to produce annually 120 million meters of fabric and 5 million garments, for national and international customers

Report Profile

Each year we voluntarily share our sustainability report to our customers, stakeholders and regulatory bodies for understanding the strategy, approach, and implementation of our environmental sustainability efforts. This report specifically discusses the key aspects of environmental strategies and performances. The scope of this report covers all production facilities. Data contained herein is derived from Sarena's official documents and statistical records while the industrial benchmarks come from published resources.

Feedback

We are fully committed to listening and understanding the point of view of our stakeholders, and welcome the feedback pertaining to this report or any other aspect of our sustainability performance. This report can be viewed at www.sarenapk.com. For any report-related questions or suggestions, please contact:

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Sustainability Vision

“To become the benchmark for a sustainable, green environment and socially responsible company”

Message from the CEO

Sarena is pleased to share Sustainability Report for the year 2021 which encompasses the endeavors of our teams to improve climate change, air quality and life on the planet. As a caring company, we are proud to be part of the solution. We believe in continuous struggle to improve performance in the keys areas of environmental sustainability which is the only way forward to protect the natural resources for next generations.

Sarena is committed to create innovative ideas and values for all its stakeholders and pursue growth through sustainable development. We are excited and welcome the changing landscape of textile industry and see lots of opportunities to serve the society through some pragmatic ecological footprints, with the commitment and efforts of our team, we have reduced energy consumption, water usage, carbon footprint, and have increased recycled volume significantly.

We follow the international standards to create our Impacts and contribution towards the achievement of Goals of Sustainable Development. We are sharing our contribution for 10 SDG's which are relevant to our business and high priority areas of sustainability. This Report will help you to understand our journey towards sustainability. Your feedback is the bloodline for our continual improvement.

Asif Masood
Cheif Executive Officer (CEO)



Key Highlights



1.56

Kg CO2 e./Kg Fabric
Carbon Footprint



89.9%

GHGs Eliminated from
Our System



56.90%

Biomass in Energy Mix



29.42%

Energy Saved from
Equipment



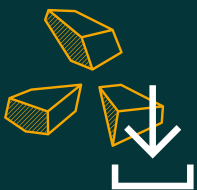
12.35

KWh/Kg Fabric Specific Energy Consumption



8.30

Kg Steam/Kg Production Specific Steam Consumption



76.2%

Reduction in Coal Usage



33.3%

Water Saved from
Innovative Technologies



Approach Towards Sustainability

Sarena is committed in fulfilling its responsibility in achieving Sustainable Development Goals (SDGs) set by the United Nations. The uniqueness of these goals is that everyone can contribute, and each contribution, no matter how big or small, will make a positive impact on our world. In our industry the execution of our sustainability goals and initiatives is governed by the SDGs.

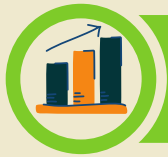


Foundation Pillars



People

Sarena's work encompasses a range of domains and matters of global importance including:



Prosperity

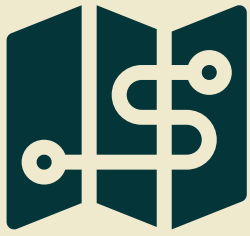
- Responsible Sourcing
- Water Stewardship
- Energy Conservation
- Carbon Footprint Reduction
- Employee Welfare & CSR Initiatives
- Certifications & Transparency



Planet

Multi-Stake Holder Collaborations

Multi-Stake Holder Collaboration is a unified approach utilized by interested players to collaborate in dealing with specific challenges or exploit opportunities in ways that achieve greater impact than their solo efforts. We are constantly looking for the ways to expand sustainability efforts. It has become more important than ever to form partnerships for improving the areas of operations. We do recognize that, this will take collaboration and innovation for making a significant environmental impact and we look forward to a future where we will be able to make a better world for all. Over the past years, Sarena has participated in numerous fruitful programs focusing on sustainable development and innovation.



Sustainability Roadmap

Sarena has always turned its sustainability aspirations into concrete actions. Company has appropriate structure, processes, ambitious teams and accountabilities in place to ensure that it delivers against its ambitious sustainability goals. Over the years Sarena has forged meaningful relationships, collaborations and brought impactful innovation to make a significant impact in its textile value chain. Following are some of the key milestones achieved:



2017

Among the first companies in Pakistan to achieve the OekoTex STeP Certification in Pakistan in 2017.

Partnered with The German Agency for International Cooperation (GIZ) and Federal Ministry for Economic Cooperation and Development (BMZ) for Water Efficiency in Textile Industry (WETI) project implementation.



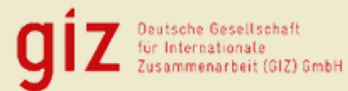
2018



Sarena was the only South-Asian company to be invited to the prestigious event in World Water Week 2019 organized by Stockholm International Water Institute.

