

ABOVE & BEYOND:

Fair Trade Certified™ Factories Protecting Planet and People



Fair Trade USA™

Fair Trade USA is known for its efforts to improve the livelihoods of workers, their families, and their communities. Many impacts of the program, like safe working conditions, increased incomes, and reduced child labor, fall under social impact. Along with ensuring positive social impact, Fair Trade USA's standards also ensure protections for the environment. Across agriculture and seafood production, there are strong requirements for preserving eco-systems, limiting the use of harmful chemicals like pesticides, prohibiting deforestation, and more. Likewise, the Fair Trade USA Factory Production Standard includes environmental measures, like establishing an Environmental Management System and responsibly managing the storage, use, and disposal of chemicals and waste. But Fair Trade Certified factories regularly go above & beyond standard requirements, demonstrating a genuine passion for protecting the planet. In order to learn more about what certified factories are doing in managing their environmental impacts, we spent time collecting data and speaking to factory sustainability managers in several countries.



Here are four of our favorite environmental initiatives managers at Fair Trade Certified factories shared with us:

Pratibha Syntex

Produces knitted textile products, primarily for apparel.
Eight years in the Fair Trade USA program

Pratibha Syntex is a manufacturer of knitted textile products in India, employing over 5,300 workers. Approximately 25% of the company's product sales are from products produced using Fair Trade USA standards. The company began implementing sustainability initiatives in 2016, including wastewater management, energy use reduction, waste reduction, and the use of renewable energy. Specific measures have included the installation of solar energy and a 100% water recycle-and-reuse system, through which Pratibha is experiencing significant energy and water savings. The company has also begun a regenerative organic farm initiative, which involves farming practices that rebuild the soil, support animal welfare, and emphasize fair conditions for farmers and farmworkers.



Energy-efficient Spinning Machines



Solar panels installed in May 2022 increased renewable energy consumption by 12% in the first month.

In addition to fair trade standards, Pratibha Syntex locations perform to the [ISO 14001 environmental standard](#); ISO 14001 is one of the most well-known international standards for companies and organizations looking to manage their environmental impacts. It does not set requirements for performance but rather provides a roadmap for developing an environmental management system (EMS). Pratibha also uses the SA8000 standard for

social accountability in the workplace, which dictates fair labor standards.

The company self-reports its social and environmental sustainability practices using the Higg Index, which is a combination of tools that assess the production and the impact of a product, including metrics like water use and carbon emissions.



Al-Karam Textile Mills

Produces knitted textile products, primarily for household linens.

Six years in the Fair Trade USA program

Al-Karam Textile Mills is one of the largest textile manufacturing and exporting firms in Pakistan and has been using Fair Trade USA standards for seven years impacting over 900 workers. Of the 5800 tons of fabric produced by Al-Karam annually, 40% is produced on Fair Trade USA terms. The company has implemented numerous environmental measures, including installing solar panels and efficient lighting, and has set targets for improvement in resource consumption. Al-Karam has also aligned its social and environmental performance with the United Nations (UN) Sustainable Development Goals, which are being used globally to guide progress against 17 areas deemed critical for improving the state of the planet and its people.

Al-Karam plans to achieve net zero carbon emissions by 2050 and for 80% of its water to be recycled. Beyond energy and water initiatives, the company strives to use organic chemicals, which protect the ecosystem surrounding the factory. Al-Karam has also implemented end-to-end measures in the production process to reduce material use and incorporate recycled materials in their textile products. The efforts to reduce material use include optimizing or eliminating packaging for their products. Among many other standards and certifications, Al-Karam uses the ISO 14001 environmental standards and self-reports to the Higg Index.

An Overview of Al-Karam's Sustainability Efforts

 **6,525 MWh** of electricity has been saved annually.

 **2.8 mln m3** of natural gas has been saved annually.

 Saved water amount is equal to **1,250 Persons** annual usage.

 **8,865 Tons** of CO2e has reduced (Scope 1&2).



 **24 Million** Gallons of water has saved.

 Carbon reduction is equivalent to the plantation of **408,566 trees**.

 Saved energy amount is equal to the annual consumption of **30,000 Homes**

 **1,300 tons** of pre and post industrial & consumer waste has been recycled.





CKT Apparel

Finishing facility for apparel.
Seven years in the Fair Trade USA program

CKT Apparel is a cutting, sewing, and finishing facility for the Hirdaramani Group, one of Sri Lanka's leading apparel exporters. 26% of its annual production is sold on fair trade terms benefitting over 2,300 workers. CKT Apparel has [LEED green building certification](#) and, at the urging of its customers and clients, also uses the Higg Index to measure and improve their social and environmental performance.

