

## 2021 Communication on Progress





#### MOBEEN CHUGHTAI

Corporate Communications
& Corporate Social Responsibility



The world, today, is changing. With great strides in human understanding, technological sophistication and global connectivity we stand today at the pinnacle of civilizational achievement. But our challenges, today, could not be greater either. The specter of Climate Change haunts the world; new and unimagined illnesses crop up regularly and almost a third of human population still doesn't have access to basic needs. And the situation has become ever more complex since COVID-19 reared its head We confess, even we - as an organization - are only starting to develop a novice-level understanding of these mind-boggling challenges. But we feel our hearts are in the right place and we are willing to dedicate our effort and resources to fight this larger battle. Our works on redesigning our entire productive chain and industrial processes speak for themselves. And our community-engagement has increased tremendously over the last few years. But even this is not enough. Time is short. We invite you to work with us so we can leave a better world for all our future generations than the one we found for ourselves, at birth.

#### ORGANIZATIONAL FOCAL PERSON - UNGC

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## SHAHID SOORTY Managing Director

I have always believed in creating win-win scenarios for all stakeholders, especially our workers who are our greatest assets and more recently the planet. This is a mindset that, over the years, has permeated into my entire team and I am very proud of that. It has allowed us to veer off the conventional path and break new ground in environmental preservation-based manufacturing. Soorty's jeans are, now, made by saving 80% water, harsh-chemical-free production methods and with an ever-increasing reliance on renewable energy sources.



It makes me proud that we have emerged as one of the champions of community work and social responsibility. And we are investing more and more into responsibly sourcing our inputs, too. Soorty just launched its Soorty Organic Cotton Initiative (SOCI), in partnership with WWF, to make this dream a reality and help the people of Baluchistan's most underserved communities in gaining livelihoods in this budding new field.

I am pleased to confirm that Soorty Enterprises reaffirms its support of the Ten Principals of United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principals into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.



#### NARGIS SOORTY

Director

In the post-COVID-19 era, human relationships have come into sharp focus again. And I think if there is one positive development that can be attributed to this pandemic, it is this. It has taught us how much we rely on each other. In the past, we have partnered with several development sector organizations for the good of the community but I feel with time our energies are being directed more and more towards transformative endeavors. In 2018, Soorty launched Phase 1 of the Soorty Enhancing Women's Service (SEWS) project that aimed to empower females and increase their employability within organizations like ours. Phase 2, in partnership with UN Women, launched this year will empower them further by imparting important life skills like improving female health, increasing financial literacy and further our cause for harassment-free workplaces. And we are trying to bring change to many hitherto ignored areas where good can be done. Through this communique, we wish to share our lessons with our peers for cumulative, affirmative social action.

Historically, the gulf between the community and business has been a large one. What hasn't been realized is that there are a lot of strengths that both can play off of and for mutual benefit. Our Soorty Organic Cotton Initiative (SOCI), launched in partnership with WWF and the Government of Balochistan, Pakistan, is just such an example that we are all very proud of; there is an ever increasing demand for organic cotton in the denim sector, and rightly so. Our present agricultural practices have served only to fulfill shortsighted goals and injure our environment in the process. Replacing that entire methodology with a system that minimizes or even reverses decades of soil depletion, helps create a sustainable production-input and assists underserved communities in improving the quality of life – I think that is the way future manufacturing companies need to orient themselves, necessarily. Through this communique, we hope to encourage and support new and novel sustainability-driven initiatives for positive economic and social growth.



## ASAD SOORTY

The world has seen the necessity of changing course of business for our connected future. Sustainability defines our interconnectedness to the environment as well as to each other as global citizens. At Soorty we have taken sustainability as a guideline and the SDGs as a roadmap of action. Being responsible requires accountability and working with data. We are implementing measures to measure our impact and record our evaluation so that we can also construct an improvement plan. Life Cycle Analysis, working with technology and science based targets, constructing global partnerships to accelerate transformation and placing people at the core has been our constructive approach.

We are striving to be a source of inspiration, a benchmark for how we can collectively transform. Our C2C vertical product offer, the launch of Seasonless collections, the launch of SOCI - Soorty Organic Cotton Initiative - our CSR projects reaching out to local communities have been presenting that business at scale has the power to be a source of being better for the people and the planet.



EBRU DEBBAG Executive Director



SARFRAZ CHEEMA

Chief Operating Officer &

Head of Sustainability

Sustainability is a shared value – not just in the abstract but in execution. Here at Soorty, we have invested millions of dollars into mapping out and improving our production processes in line with the UN Sustainable Development Goals and we are delighted to have done so. But, for any business, the value of its investment needs to materialize as a competitive edge that is truly appreciated by its consumers. For us in the denim trade, that has been a challenge; while our buyers admire our efforts but we feel that that admiration doesn't translate into fair valuation. We have and will continue our efforts as responsible producers but we also welcome each actor – in each value-chain – to realize their responsibilities for sustainability, itself, to be sustainable.

## **SOORTY TEAM**

**Chief Operating Officers** 



**MUHAMMAD QAISAR** 

Chief Operating Officer

No matter how much or how little effort one individual puts in for advancing societal goals, we have to start somewhere. We all have to pool our determination to make a sustainable and measurable impact.



ZIA ABBAS

Chief Operating Officer

Businesses need to educate themselves and their adjoining communities so that SDG goals are actively pursued.



**ALAM MAZHARI** 

Chief Operating Officer

Soorty Enterprises, as a responsible business, always makes sure we keep a healthy relationship with our environment and its people.



KASHIF SULEMAN

Chief Operating Officer

Sustainability is a lifestyle - not just a phase that the world has to go through till 2030. We need to adopt it in our daily lives and businesses for ourselves and our future generations.



MUHAMMAD SHOAIB

Chief Operating Officer

To create an impact and understanding amongst the industry and highlight ethical business practices, we have to lead by example and I am happy to say that we at Soorty Enterprises always do.

## **SOORTY TEAM**

Vice Presidents



#### **SULEMAN BIN ARIF**

VP Marketing & Business Development

Having gone through the last two years of managing workflow during a pandemic, it has really struck me how important ethics and empathy are to the professional experience. From sourcing to payments, from quality assurance to service delivery – good organizational ethics are imperative. And there is no recourse but empathy when administrating human and environmental resources.



#### MANSOOR BILAL

VP Marketing, Research & Innovation

Covid-19's outbreak has been unprecedented in living history; I'm proud that, together, we have navigated these stormy waters. There is so much that has been lost – whether on a professional level or on a personal one – but, we've managed to keep things together, for everyone. I think that is what the SDGs are all about, in the final analysis – cooperation and commitment to each other for common good.



#### **AMIN NASRULLAH**

VP Marketing & Business Development

As a leading manufacturer in Pakistan, we take robust measures to create content and tools for action; aiming to build a world we would all want to live in.



**UMER REHMAN** 

**VP** Marketing

I take a lot of pride working for an organization at the helm of industrial values and futuristic vision, impacting the lives of millions in a very positive manner. Being an activist and supporter of gender diversity & inclusion at workplace, I believe every individual has the right to be incorporated fully into the fabric of society. Soorty's PRISM project is one of its kind and is aimed towards transpiring myriad strengths from disabilities. I am committed to play my part wherever & however possible to scale this project for all those who are differently enabled.

# Organizationa Introduction

Soorty is a family of engineers and designers who are passionate about creating denim that makes people look and feel good by imbuing products with our core values of innovation, design and sustainability. Believing that sustainable denim needs to be manufactured at scale, Soorty is using its comprehensive vertically integrated infrastructure spanning Pakistan, Turkey and Bangladesh to do just that. The company offers LEED certified production in cost-leading countries Pakistan and Bangladesh, a co-creation development facility in the hub of denim innovation Turkey, and design centers in the denim fashion hubs of the world - New York and Amsterdam. It has developed a strong foothold in European and US markets, producing for high street as well as premium brands in these regions.

Soorty is the only company to have LEED Platinum and Cradle2Cradle Gold certification across both its denim fabric mill and garment factory - a testament to its commitment to the circular economy and mass sustainable production.

Soorty uses its extensive factory floors as spaces for social change. Under its Prism Project, it has trained and hired hearing impaired individuals in high-noise areas in its laundry, flipping disabilities into strengths. Its SEWS program uses a traveling street theater to sensitize male members of under-privileged households to the benefits of female employment, in order to bring a paradigm shift in women labor force participation in Pakistan and create awareness around issues of gender in order to improve working conditions at the organization.