2019

Collaborated with GIZ on different projects including Sustainable Pakistan Initiative (SPI), Vision Zero and Labour Standard Program (LSP).

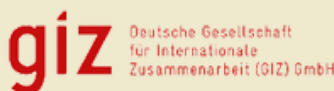


2020

Won the first position in GIZ Innovation Contest 2021 Category: "Best Practice of Sustainable Innovative Process by Large Enterprise".

2021

Committed to Business Ambition for 1.5°C by Science Based Target Initiatives (SBTi).



Among the leading companies in Pakistan collaborating with GIZ to work with German brands selling Green Button labelled products.



Product Stewardship

Sarena has a history of product stewardship and demonstrated commitment to responsible products and processes. We feel our responsibility from all aspects and our teams work to ensure our products are safe throughout their life cycle. Our goal is to protect our employees during production and customers during product-use, from potential risks posed by these products and to comply with relevant laws and certifications such as chemicals management laws. Our teams work in close collaboration with the customers, suppliers and other stakeholders to assess and manage the products' potential health, safety and environmental risks. Two state of the art in-house Quality, Research and Development labs are also active in monitoring and research regarding sustainability of products



2

Quality and R&D Labs involved in ongoing research and development to maximize product sustainability

Sustainable Raw Materials

Cotton production needs a lot of water, which is becoming scarce. Realizing our responsibility, we use cotton certified by the Global Organic Textile Standard (GOTS), Organic Content Standard (OCS) and Better Cotton Initiative (BCI), which is traceable throughout the production process. The organic cotton used is grown using natural fertilizer and pest control methods. We also use Global Recycled Standard (GRS) and Recycled Content Standard (RCS) certified raw materials to decrease the environmental impact of our products.

Sustainable Chemicals

We strictly source all of our chemicals from certified suppliers. The chemicals we use in our facility are fully compliant with the ZDHC's Manufacturing Restricted Substance List (MRSL) and Oeko-Tex Detox to Zero. Our products are also tested at regular intervals for Restricted Substance List (RSL) and Oeko-tex Standard 100. We also do our efforts for keeping our workers safe during the production of the fabrics through training, development and safe working procedures.



Water Stewardship

Water is not only essential for life but is also an important resource in our industry. Responsible water usage is a cornerstone of our commitment towards sustainable production. In order to tackle the ever-growing water issues and to achieve water stewardship, we have developed systems and taken initiatives to address water efficiency, quality and accessibility

We realize the importance of preserving water bodies. Therefore, minimizing water use in our production processes is the key focus of our sustainability initiatives. We have also installed a biological wastewater treatment plant having a capacity to treat 3840 m³/day and capability of meeting ZDHC, PEQS & IPE standards



Water savings in 2021 are enough to meet needs of 17 thousand people per day, 500 thousand per month & 6 million people per year.

Water Saving Initiatives

The following water saving initiatives have been taken in the facility which help reduce the consumption of fresh raw water:

- Condensate Recovery System
- Installed Shark Washing on washing machines
- Reuse of CRP Eject
- Reuse of RO Reject
- Reuse of roller cooling water
- Reuse of last rinsing water of washing machines
- Reuse of mercerization drain water

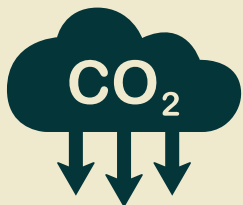
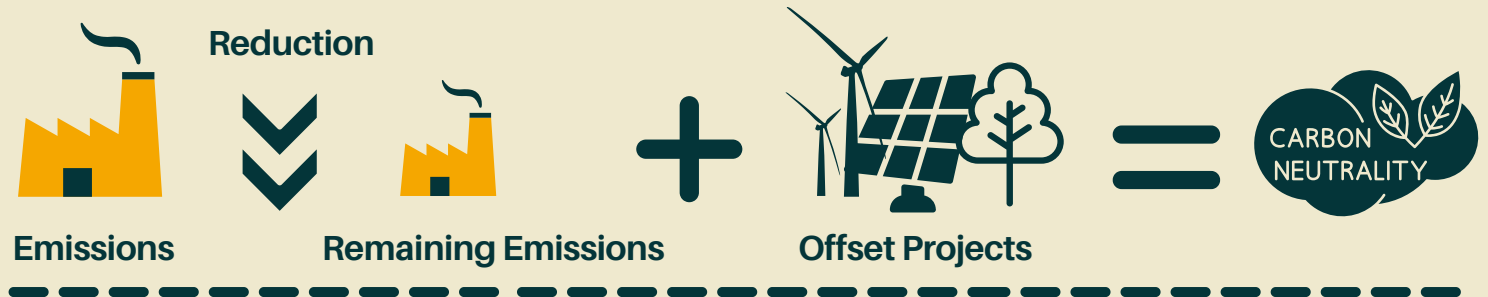




Carbon Footprint

Over the past century, human activities in general have contributed to large amounts of carbon dioxide and other greenhouse gases (GHGs) into the atmosphere. The majority of GHGs from textile sector come from burning fossil fuels to produce energy and other industrial processes. Meanwhile, as we grow our operations to meet the increasing needs of our customers, we are committed to improving our own facility, acting on emission reduction and decreasing our overall environmental impact.