CKT has installed solar panels on the roof of the factory to power their activities. They also have a rainwater collection system to reduce their reliance on the municipal water supply. The company has been carbon neutral for the last ten years and uses the Science-Based Target Initiative (SBTi) – a UN-recognized program – to set carbon emissions reduction targets ambitious enough to curb climate change. By using the ISO 14041 standard for life cycle inventory, CKT tracks their material usage in their production process. Their ultimate goal is to achieve zero waste and complete material circularity, meaning that they



CKT Apparel's budding butterfly habitat.

intend to reincorporate materials used in their products and production processes, rather than discarding them.

The facility has also established a biodiversity initiative to preserve the surrounding forest area. They have allocated land for organic gardening, some of which is used for crops and medicinal plants, and a portion of which has been used to create a butterfly habitat.

CKT conducts internal training to ensure that their sustainability strategy is communicated and implemented with the support of employees. Moving forward, the company plans to devote resources toward creating a sustainability team.

Artistic Milliners

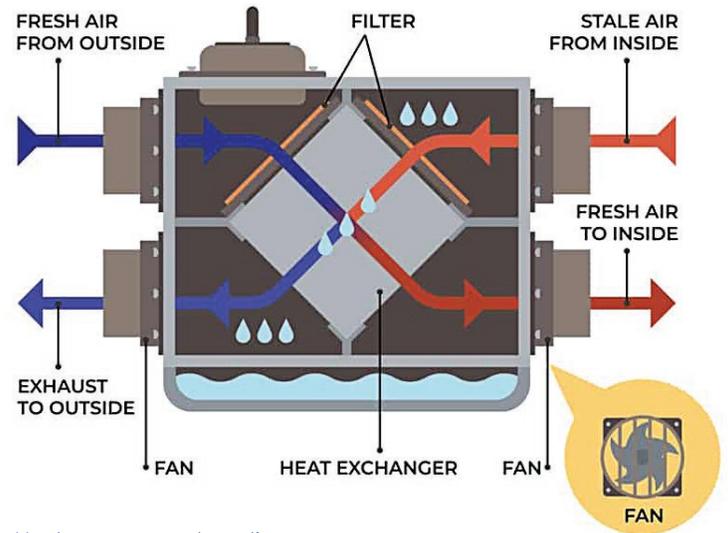
Denim manufacturing facility.
Three years in the Fair Trade USA program

Artistic Milliners is a denim manufacturing company based in Pakistan, well-known for their focus on innovation and sustainability. With over 7,300 workers across three factories, their fair trade program is positively impacting one of the largest groups of workers in the program. 25% of the fabric produced in Artistic Milliners factories is sold on Fair Trade USA terms. Among other certifications and

standards, like ISO 14001, LEED, and Higg Index, Artistic Milliners also uses Oeko Tex Standard 100, which ensures that the entire fabric product has been tested for up to 350 toxic chemicals. The company uses the Recycled Claim Standard, and the Organic Cotton Standard, which, respectively, ensure a certain percent of the product is recycled or organic material.



The company believes it is a leader in circularity and sustainability in the denim industry. Artistic Milliners has already installed solar panels, recycles 80% of its water, and is making efforts to eliminate their waste discharge. The company tracks its energy consumption, carbon footprint, and water usage. Artistic Milliners also uses [heat recovery technology](#), which is an advanced technique by which “waste” heat from a process is transferred back into the system as an extra energy source. The company is mapping its Scope 3 greenhouse gas emissions, which means looking beyond its immediate operations and attending to its indirect impacts through things like employee commuting, leased assets, and transportation and distribution.



Heat recovery system diagram

Sustainability issues are interconnected in nature, and from a business perspective, environmental and social performance are often measured and managed in an integrated way. As such, it is rarely the case that organizations are focusing solely on social issues or environmental issues, to the exclusion of the other. For this reason, our research finds a correlation between companies utilizing fair trade certification for social and economic sustainability, as well as a jumping off point for going above and beyond the use of environmental impact management strategies required in the standard.

What these measures have in common is the focus on not just social, economic, or environment, but the intersection of all three. They seek to protect or sustain the people and resources involved in creating a product (workers, process resources like water and fuel, and animal-, plant-, and mineral-based raw materials) so that the product can continue to be made in the future. It is essential that companies looking to secure their business models for the future use the highest standards for social and environmental sustainability and engage suppliers in joining them. With leaders in the factory sector like those outlined above, there are many who have proven more than ready.



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