Soorty Organic Cotton Initiative (SOCI), is Soorty's recent venture into organic cotton farming. Covering 1000 farmers, SOCI will not only build capacity for organic cotton, but also enhance livelihoods through financial inclusion, women vocational training and access to clean water.



NASDA Green Energy limited is Soorty Group's venture into wind power. Starting September 2021, this will produce 50 MW of renewable energy for evacuation through the national grid to unelectrified rural neighborhoods.

@soortyenterprises @future.possibilities future-possibilities.com soorty.com

## SOORTY & THE COMMUNITY



## SOORTY & THE COMMUNITY

Soorty has been a conscientious manufacturer since its inception. But for the last few years, our focus on the community has been steered by our agreement with the UN Sustainable Development Goals (SDGs). We believe that the fundamental hurdle in growth, in third world countries, is that of the inclusion of women and marginalized communities in the public sphere and productive activities. For context, IFC's latest report suggests that over USD 300 Billion can be added to just the E-Commerce markets in Southeast Asia and Africa through the inclusion of women.

The uplift and empowerment of underserved social groups is developing into the cornerstone of how we view and engage with our society.

Some of our engagements are described in this section.

























#### Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

#### Principle 2:

make sure that they are not complicit in human rights abuses.

## PHASE 01

A significant portion of Pakistan's female population does not find it easy to gain or maintain employment. Holding the plight of these women close to our hearts, Soorty Enterprises launched the Soorty Enhancing Women's Service Project in August 2019 – an intervention that aimed to propagate an appreciation for female employment amongst male family members as a precursor to securing their support.







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## \_ GOALS

This project aimed to:

EXPAND the public space for women

ENCOURAGE gainful and respectable female employment

SENSITIZE
men (the gatekeepers) towards the family benefits of female employment

CONVERGE social focus on issues related to female employment

INSPIRE
other private sector organizations —
sector wide — to invest in similar
initiatives





## **IMPLEMENTATION**

Till February 2020 we had successfully conducted 10 street theatre performances at different locations in Korangi. The response is amazing and it evoked several men to let the women of their family study and work outside the home. However, the project was cut short due to COVID-19 and national lockdowns which made it impossible and unsafe for our implementing staff and the community to engage in this very public exercise.



## **PARTNERS**

The project was implemented with the partnership and assistance of:



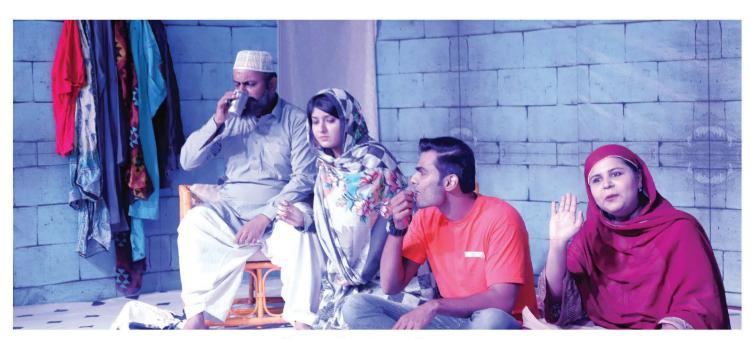




The United Nations

Development Programme
(UNDP)

Sustainability Agents (Berlin-based think-tank) Thespianz Theatre Group (a cause-driven performing arts NGO)



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## **Soorty PRISM**



## - PHASE 1

Persons with Disabilities constitute a significant portion of any populace. It is imperative for organizations like us to support these individuals so that their strengths can be put to social use and assist these individuals in leading meaningful and happy lives. Soorty PRISM Project is designed to increase the inclusion of people from diverse communities at our organization.

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### **Soorty PRISM**

## \_GOALS

Phase 1 of PRISM was designed keeping the following goals in mind:

FLIP
the perceived weaknesses of PwDs into strengths

INCREASE
the scope of professional
acceptability of PwDs in the
industrial sector through
targeted vocational trainings





ENHANCE the skillset of PwDs

IMPROVE
quality of life for PwDs
and their families



### **Soorty PRISM**

## IMPLEMENTATION

As part of this effort, we have partnered with NOWPDP to train 44 persons with disabilities of whom 27 opted to work for us at Soorty. These hearing and speech impaired individuals have been hired, group-wide, in the departments of grinding, distortion and airing.

We have also built a Denim Finishing Facility at NOWDPD so that inclusion — for us as a sector — evolves from being an emotion-driven welfare measure into a competitive-advantage-driven business practice.

## \_PARTNER



## Corporate Philanthropy \_PURPOSE

Our organization and its top-tier management engages, with the State, development sectors, philanthropy bodies and innovative private initiatives and foundation across the world, at multiple levels of community and state-enabling philanthropy in the field of supporting the provision of child care, emergency aid, arts & culture etc.

#### Some recipients include:

- Friends of Pink Ribbon
- SOS Children's Village
- The Children First Society
- Lady Dufferin Hospital
- The Cancer Foundation
- The Arts Council of Pakistan
- National Institute of Child Health
- Marie Adelaide Leprosy Society
- WWF Pakistan, etc.





## **Soorty LifeWorx Programme**

Soorty Enterprises believe that good health is pivotal to leading a fulfilling life and is the right of every human being. We are happy to invest in good CSR projects related to community health development and the provision of high-quality medical services.

Some of our assistance to such projects include:

## INSTITUTE OF PSYCHIATRY & BEHAVIORAL SCIENCES

- The Institute is being built at the Jinnah Postgraduate Medical Center in Karachi.
- This state of the art, 105-bed facility is open to public, and completely free. This is the only facility in the country which provides quality pediatric psychological treatment, free of charge.
- We hope that this facility will help bridge the gap in health service provision especially in this sector of Pakistan - and erase any stigma attached with the treatment of mental diseases.





## SOORTY DERMATOLOGY WARD AND INTENSIVE CARE UNITS

- Built the Soorty Dermatology Ward And intensive Care Units at Jinnah Postgraduate
- Medical Centre, Pakistan's largest public hospital.
  - Make regular financial donations to assist health efforts at the hospital.





### **Soorty LifeWorx Programme**

#### **SOORTY CARDIAC HEALTH FACILITY**





- Building a state-of-the-art Cardiac Health facility at the Indus Hospital Korangi, Karachi.
- The 200-bed hospital carters to the health needs of over 1,400 visitors daily, completely free-of-cost.

#### **MUSA SOORTY CENTRE**





- Built the Musa Soorty Centre in partnership with the SINA-Child Life Foundation, for the residents of the Moach Goth area of Karachi.
- The clinic serves over 40,000 lower-income group patients annually (mainly children).

## **Soorty Lifeline**

We are blessed that our staff volunteers regularly to donate blood to save lives. So much so that in 2018 we formalized our blood donation process with some of the most prestigious hospitals and blood centers. Soorty also has the distinct honor of being the first large-scale organization in Pakistan to conduct on-campus blood drives throughout the COVID-19 crisis while observing all national and international best practices and SOPs to keep the participants safe.



## Soorty Lifeline IMPLEMENTATION

Our collaboration with all prestigious hospitals turned out to be very fruitful. We have conducted many blood drives with Fatimid Foundation, Kashif Iqbal Thalassemia Center and The Indus Hospital (Blood Center). For the past 10 months we have managed to donate more than 250 blood units per month, on average, which makes a grand total of almost 2,658 blood bottles, so far.



## **PARTNERS**

Our donation drives are conducted by the following licensed partners:

- Jinnah Post-graduate Medical Center (JPMC)
- Patients' Aid Foundation
- Indus Hospital
- Burhan Blood Bank
- Kashif labal Thalassemia Care Center
- Fatimid Foundation











## Soorty Citizen Alpha Programme

Soorty Enterprises has a history of supporting quality scholarship in the land. From elementary to university students – our doors are open to any deserving educational effort. Our goal is to help channel Pakistan's youth bulge into perspective and responsible citizenry.

## SOORTY LECTURE HALL AT HABIB UNIVERSITY

The hall will serve the training needs of over 400+ graduating students per year at Pakistan's premier liberal arts college.



#### SOORTY CITIZEN ALPHA ACADEMY

Adopted and running three school branches of the Citizen's Foundation (TCF) with an attendance of over 167 merit-students, hailing from low-income backgrounds.