Roadmap to Zero Emissions



45209

Tons CO₂e was avoided from being emitted into the atmosphere as a result of our energy saving initiatives.



1.56

Kg CO₂e/Kg Fabric Carbon Footprint

VS

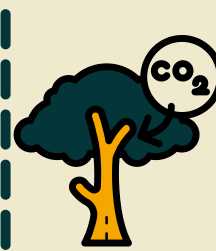
5.3-8.8

Kg CO₂e/Kg Fabric Industrial Benchmark Range



5250

Plants and trees were planted in our facility in 2021



90.5

Tons CO₂ Sequestered on Average by Plants in Sarena



Carbon Footprint

Nature Based Solutions

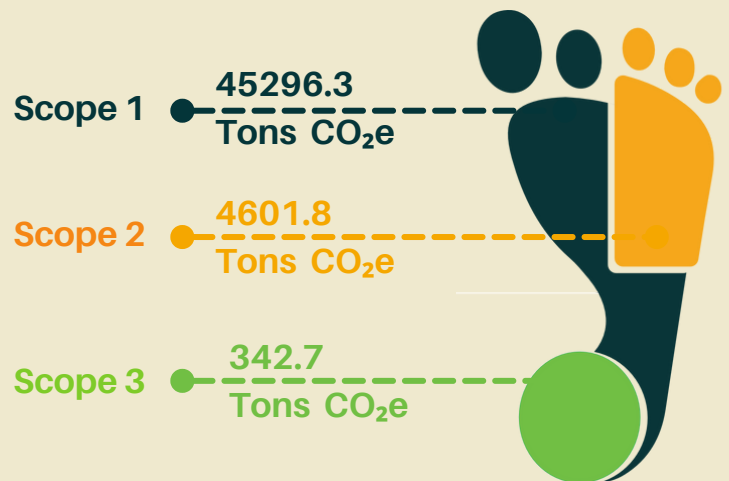
Plants are critical part of natural ecosystem, serving as important reservoirs of GHGs that would otherwise contribute to climate change. Sarena has been increasing the investment in our natural ecosystem to capture carbon from the atmosphere. Trees in our facility on average sequestered 90.5 Tons CO₂ in last two years alone. They also serve two purposes; offsetting carbon and reducing the amount of energy used for air conditioning. We have also developed a Japanese garden inside our facility.

Ozone Depleting Substances

Preparation of fabric and garments at Sarena does not involve ozone depleting chemicals (ODCs) as intended components. To the best of our understanding, these substances are not used in fabric manufacturing, processing or any other associated commercial activities .

Transportation

We provide transportation facility to our workers. Employees are also given this facility free of cost as our responsibility towards employees. Moreover, the transportation initiatives lead to reduction in air pollution, while also saving parking spaces and leading to less congestion in our facility and public roads.





Energy Efficiency

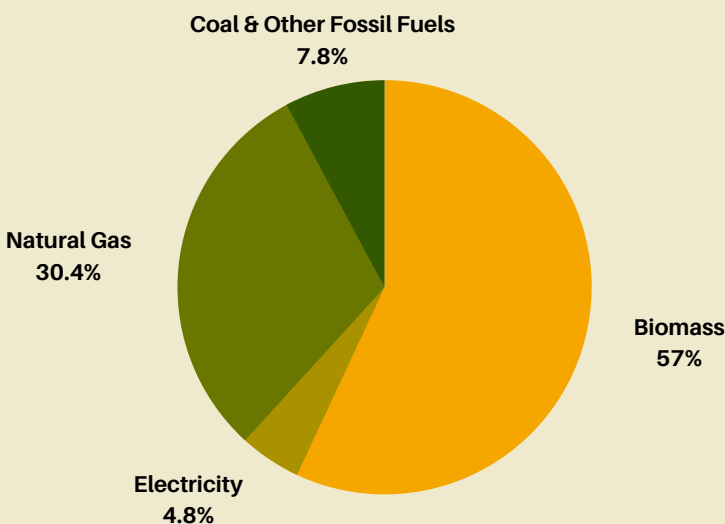
We continually strive to reduce the amount of energy consumed by our operations and reduce our associated greenhouse gas emissions. To achieve our energy reduction goals; the Utilities and Production department work closely, making our initiatives more meaningful. Sarena's energy originates from electric supply company, natural gas, biomass, coal and other liquid fuels. The bulk of electricity is used for fabric manufacturing processes.