#### **SOORTY TECHLAB**

Built an ultra-modern Information and Technology Lab for students of the NED University of Engineering & Technology to assist their textile department in furnishing their academic talent with international standard education.



## Soorty Citizen Alpha Programme

#### SOORTY STUDENT OUTREACH PROGRAM

Our student Outreach Program aims to connect aspiring sector professionals with the industry. The program is open to all universities and institutes as an effort to foster healthy University-Industry linkages.



## SOORTY STUDENT INTERNSHIP PROGRAM

We regularly give internship opportunities to deserving students. Students who successfully complete their internship at Soorty Enterprises are also awarded with certificates. We get regular students interest from institutes such as:

- 1) NED University
- 2) Textile Institute of Pakistan
- 3) Mehran University of Engineering and Technology
- 4) Sir Syed University of Engineering and Technology
- 5) Iqra University, etc





## Soorty Supplemental Nutrition Assistance Cooperation (SNAC)

The developing world lags far behind in serving the needs of all of its residents; invariably, some people just fall through the cracks in the system. The Soorty SNAC (Supplemental Nutrition Assistance Cooperation) Project aims to provide access to sustenance for the poorest segments of society.

#### **SOORTY SNAC AID**

Our partners, who help us distribute specially prepared rations, include:

- Imtigz Provision Stores
- Metro-Habib Cash & Carry, Pakistan
- Saylani Welfare Trust







#### **SOORTY SNAC MEALS**

Soorty Enterprises offers subsidized meals for its entire labor-force at all of its facilities. These meals are prepared, in compliance with the strictest hygiene and nutrition standards, for over 30,000 workers every day.





## Soorty Supplemental Nutrition Assistance Cooperation (SNAC)

#### **SOORTY SNAC SUPPORT**





Due to rising cost of living and an already strained system of State-sponsored social welfare, the simple consumption of adequate food is becoming more and more difficult. In order to help, Soorty Enterprises provides rations – that include flour, cooking oil, rice, pulses, etc. – to almost 150 widows and former or retired female employees on a monthly basis, since 2012.

#### **SOORTY SNAC BAGS**





Keeping in view the needs of most poor families, in the Holy Month of Ramzan, Soorty Enterprises offers free Ramzan Nutrition Support Bags to over 35,000 deserving individuals and families annually. These people include members of Soorty's workforce, poor and unemployed widows, orphans, special-needs individuals and members of the transgender community.

## COVID-19 Specific Community Engagements

#### COVID-19 SNAC OUTREACH - GENERAL





Every year Soorty Enterprises distributes nutrition support packages to marginalized communities under its Soorty Nutritional Assistance Cooperation (SNAC) Project. This year the activity was done keeping the ongoing COVID-19 pandemic in mind. In the one and a half years of COVID-19, more than 3,000 SNAC rations have been distributed to communities and individuals affected by COVID-19 or consequent lockdowns.

#### COVID-19 SNAC OUTREACH - BALOCHISTAN



Soorty Enterprises has been pursuing large-scale organic cotton farming and procurement drives in the Khuzdar region of Balochistan province. However, farmers from the area - our friends and their families - have been hit hard by the fallout from the pandemic. We are privileged to extend our hand to the Balochi farmers in these testing times through provision of support rations.

## COVID-19 Specific Community Engagements







#### COVID-19 SNAC OUTREACH - OLD AGE HOMES

Perhaps one of the most "invisible" plight during this pandemic has been one of senior citizens and elderly living in care centers and old-age homes. Pakistan doesn't have too many of such facilities and it is easy to overlook the needs of this vulnerable segment of society. Soorty Enterprises partnered with several such support providers to shore up their rations during the lockdowns, including:

- Sahara Village
- Dar-ul-Sukoon Care Center
- Binte-Fatima Homes

## **COVID-19 Hospital Support**

Public Health has always figured high on our Social Responsibility priorities. Given the nature of the beast mankind contends with today - health is the #1 concern, today. We have stood with our partners to help them increase the scope, scale and quality of medical services throughout this time.

#### NICH

The National Institute of Child Health (NICH) has a service area that extends well beyond just Sindh province. But due to limited funds, the hospital was already strained even before COVID-19 hit. It has been our honor to help them establish a 20-bed Intensive Care Facility specifically for children. Nothing is more precious than the life of a child.



#### JPMC & INDUS HOSPITAL

COVID-19 has stretched Pakistan's medical and welfare systems to their absolute max. We are working on fast-tracking our projects, already underway with the Jinnah Postgraduate Medical Center and Indus Hospital, so that these state-of-the-art facilities can come online in time to bolster recovery efforts. These include Medical ICUs, Care Wards, Medical Equipment procurement and Free-of-charge medical service provision to the deserving and needy.



### **COVID-19 Hospital Support**





#### **COVID-19 SAFETY SCRUBS**

Soorty Enterprises donated 3,000 safety scrubs to doctors, nurses and paramedical staff at the Jinnah Postgraduate Medical Complex in December of 2020. These scrubs constitute a pivotal line of defense for health workers against disease especially during the current pandemic. All of these scrubs were designed and stitched at our factories.

## **Soorty Disaster Assistance**

In the event of unforeseen or natural calamities, volunteers from Soorty Enterprises work day and night to assist with saving lives and properties. During the recent floods in Pakistan, Soorty Enterprise set up over 3,000 shelters for the affected survivors ensuring provision of food and medicines to the site.





## SOORTY & OUR WORKERS







Labour

#### LABOR POLICY

Soorty Enterprises complies with all relevant national and international laws and conventions on industrial labor management. The management makes sure that all the components under labor law from paid leaves to minimum age/protection of young workers' to workers' representation in enterprise are thoroughly followed. As part of this commitment and a shared vision, Soorty has enacted the following policy framework from its inception:



#### Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

#### Principle 4:

the elimination of all forms of forced and compulsory labour;

#### Principle 5:

the effective abolition of child labour; and

#### Principle 6:

the elimination of discrimination in respect of employment and occupation.

## **POLICY FRAMEWORK**

### **CHILD LABOR**

Soorty Enterprises does not employ any person below the age of 16 years in any of its units or departments. Soorty does not support the use of Child Labor below 16 years of age nor does it allow workers to be employed who are younger than the compulsory. Soorty will discontinue business relations with such supplier who use Child Labor in any of their facilities.

### **FORCED LABOR**

Soorty Enterprises does not employ any sort of forced labor nor does it engage in or support human trafficking. Here, at Soorty, we are committed to prohibiting all relevant individuals from coercing employees in any way, or unnecessarily limiting employees' freedom of movement.

### **RECRUITMENT & SELECTION**

Soorty Enterprises commits to make the best use of educated and skilled manpower of our country in order to flourish business and employment in the society. Our goal in recruitment and selection is to hire and retain the most qualified individuals. Managers are encouraged to consider applicants on open merit basis and skills.

### **WORKING HOURS**

Soorty Enterprises follows regular work day of 08 hours. Soorty ensures that the hours worked each day, and the days worked each week; do not exceed the legal limit of working hours. Soorty ensures the working hours limit, most stringent requirement is followed in all production units. Soorty provides one day off in every seven-day period to its employees, except as required to meet urgent business needs. Soorty designates days off for rest as Sunday or as per the defined shift roster of the production departments on the basis of production need.

### FREEDOM OF ASSOCIATION

Soorty Enterprises recognizes and respects the employees to exercise their lawful rights of free association and collective bargaining. Soorty does not discriminate against employees who form or participate in lawful associations for collective bargaining. Soorty do not illegally discriminate against employees who choose not to join any association or bargain collectively. Soorty ensures that workers who make such decisions or participate in such organizations are not the object of discrimination or punitive disciplinary actions and that the representatives of such organizations have access to their members under conditions established either by local laws or mutual agreement between the employer and the worker organizations.

### PROHIBITION OF DISCRIMINATION

Soorty Enterprises believes that workers will be employed on the basis of their ability to do the job, rather than on the basis of personal characteristics or beliefs. Soorty does not discriminate against anyone when hiring, promoting, remunerating on the basis of race, national or territorial or social origin, caste, birth, religion, disability, gender, sexual orientation, family responsibilities, marital status, union membership, political opinions, age or any other condition that could give rise to discrimination. Soorty does not carry out any mandatory pregnancy test at the time of hiring of any lady worker. Here at Soorty, we recognize and respect cultural differences. We also favor business partners who share this value.

### HARASSMENT & ABUSE

Soorty Enterprises does not engage in or support the use of corporal punishment, mental or physical coercion and verbal abuse. Soorty promotes work environment in which no form of harassment is used by its supervisory staff towards the workers, particularly female workers. Soorty discourages use of any form of verbalism or gestures that overtly or implicity promote sexual harassment towards its female staff and workers. Soorty does not utilize business partners who use corporal punishment or other forms of mental or physical coercion.

### **COMPENSATION & BENEFITS**

Soorty Enterprises is committed to pay the total minimum compensation required by local laws, including all mandated wages, allowances and benefits to its workers and staff. Likewise, Soorty does not pay less than the minimum wage prescribed by the local law to unskilled workers. To other category of workers, wages are paid in line with those prevailing in the industry at the time, which also provides some discretionary income. Soorty will only do business with suppliers who provide wages and benefits that comply with any applicable law and match the prevailing local manufacturing or finishing industry practices.

### **WORKPLACE LAWS & REGULATIONS**

Soorty Enterprises is continuously updated to comply with local, national laws and regulations including buyers requirements related to all workplace regulations and social laws including environmental regulations, customs laws and security. Soorty expects its business partners to be law abiding as individuals and to comply with legal requirements relevant to the conduct of all their businesses.

### **HEALTH & SAFETY**

Soorty Enterprises utilizes all available resources to provide a Healthy and Safe working environment for all its employees and visitors and to eliminate all potential hazards that are capable of causing work related accidents. EHS requirements are no less important than meeting our quality standards or delivery time. Through a systemized mechanism at Soorty, responsible persons detect potential risk and hazards associated with the job or present in the work environment which could cause harm / injury to the workers. Soorty provides all necessary personal protective equipments and implements controls to ensure the safety of the workers and their health.

### **EMPLOYEE BENEFITS**

Our employees are the backbone of our business, and it is very important for us to make sure our employees are compensated in every possible manner. These employee benefits are designed in a manner that they immediately stand out when assessing what benefits people find important when working in the textile industry.

### TRANSPORT BENEFITS

Soorty takes the safety and convenience of its staff and workers very seriously. For managerial staff, company maintained vehicles commensurate with their rank and level of contribution to the organization are provided along with fuel charges. For factory-floor workers, free pick and drop is provided.

### **TERMINAL BENEFITS**

Final employment benefits are awarded to all staff members who are either dismissed from service or resign for better prospects. This is an expression of an amicable resolution to the employee's relationship with the organization and are designed to assist outgoing staff members in bridging the fiscal gap that follows their relocation to their next placement.

### **GROUP LIFE INSURANCE**

All Employees on the payroll of Soorty Enterprises will be covered under a Group Life Insurance policy which entitles them to an insurance benefit equal to Rs. 500,000/- amount of their respective salaries upon death of an insured employee or in case of any permanent disability. In case an employee of Soorty is not insured for any reason, then Soorty shall provide the benefit out of its own funds under any situation warranting payment to the heirs of an employee.

### **EMPLOYEE BONUS**

Bonus policy operates on a fiscal year basis. Management makes a determination of the bonus to be paid to eligible employees. Bonus is paid out once in a year upon completion of the fiscal year. All confirmed employees are eligible for bonus. Bonus amount is equal to one gross salary disbursed on Eid.

### **ADDITIONAL BENEFITS**

- EOBI
- SESSI
- Subsidized Meal
- · Hajj Balloting
- Safe working Environment
- On-Job Training





## Diversity and Inclusion

Karachi houses one of the most diverse and eclectic mix of communities in the world; our organization — based out of Karachi — is no different. Men, women, young, experienced, persons across the entire spectrum of abilities, religions, origins & nationalities — we have worked hard to include as many people as possible in our work family. At Soorty, we understand that special focus needs to be given to welcome individuals from marginalized communities for not just their growth but for a healthy society overall.

Some of our efforts to further this cause include:



Our Way Forward to "Increased Gender Diversity in Workforce"

### **RESTRUCTURING POLICY**

In order to facilitate the employment of a diverse and healthy group of professionals and workers at Soorty, we are pursuing policy change in the following areas:



#### Gender

- Increasing benefits for female staff
- Maternal Leaves
- Company transport offering at all-tiers
- Female Centric Awareness Raising Programs
- Skills enhancement for Transgender individuals

#### Persons with Disabilities (PwDs)

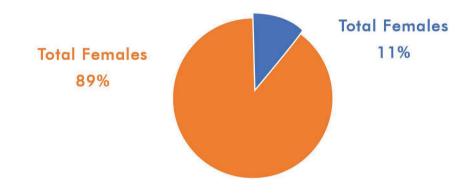
- In-house skills enhancement regime for PwDs
- Increasing worker benefits for PwDs
- Awareness raising programs for PwD amongst company staff

**Family-friendly Policy Framework Development** 

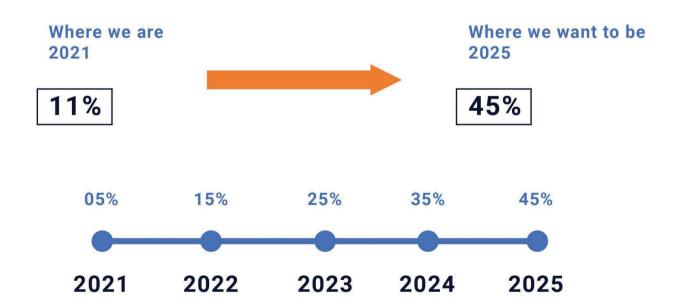
**Work-Life Balance Policy Framework Development** 

## Gender wise workforce distribution as of February 2021

Headcount	Numerically	Percentage		
Total Females	2,046	11%		
Total Males	16,884	89%		
Total	18,930			



### **ROADMAP TO 2025**



### How can we do this?

To cultivate Gender Diversity and increase female population in workforce we will provide Targeted Opportunities, including:

- Identifying departments where female representation can be increased.
- Identifying and locking positions with the HOD where females will be hired.
- Reviewing job responsibilities of a replacement position to see if it can be made fit for females after minor changes.
- Creating succession planning highlight positions in 2 & 2H where females in team (Grade 3 or 4) will be marked as successors.
- Including female member in ethics committee.

Provide Targeted
Opportunities

Promote Inclusive
Culture

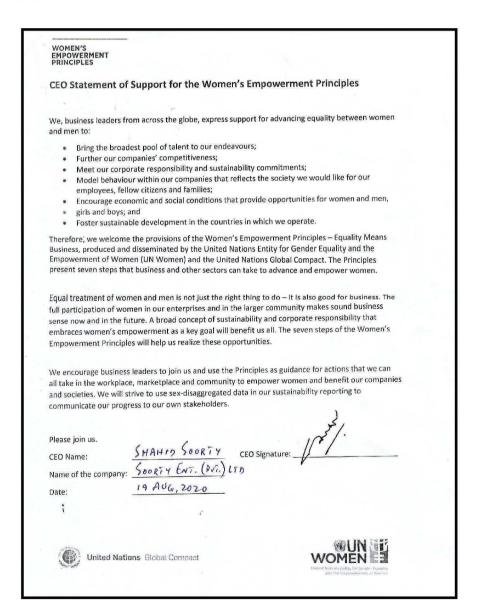
Adopt practices that improve Employee Experience

\_\_\_\_\_\_



## UN Women's Empowerment Principles (WEPs) Signatory

Soorty opted to become a signatory to the UN Women's Empowerment Principles (WEPs) in August of 2020, in the wake of our Soorty Enhancing Women's Service (SEWS) initiative; we saw the value inherent to the principles and how they represented an extension of our own vision for our organization and society. Since then, Soorty has initiated Phase 2 of our SEWS project – in partnership with UN Women - aimed directly at promoting gender balance, equality and female empowerment at our own organization in line with the WEPs.



WOMEN'S EMPOWERMENT PRINCIPLES

## Soorty Executive Development Center (SEDC)





### Introduction

SEDC, formed in 2021, is a planned and organized platform which will be utilized to provide learning opportunities to employee working at various levels in the organization. The fundamental objective is to develop, organize and administer training programs internally or externally, which may consist of soft skills, department-specific or technical skills in accordance with the development needs.

Thus, SEDC executive learning is a;

- Continuous Process
  because there is no fixed time limit for learning. It is
  not a one-shot activity and continues throughout the
  career of employees.
- Long Term

  Skill development requires continuous practice.
- Planned Activity
  it is well-planned, organized, and systematic activity.
- Conducive Environment
  which should be encouraging and stimulating.
  Further, it also requires that adequate feedback
  should be received about the degree of development
  of the employee.
- Guided Self-Development
  it focuses on individual's need and desire to learn
  and practice on job, what he is taught.