Biomass in Energy Mix

Pakistan produces large number of agricultural residues and we are committed to fully tap into these resources. We are working actively to shift towards renewable energy resources to our energy mix. Biomass is an essential part of our transition and considered as a clean energy source because it recycles carbon dioxide throughout its growth phase via photosynthesis.



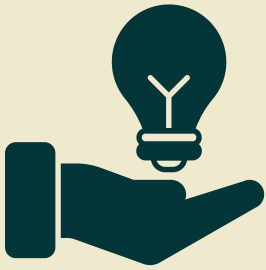
Sarena's Energy Mix



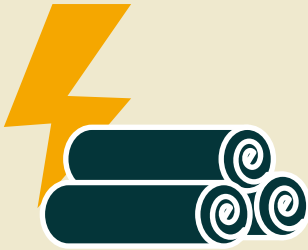
Energy Saving Initiatives

The following water saving initiatives have been taken in the facility which help save energy:

- Installation of Shark Washing
- Mahlo System
- Heat Exchangers on Machines
- Economizers on Boilers
- Waste Heat Recovery Boilers
- Programmable Logic Controls (PLCs) and Variable Frequency Drives (VFDs) on machines



Energy Efficiency



12.35

KWh/Kg Fabric
Specific Energy
Consumption

VS

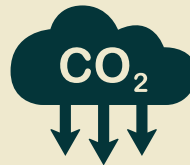
8-20

KWh/Kg Fabric
Industrial Benchmark
Range



29.4%

Energy saved from
efficient equipment



89.9%

GHGs eliminated from
energy efficient
initiatives.



Energy savings are enough to power 112,787
homes for 1 year



Energy savings are enough to power 107 days of
continuous operations at Sarena



8.3

Kg Steam/Kg Fabric
Specific Steam
Consumption

VS

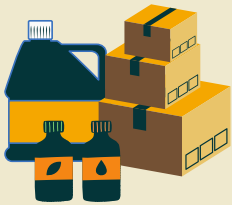
6.7-19

Kg Steam/Kg Fabric
Industrial Benchmark
Range



Waste Management

We are in pursuit of developing a fully circular business within our entire value chain. We are actively moving from a linear model - take, use, waste - to a more circular model where we are maximizing resource use and reuse, and where nothing is wasted. This circular strategy applies to our products, as well as to our noncommercial goods such as packaging and items used in our facility. A circular business model, an aspiration in its own right, is fundamental to not only survive but also thrive in the competitive textile sector.



100%
Carton and plastic waste recycled.



Saving global carbon basin by saving 10,785 trees through 100% recycling of our carton waste.

Generation and Disposal

Most hazardous waste is derived from manufacturing and processing activities. We aim to reuse and recycle as much of non-hazardous waste as possible. The reusable fabric waste is sent to our Apparel training school for use. Empty chemical drums are sent back for refilling. While the remaining hazardous waste is sent off for incineration through services of a government approved waste handling company.





Corporate Compliance

We are committed to build trust with the stakeholders through ethical and responsible business practices. Our solid commitment to compliance and integrity is a competitive advantage for us in the textile market. In addition to our own guiding principles, we adhere strictly to the Code of Conduct of our esteemed customers as well, allowing us to handle a wide range of critical issues faced by our industry. We ensure that all our employees understand the compliance commitments and ethical behaviors expected of everyone. We adopt the following channels to ensure compliance

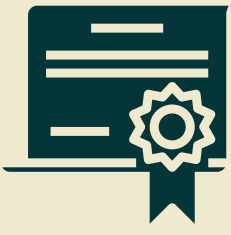
Employee Education & Engagement

Education and employee engagement is our prime focus, we value the importance of legal and ethical compliance. We also conduct on-floor training on a regular basis. Moreover, we have also affixed compliance sign boards in local language to help employees better understand the requirements. All these initiatives keep the code of conduct and expectation on top of our employee's mind and creates the culture we aim for, where people are comfortable discussing their concerns.



Risk Assessment & Follow Up

We proactively carry out compliance risk assessments on regular intervals for identification and mitigation of the risks. After this stage, the concerned departments are expected to develop a corrective action plan and execute it within the allocated time. Follow up is also taken to check the results of corrective action. The risk assessments we carry out range from domains of product quality, process quality, environmental and social performance. In light of the results, we are able to make new policies and procedure to improve our existing compliance system.



Sustainability Portals & Accreditations

Through our compliance program we ensure that all our products, processes and operational impacts meet the most up-to-date certification standards. We also welcome our customers to connect with us on our sustainability platforms and it is a great honor for us when our customers are able to witness our remarkable performance.

Sustainability Portals



Accreditations





Lets Create a Sustainable World Together With Sarena!

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References

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