### Aims and Objectives

The aim of SEDC is to improve current job performance and behaviors of employees and to prepare them for future challenging roles. This involves upgrading their knowledge and increasing their skill sets so that they can slip into complex and more demanding roles. Thus, improving performance by imparting knowledge, changing attitudes or increasing skills.

This process of learning is targeted towards;

The implication that there will be changed behavior on the part of individual who are provided with adequate training and education. Employees keep on learning through job experiences and by implementing what they have learned through participation in the training programs.

### Scope

SEDC is currently focused towards development of following layers of management;

#### Top Management

This level is responsible for overall management of an organization within the policy frame work.

#### Middle Management

The various functional heads forming the middle management. They act as interface between the top management and the operative management.

#### Middle Functional Executive and Specialists

- To increase knowledge of business functions and operations in specified fields in Marketing, Production, Finance, Personnel, Audit, HR
- To bring about an awareness of the broad aspects of management problems, and an acquaintance with, and appreciation of, interdepartmental relations
- To inculcate knowledge of human motivation and human relationships, and
- To develop responsible leadership



### **Quarterly Soft Skills Trainings Planner** 2021

01

Soft Skills

Corporate Attire & Grooming

Communication Skills

Self Motivation at Work

**Personal Effectiveness** 

**Domain Specific** 

HR

Jan - Mar

**Finance** 

03

Soft Skills

**Conflict Resolution** 

**Business Etiquettes** 

Interpersonal Skills

Team Working Skills

**Domain Specific** 

Compliance

Admin

**Q2** 

Soft Skills

Time & Stress Management

Effective Listening Skills

**Workplace Ethics** 

**Goal Setting** 

**Domain Specific** 

IT

Marketing

04

Soft Skills

Change Management

**Problem Solving & Decision Making** 

**Emotional Intelligence** 

Team Building

**Domain Specific** 

Internal Audit

R & D



### Quarterly Trainings Execution 2021

### **Quarter 01 Jan - Mar**

	Days	Trainings	Month	Participants	Rating	Batch	Training Hours	Total Hours
Internal	04	The Art of Interviewing	Jan - Feb	10	9.29	Batch 01	8	70
Internal	04	The Art of Interviewing	Jan - Feb	09	9.17	Batch 02	8	70
Internal	04	The Art of Interviewing	March	16	8.72	Batch 03	8	102
		Total		35	9.06			
External	01	Team Buidling & Conflict Management	Feb	05			4	20
External	01	Ace The Audit Report Writing	March	03	8.01		8	24
		Grand Total		43				

### **Quarter 02 April Onwards**

	Days	Trainings	Month	Participants	Rating	Batch	Training Hours	Total Hours
Internal	01	Business Etiquettes & Attire	April	14	8.74	Batch 01	02	28
External	02	Emerging Challenges in Maintenance Management	April	04	8.42		16	64
Internal	01	Listening Skills (Marketing Dept)	April	09			01	
Internal	01	Communication Skills (Marketing Dept)	April	10			02	
		Total		18				



## BREAST CANCER AWARENESS CAMPAIGN

Breast Cancer is a killer, especially in the context of Pakistan. Pakistan has the unfortunate distinction of having the highest rate of breast cancer prevalence out of all Asian countries. According to the Pakistan Medical Association (PMA) – over 90,000 cases of breast cancer are diagnosed annually – this in light of the fact that a majority of such cases go unidentified due to a lack of social awareness and self-assessment regimes.

Appreciating the scope of this problem, Soorty Enterprises has been conducting regular Breast Cancer Awareness Sessions for its staff for many years now. We partner with expert organizations for this purpose; this year we partnered with Pink Pakistan - an NGO that works on raising social understanding on the subject and providing support in the unfortunate cases where it occurs. Due to the advent of COVID-19, we have had to redesign all our trainings and awareness sessions regimes. In a first for our entire sector, this training was delivered virtually and broadcast live to all our factory units, simultaneously.

Over 400 female staff and workers had the opportunity to clarify confusions directly, despite the distance. We intend to arrange other health and wellness-oriented trainings and sessions using this same technique that has been identified as an industrial best practice by The Fair Labor Association - a collaborative effort of universities, civil society organizations and socially responsible companies dedicated to protecting workers' rights around the world.



# Health and Gymnasium Facilities











While we help our employees achieve their career goals, we try our best to get them to find the right balance between work and personal life. We built a state of the art gymnasiums for our employees, staffed with professional trainers, at Soorty Unit 2&3, Unit 5&6 (Soorty DenimKind) and Unit 8 with more planned for the next fiscal year.

## Soorty Enhancing Women's Service Project (SEWS)

## PHASE 02

With the assistance and partnership of UN Women Pakistan – Pakistan's most prestigious women-rights body – Soorty has designed Phase 2 of our SEWS project that aims on empowering female staff working at Soorty, increase female inclusion at all tiers of management and contribute to improving the working environment for females at the company.







## Soorty Enhancing Women's Service Project (SEWS)

## \_\_GOALS

This project aimed to:

- EXPAND the public space for working women
- ENCOURAGE
  gainful and respectable female employment
- INFORM female staff of their legal and social rights
- UPLIFT our female staff through various life skills trainings and awareness sessions
- SENSITIZE
  male colleagues towards the problems faced by working women as a vehicle
  to decrease societal issues such as female sexual harassment.
- CONVERGE social focus on issues experienced by working women
- INSPIRE other private sector organizations sector wide to invest in similar initiatives

## Soorty Enhancing Women's Service Project (SEWS)

## **IMPLEMENTATION**

Implementation for the project shall begin in June 2021 with assistance from UN Women. Our aim is to encourage dialogue between male and female colleagues on experiential issues in order to foster commonality and understanding. The project will also include trainings on the following:

- Female Health and Well-being
- Livelihoods Enhancement
- Financial Literacy
- Anti-Domestic Violence & Anti-Sexual Harassment

## \_\_PARTNER

**UN Women** 



## \_SUPPORT

H.E. The Honorable Ambassador of Denmark in Pakistan Ms. Lis Rosenholm

## Leading Diversity Project Partnership

UNDP approached Soorty Enterprises to collaborate on their "Leading Diversity" project. Under this project UNDP shall share a charter of commitments with the company with an end goal of adopting worker-friendly values that enhance organizational inclusivity and diversity.

Soorty Enterprises is proud to be a part of this collaboration and enthused to work more on inclusivity. Our internal policy framework already stresses the need for diversity and our hiring polices highlight the importance of equal opportunity and equal pay for equal work regardless of difference of religion, culture, ethnicity, color, caste, gender or sexual preference.



# SOORTY & THE ENVIRONMENT



# SOORTY & THE ENVIRONMENT

At Soorty, we take our responsibility towards the environment very seriously. As an organization based in Pakistan – the fifth most vulnerable country to the impact of climate change – this represents an existential crisis for us and the world.

Throughout our organizational life, we have acted as responsible stewards of natural resources through a policy framework that has evolved over time.

These include:



















#### Principle 7:

Businesses should support a precautionary approach to environmental challenges;

#### Principle 8:

undertake initiatives to promote greater environmental responsibility; and

#### Principle 9:

encourage the development and diffusion of environmentally friendly technologies.

## ENVIRONMENTAL POLICY

### WATER POLLUTION

Soorty Enterprises Pvt. Ltd commits to protect the depletion of water bodies by controlling, managing and minimizing disposal of polluted water and chemical spills in main water bodies produced from its processes. It will be ensured that no untreated water is deposed off, best management practices are used at the factory and are effective in controlling storm water pollution. Realizing the depletion of natural reservoirs of water, ever-increasing requirements of fresh water and keeping under consideration the adverse impacts of wastewater on natural ecosystems, Soorty is committed to reduce the amount of hazardous residues discharged into the environment.

### **WASTE WATER MANAGEMENT**

Soorty Enterprises commits to minimizing the amount of pollutants in the main water bodies that flows off of or are adjacent to its factories. We understand that activities such as chemical storage, equipment handling, etc., can mix pollutants into main water bodies that flows off of the properties and into bodies of water such as streams, rivers, ponds, lakes, seas and oceans. This can harm the environment and create community health hazards. Soorty has developed a standard method for monitoring water sector progress, performance, improving reporting and identifying priority actions. Best management practices are to be used at all factory exteriors and the surrounding parking areas, grounds, equipment, etc. to ensure that they are effective in controlling storm water pollution. Written records of these inspections are to kept by the factories.

### **SOLID WASTE MANAGEMENT**

Waste Management is the process of treating solid wastes and offers variety of solutions for recycling & reusing items that should not be sent out as trash. Waste Management or waste disposal constitutete all activities and actions required to manage waste from inception to final disposal. This includes, amongst other things, collection, transport, treatment and disposal of waste together with monitoring and regulation. It also includes the legal and regulatory framework that relates to waste management encompassing guidance on recycling and reusing etc. Waste management methods are divided into numerous categories. Those groups include source reduction and reuse, recycling, composting, fermentation, landfilling, incineration and land application.

Soorty Enterprises has defined procedures to ensure hazardous and non-hazardous waste management. In order to implement this, Soorty complies with legal and customers' Code of Conduct requirements and guidelines. Soorty has waste Disposal Contractors who are licensed from Sindh Environmental Protection Agency and have proper landfilling and incineration facilities available. Soorty takes necessary steps for making sure that hazardous waste is safely transported, handled and disposed of in an eco-friendly manner

### **BIO-SOLIDS MANAGEMENT**

Soorty has designed and operates a bio-solids management program. This bio-solids management program outlines liquids and solids processes at the facility, how bio solids are managed to meet legal requirements, and how the bio solids management program is operated.

## ENVIRONMENTAL ASPECTS & IMPACT ASSESSMENT

Soorty Enterprises conducts internal occurance & impact assessment at all its operational units. Environmental committee members are designated to take the charge of this assessment exercise in which potential impact is measured by evaluating likelihood of occurrence (A) and severity of impact (B) and is reported to the FM/GM in order to meet short falls and thus create an Environmental Continual Improvement System. This procedure describes the method for identifying and evaluating environmental aspects and determining the significance of these aspects. The procedure also applies to those indirect consequences and impacts arising from factory work.

### CHEMICAL MANAGEMENT

Soorty Enterprises is aware of the risks associated with the chemicals and the adverse effects on the environment, risk to biodiversity and disrupting the natural ecosystem. This policy drives Soorty's chemical management system to prevent these risks, improve human health, support socio-economic development, boost quality of life through sustainable development and preserve environmental resources.

## **Soorty Organic Cotton Initiative (SOCI)**



Sam CI

SOORTY ORGANIC COTTON INITIATIVE

Communication on Progress



### **Background**

The use of Organic Cotton has acquired unique favor for the entire denim value chain – from retailers to brands, manufacturers, and consumers in recent years. Globally consumer consciousness is growing, and as the preference for responsibly and ethically sourced products becomes the norm, denim is undergoing a profound revolution.

The use of regenerative practices — with fewer, if any, chemicals or fertilizers — to reap a rich and healthy crop isn't just environmentally conscious but the sale of this highly reputable crop also translates, directly, into more income for farmers.



### **Project**

Cognizant of these developments, Soorty Enterprises has launched the Soorty Organic Cotton Initiative (SOCI) – our drive towards creating an organic cotton revolution – building on the lessons learned and best practices developed in the sector. We have partnered with the pioneers of organic cotton farming in Pakistan - WWF-Pakistan, and the Department of Agriculture, Balochistan along with support and input from the Laudes Foundation for our project.

Our project is slated to bring an area of approximately 7,000 acres under organic cultivation producing over 17,000 metric tons of Seed Cotton and 6,000 metric tons of Cotton Lint over the next four years.

Balochistan is the last wild frontier in the country; with a mean annual family income of less than 250 USD and female literacy rate of less than 13 percent, the province is highly deserving of fair and elevating efforts. Soorty has a different take on organic farming and, with the help of its partners, we are using our project as a vehicle for community uplift.





### Goals

- CREATING
  an enabling environment for cultivation of organic
  cotton by engaging relevant stakeholders
- BUILDING
  the capacity of farmers on organic cotton system
  approach and organic certification
- DEVELOPING
  a dedicated and transparent supply chain ensuring
  traceability and sustainability

### **Partners**

WWF

Agriculture Extension
Department
— Govt. of Balochistan

### Support

### **Laudes Foundation**











## Soorty DenimKind Factory

### - LEED Platinum Certified

DenimKind is based in the semi-arid city of Karachi, that is currently experiencing a disastrous water crisis. Minus Zero Waste. the mindset we've embraced for a while now, is at the core of the whole philosophy of this facility where we perceive denim as a power of good, a tool for kindness, a tool to bring positive change on earth. This means not only limiting our use of precious resources, but also giving back to the environment, to our planet, that generously offers all these to us. This can only come with Reducing, Reusing, Repurposing, Recycling, and Reloving. Making more with what is less.

With a sustainability-focused production capacity of over 14 million garments, annually, DenimKind was made with the goal to be future proof. It is LEED-Platinum certified and is the most sustainable mass-production garment factory in the world. The fashion industry is highly resource and labour intensive; and we aim to disrupt the industry with DenimKind. DenimKind reuses 85% of its water, captures 95% of the sunlight for solar panels which power the sewing floor, recycles 90% of the waste it produces and reduces 35% of energy consumption.

#### Some of its state-of-the-art features include:



DenimKind has been working on resource efficiency and installed Solar Panels (950KW) which not only reduces the usage of Natural Fuel resources but also curtails the greenhouse gas emission, thereby reducing the environmental footprint.



DenimKind has installed state of the art washing machines that works on less energy as well as reduced water usage. The Core and Up system allows us to use a liquor ratio of 1:2 and reducing the usage of water from 1:8 and saving 75% of water compared with conventional washes.



The chemicals are thoroughly screened and procured from ZDHC compliant suppliers. Further, eco-Wash eliminates the usage of KMnO4 which reduces the usage of hazardous chemicals from our value chain.



The HVAC Chiller System operates from the exhaust gases of Power Generators which were previously emitted.

## CRADLE TO CRADLE (C2C) - Certified









### **History**

In 2018, Soorty started the Zero Waste Water program that planned to save up to 90 percent water in its product cycle. Having achieved that target, we reached out to our customers to pitch this as a value-add for working with Soorty. While there was a good measure of appreciation for our work, we were advised to have our results validated by a third-party in order to give our achievement accreditation. It was in the process of vetting potential third-party auditors that we came across the Cradle2Cradle (C2C) Institute and the C2C NGO.

### **Process**

C2C offers two forms of certification:

- 1. Product Certification
- 2. Material Health Certification

In order to issue both, the C2C Institute initiates a rigorous evaluation of the applying organization's entire supply chain to ascertain the following criteria:

- 1. Material health
- 2. Material reutilization
- 3. Renewable energy & carbon management
- 4. Water stewardship
- 5. Social fairness

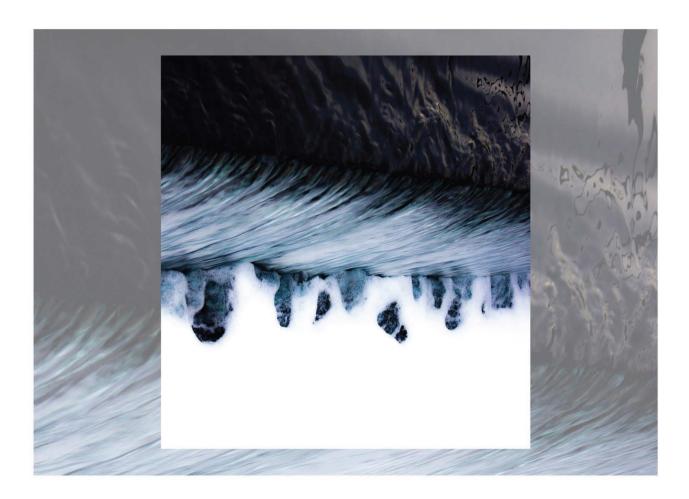




Communication on Progress

### **Soorty C2C Certifications**

Soorty is the only company that is C2C vertically accredited. Additionally, we are a Gold Impact Partner of the C2C NGO (Germany).



## Goals

Our goals for opting for and being validated by the C2C institute are:

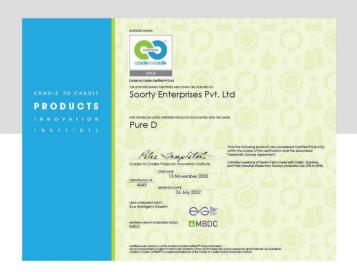
- Developing Sustainable products.
- o Improving the way of MAKE, USE & RE-USE things.
- Recognizing two features (Biological & Technical).
- o To leave positive footprint for human society & environment.

### **Products**

Two of our product lines are C2C Gold certified:

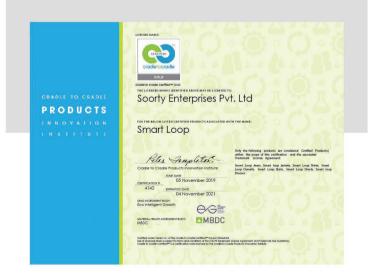
#### Pure D - Fabric - Gold Certified

Denim fabric designed and made using techniques such as zero water waste indigo rope dyeing. Made with Soorty's proprietary Zero Waste Water dyeing technology. Unlimited variations of Denim Fabric made with Cotton, Elastane, and Post-Industrial Waste from Soorty's production line (5% to 30%).



#### Smart Loop - Garment - Gold Certified

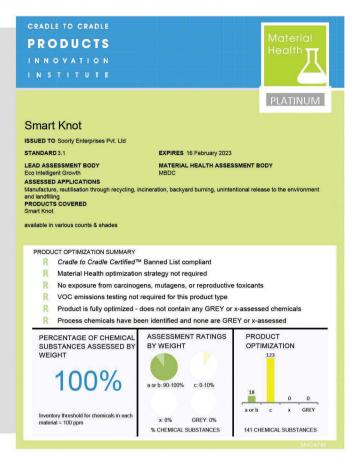
The Smart Loop line includes a selection of fabrics ranging from light to heavy weight in both stretch and non-stretch constructions. The certification covers Smart Loop Jeans, Smart loop Jackets, Smart Loop Shirts, Smart Loop Overalls, Smart Loop Skirts, Smart Loop Shorts and Smart loop Dresses.



We are also proud to host a C2C Platinum certification in Material Health:

#### Smart Knot – Material Health – Platinum Certified

Smart Knot Sewing Thread is designed for sewing textiles. It is made of cotton and available in various counts and shades.



#### **Aggregate Savings**

Water Saving: 177,000,000 liters/year.

- Caustic: 1800 tons/year.

Chemical Auxiliaries: 264 tons/year.

COD of Effluent: 80% less.

Sulphates in Effluent: 95%.

#### Raw Materials

Organic Cotton.

- Certified Elastane.

- Certified Chemicals.

#### **Processes & Engineering**

Dyeing: INDIGO2.

(Zero Waste Water + INDIGO+).

Finishing: TRIOX and ECO Applicator.

## Alliance for Water Stewardship

We have gone to great lengths to expand our understanding of what constitutes a healthy relationship between the industry and whatever surrounds it – above all, our shared water resources. Our state-of-the-art ETPs and water recycling plants, for example, reclaim millions of gallons of water per month, and, we were happy to announce our commitment to a new level of responsibility – the Alliance for Water Stewardship (AWS).

As an expression of this commitment, among other efforts Soorty has been organizing a series of trainings, for our staff and stakeholders, focusing on improving our utilization of water, since February. We would like to thank the Alliance for Water Stewardship and WWF-Pakistan for guiding us as we aim to expand such awareness sessions to cover an even wider range of water-related topics in the future.





# CEO Water Mandate Signatory

Soorty Enterprise's vision is for denim to be completely sustainable. Not only are our offices certified by WWF-Pakistan as "Green", we also possess Pakistan's first LEED-certified Platinum factory. We are mindful of water shortages facing the world and believe that "we owe it to our customers, clients, and the environment to reduce energy and water usage."

We are proud to have associated ourselves with the CEO Water Mandate, since 2018, as signatories and stewards of water conservation and recycling for responsible community and industrial use.





Communication on Progress



## SOORTY ENTERPRISES WATER STEWARDSHIP POLICY

At Soorty Enterprises, we believe that water constitutes an essential component of life and every living thing – human, animal or plant – has a natural right to its free access and usage. This is the only way to ensure that eco-systems continue to function in balance and harmony.

Our goal is to promote progressive water stewardship – within our company and at the community level – which includes taking responsibility for the wellbeing of water resources and instituting effective conservation and sustainability efforts within residences and factories.

We believe and aim to support positive collective actions by companies, communities, NGOs, and public sector organizations and are willing to start with ourselves – by initiating and maintaining best international practices of water governance at Soorty Enterprises through optimizing water usage, improving water quality and reducing water pollution.

We also commit to providing our unending cooperation to government bodies, stakeholders, and policy makers to address water related challenges in order to sustain the blessing of clean water resources for all generations to come.

Mr. Sarfraz Cheema Chief Operating Officer & Head of Sustainability Mr. Asad Soorty Director Operations

## Zero Discharge of Hazardous Chemicals



## History

The ZDHC initiative was started in 2011 in response to a report generated by GreenPeace that detailed water pollution from chemicals released into the waters by the Textile Industry in China. Up till 2015, in keeping with conventional Industrial norms, we had been using prescribed chemicals in our Denim wash cycles to achieve necessary fabric effects. But after reaching out to the ZDHC Foundation, as part of our sustainability drive – and understanding the impact that these conventional practices had been having, we decided to join this league of torchbearers in improving our chemical footprint.

### **Process**

There are more than 25,000 industrial chemicals in use, today, out of which around 2,000 are used in textile wet processing. The ZDHC Foundation identifies, quantifies and qualitatively divides chemicals based on a risk assessment.

#### This includes:

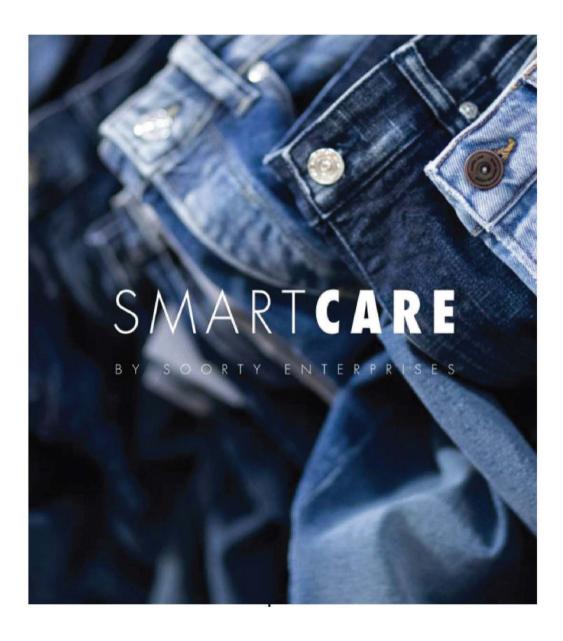
- Hazard identification
- Dose-response assessment
- Exposure assessment
- Risk characterization

Based on this assessment, each chemical is assigned a Material Safety Data Sheet (MSDS) value and classified in a Manufacturing Restricted Substances List (MRSL). Any organizations which wants to join the ZDHC must, therefore, eliminate chemicals, identified in the MRSL, from its manufacturing process.



## Soorty's Smart Care

An expression of our commitment towards conserving the environment and dedication to revolutionize the future of denim raw material sourcing, dyeing, finishing & washing, Soorty's Smart Care utilizes technology that has evolved over the years in consonance with consumers' buying needs. It is safe, reliable, ZDHC-Compliant and sustainable. It is designed to make the best use of our vertical capabilities – from fiber to jeans.





**Fundamentals of Smart Care** 

A reliance on a new and non-conventional input materials doesn't just require a complete overhaul of the manufacturing process but also a redesign of the entire supply chain. But in order to implement our shared vision of a better manufacturing process, we have invested a lot of energy, time, effort and resources over the last many years. A new set of fundamentals have emerged for us in how we do create our denim, now.

#### These are:



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Smart Processing

For a common customer, the finish of any Denim product is the key metric of its quality. We have tried to steer away from harsh chemicals and towards several alternative approaches to achieving similar, if not the same, effects in consonance with our customer expectations. These efforts include Zero Wastewater Dyeing; Aniline free dying; Ozone finishing; Eco finishing; Laser friendly dyeing & Performance Finishes.

## Smart Material Sourcing

Cotton is the most basic input for making Denim, and perhaps the most problematic. In the last year, we have seen a surge in the demand for Organic Cotton but supply of certified OC – across the globe – has actually decreased. We launched our Soorty Organic Cotton Initiative (SOCI) in 2021 in order to bridge that supply gap, use certified cotton and assist the communities in Balochistan, Pakistan in accessing a better quality of life. Other responsibly sourced materials include Cellulose fibers, PIW, PCW, Refibra, Tencel, Renewcell - ZDHC compliant Chemicals

### Smart Laundry

Instead of using permanganates or bleaches, we are focusing on the use of Lasers to achieve consistent and natural fade impressions in our laundries. We have invested into acquiring the latest technologies that minimize liquor ratio for reducing reliance on water and chemicals in keeping with our mandate to achieve Zero Discharge of Hazardous Chemicals (ZDHC). Our efforts to achieve the Smart Laundry is through two distinct initiatives:

#### **Evolve**

Evolve is a wash process that relies on responsibly sourced chemicals in an effort to do away with the use of Potassium Permanganate and Chlorine and replacing it with ZDHC approved and GreenScreen® chemicals, instead. Evolve represents a quantum leap in the refinement of our steadily improving practices and assists us in guaranteeing a reduction in our water and energy use, as well as our overall environmental footprint.

#### **Econic**

In contrast to Evolve, Econic relies on leveraging new and disruptive technologies to bring sustainable processes, and resulting product finishes, in line with our customer expectations. For example, the use of lasers, in the dry process, is increasing at a phenomenal rate. While initial trials left a lot to be desired, the latest machines by Jeanologia® (lasers, E-flow, G2 & EIM software) require less time and energy to achieve fade impressions that are at par with those of the conventional processes. This also helps us in limiting exposure of our staff to cotton fluff, which needed extensive safety arrangements when done by hand. Similarly, increasing cutting edge mechanization — through the use of Tonello®'s patented Up & Core wet process machines, Triveneta®'s Dryers — helps us skip the manual process for faster execution of ideas.

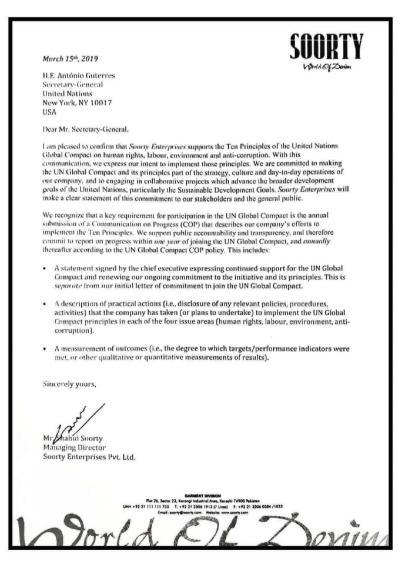
## United Nations Global Compact (UNGC) Participant

Level of engagement – Participant Status; Year of Engagement – 2019

As a component of our drive towards ethical, sustainable, and responsible business. Soorty Enterprises partnered with United Nations Global Compact (UNGC).

We are in full support of the Ten Principals laid down in the fields of Human Rights, Labor, Environment, and Anti-Corruption.

And hope to contribute to and raise our level of awareness on these important matters.



## Additional Certifications

Soorty is proud to have the support and partnership of some of the most esteemed certification bodies in the world. These apply to our facilities, our staff, our products and our processes. Some of these include:

- REACH
- Oeko-tex
- SA-8000:2014 (Social Accountability)
- ISO 9001:2015 (Quality Management System)
- ISO 14001:2015 (Environmental Management System)
- ISO 45001:2018 (Health Safety Standard)
- WRAP (Worldwide Responsible Accredited Production)
- CTPAT (Custom Trade Partnership Against Terrorism)
- SEDEX (Supplier Ethical Data Exchange)
- GOTS (Global Organic Textile Standard)
- OCS (Organic Content Standard)
- GRS (Global Recycle standard)
- RCS (Recycle Claim Standard)
- BCI
- AWS (Alliance for Water Stewardship)
- C2C (Cradle to Cradle)
- ZDHC
- Cleanchain
- HIGG Index (FEM & FSLM)
- LEED Platinum

Communication on Progress

## Soorty Forest Rescue Initiative (F.R.I)

Tree cover, in Pakistan, has diminished at an alarming rate over the last three decades. From 1990-2010, it receded by more than a third. Overall numbers suggest that while 3-4 percent of Pakistan's total landmass was forested in 1990, recent estimates peg that at below 1.9 percent.

This is indicative of the larger, global trend of rising atmospheric carbon emissions and associated climate change.

Afforestation efforts, till now have been largely unsuccessful in reversing this trend. This is because while seeds and saplings can be planted, easily, the care and water that they require afterwards is unfeasible. In keeping with our commitment to the United Nations' Global Compact. Soorty Enterprises has turned its focus on solving this puzzle too. We view this decline in tree cover as a resource and manpower issue; most plantation drives fail because, while it is easy to plant seeds or saplings, it is not easy to water them consistently for the 2-3 months required for the plant roots to reach ground water.







## **Implementation**

Soorty Enterprises partnered with Groasis, in 2018, to procure and deploy its patented WaterBoxx© technology that makes it possible for the plant to grow without the need for watering it, for up to ONE YEAR!! Our project will be implemented in four phases:

## PHASE 01



Complete

Testing the WaterBoxx® technology in controlled conditions to ascertain viability for Pakistani soil conditions.

## PHASE 02



Ongoing

Testing the WaterBoxx® technology on a limited scale to prove scale-up capabilities in view of Pakistani climate conditions.

## PHASE 03



Planned

Scale-up to create an urban forest by adopting a government park and planting trees using the WaterBoxx technology. We will partner with local schools to host field trips and visits by children this in safe green, environment to inculcate for nature amongst appreciation young minds and future leaders.

PHASE 04



**Planning** 

Scale-up to start mass-plantation in the Thar Desert – a stretch of land approximately 200,000 km2. The WaterBoxx technology is designed to mitigate gridification and reclaim land from deserts. Greenification of the Thar Desert will improve the lives of the residents, reduce the societal carbon footprint and slow-down or reverse climate change.

# SOORTY & ETHICAL BUSINESS



# SOORTY & ETHICAL BUSINESS

Soorty Enterprises is committed to conducting all business activities in a fair and transparent manner. In order to institute good business practices at the organization and encourage a conducive atmosphere for our suppliers and vendors, Soorty has developed relevant policies. These policies assist us in ensuring good corporate governance, work efficiency, safe working conditions – both for our personnel as well as our supplier's staff, and environmental sustainability.

Soorty expects suppliers to adhere to high ethical standards in business practices by not tolerating, permitting, or engaging in bribery, corruption, or unethical practices whether in dealings with public officials or individuals in the private sector. Suppliers and contractors must not offer, pay, solicit or accept bribes, including facilitation payments. Suppliers must have an anti-corruption policy and procedures in place, and review them regularly to ensure that they are operating effectively.







#### Principle 10:

Businesses should work against corruption in all its forms, including extortion and bribery.

## ANTI-CORRUPTION POLICIES

## **BUSINESS INTEGRITY**

Soorty Employees or suppliers shall not engage in corruption, extortion, embezzlement, or bribery to obtain a reward, gift, hospitality, favor, and voucher or other similar advantages relating to either party, arranging which can have a bearing on the outcome of the business transaction. Unfair or improper advantage gained through offering or giving anything of value to any individual for the purpose of obtaining or retaining business, or for any improper purpose comes under the umbrella of corruption and is strictly forbidden at Soorty.

## CONFIDENTIALITY

Soorty Enterprises is committed to keeping specific information relating to its business partners such as prices, trends-information or sales data etc. confidential. We do not share one customer's information with another

### **CONFLICT OF INTEREST**

Soorty Enterprises expects all its employees and suppliers to make decisions and act in good faith by avoiding situations where business objectivity and decision-making is influenced due to conflict of interests. Soorty maintains a healthy relationship with an extensive list of suppliers and this relationship is based entirely on sound business decisions and fair dealing.

## HARASSMENT FREE WORKPLACE

At Soorty Enterprises, we are committed to maintaining a work environment in which our people are treated with dignity and respect and which is free of harassment and discrimination. Soorty maintains a zero-tolerance policy for incidents of workplace harassment.

## SAFE WORKING ENVIRONMENT

We are committed to maintaining a safe and healthy workplace for our employees, business partners and visitors, at Soorty, as well as people in communities in which we operate.

