



# Impact Report

**2021-2022**



# Contents

Letter from the Director	3
About Purnaa	4
Impact Report Methodology	5
Purnaa Values	6
Purnaa Memberships	7
Awards	8
Big Happenings in 2021	9
Why Nepal	10
2021 By the Numbers	11-12
Empowerment Fund	13-14
Environmental Sustainability	15-17
Economic Situation	18-21
Physical Health	22-24
Emotional Health	25-27
Relationships	28-30
Areas for Improvement	31
Looking Ahead	32





# A Letter from the Director

I'm excited to share this year's impact report and am so impressed with the progress the wonderful staff at Purnaa have made, even in the midst of another challenging COVID year.

In 2021 we trained and employed 35 new staff, mostly women struggling in the difficult economy of COVID lockdowns and no tourism in Nepal. Adding new staff gets us excited because our primary mission is to create good jobs for marginalized people. Some of our employees come out of sex trafficking, others out of labor exploitation or abuse, and some are just desperate for a job amidst Nepal's challenging economy. Regardless of their background, we believe a good job can change somebody's life and we continue to work for more growth in 2022.

As we review the quality of life survey data from our staff this year, we continue to see a big increase in quality of life for employees when they start work with us. However, we did notice several concerns regarding employee health and economic situation and will be using this report's data to address those concerns immediately.

This is our eighth annual impact report and we are encouraged and further motivated by the continuing evidence of the transformative power of a good job. We hope you enjoy our summary of Purnaa's impact in 2021.

Sincerely,  
Corban Bryant



Many Purnaa staff come from exploitative, abusive, and/or discriminatory situations prior to working with us. Some come out of sex trafficking situations, others from labor exploitation or abusive relationships, and some come from situations of extreme discrimination because of caste, religion, gender, or HIV status.

Today these survivors join us in furthering Purnaa's mission to create good opportunities for even more people in the future. We reinvest 100% of our profits to continue to grow our company and offer both training and employment for marginalized people. Some of the ways we do this are by:

- Fostering a great job environment that is free of discrimination and abuse
- Paying above Living Wages as defined by WFTO
- Offering pay even during life-skills training to equip better quality of living and on-the-job skills training
- Giving scholarships for remedial, general education, and personal development training

# About Purnaa



# Impact Report Methodology



Each year, we review our company's progress toward our mission. We gauge our company's success by the impact we have through the jobs we create. To evaluate this impact, we conduct an annual survey of all Purnaa staff using a condensed version of a WHO quality of life assessment.[1] The questions assess 5 areas: Economic, Physical Health, Emotional Health, Living Situations, and Relationships with Others. We have also begun tracking our environmental impact in several key areas.

# Purnaa Values

Our values drive how we operate. We have monthly company-wide training discussing these values. We say our mission describes WHY we exist and our values describe HOW we do business. We describe our values in the simplest ways possible so that they are easy to translate, remember, and put into practice.

## ■ LOVE

We choose to do what is best for our customers, co-workers, friends, family, and the world around us.

## ■ EXCELLENCE

We always do our best, even in small things, and always work to improve.

## ■ INTEGRITY

We do the right thing even when no one is looking.

## ■ JUSTICE

We give equal opportunity, fair rewards and consequences, and champion the rights of those who do not receive just treatment in society

## ■ BEAUTY

We create beauty in our products, workplace, environment, and within ourselves and our communities.

# Memberships



**FREEDOM**  
BUSINESS ALLIANCE

Our FBA membership asserts our commitment to work against human trafficking or commercial exploitation through our business



Our WFTO Membership indicates our dedication to people and the planet and our commitment to the 10 Fair Trade principles. We are regularly audited by WFTO to ensure we are meeting requirements and always making improvements to better follow the principles.

**WE SUPPORT**



We are signatories of the UN Global Compact, the largest corporate social responsibility campaign in the world. Businesses that join the initiative commit to align their corporate strategies and operations with Ten Principles on human rights, labor, environment, and anti-corruption and take actions to support the Sustainable Development Goals (SDGs).

## SECRETARY OF STATE'S AWARD FOR CORPORATE EXCELLENCE



The Secretary of State's annual Award for Corporate Excellence (ACE) recognizes and honors U.S. companies that uphold high standards as responsible members of their communities and represent American values in the way they do business in their overseas operations. Purnaa was recognized in the Economic Inclusion category as a small to medium enterprise. The award was personally presented by Secretary Anthony Blinken in a live webcast.



## COMMON OBJECTIVE LEADERSHIP AWARD



The CO Leadership Awards celebrate ambition for, and commitment to, great business practices that transform lives - and solve environmental challenges. Purnaa was a finalist for the prestigious CO10, a list of top 10 leaders in ethical fashion. Purnaa has won the CO Leadership Award in consecutive offerings in 2020 and 2022.





# This Year's Big Events



## Started Knitting Production

Launched knitting operation. The new production unit required renting new space, doubling the size of Purnaa.



## Launched Sustainable Caps

Put our new digital sublimation printer into operation, printing vibrant, color-fast, photo-realistic designs on fabric without any waste water in the coloring process.



## Trained & Hired 37 New Knitters

37 new staff attended Purnaa's two-week long orientation and life-skills training and then went through skills training to join a production team.

# Why Nepal

Nepali people have few good economic options. Nepal has the third-lowest GDP per capita PPP in Asia and 14% of Nepali people work abroad.[2] Foreign workers sending money home comprise 28% of Nepal's GDP.[3] Almost 50% of Nepalis rely on remittance from a family member working outside the country.[4] When they return to Nepal, 57% are without a job.[2]

Faced with pressure to work abroad, many Nepali workers fall for exploitative schemes. An estimated 35,000 people are trafficked from Nepal each year, including 15,000 women and 5,000 girls.[5] . 44% of the population is vulnerable to slavery.[6]

Additionally, Kathmandu gained the dubious distinction of having the world's worst air pollution in 2021.[7] Outdated agricultural burning practices, poor enforcement of emissions standards, and forest fires caused by poor forest management resulted in the beautiful Himalayas being fully obscured for months at a time.[8]

Purnaa is in Nepal to create jobs that address Nepali people's vulnerability to exploitation, while also demonstrating ethical and sustainable business practices. Whether through earthquakes (2015), border blockades (2016), or pandemics (2020-2021), we're committed to pressing through the challenges to see fresh starts and fulfilled lives for marginalized people in Nepal.

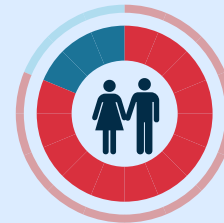


# 2021 by the Numbers

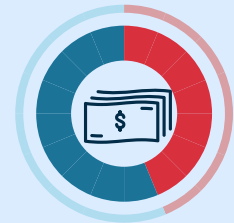
**120** Full-time Employees



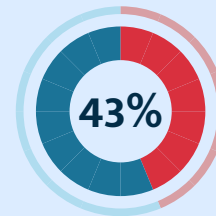
**30** Net Increase in Employees in 2021



**84% Female**  
**16% Male**



**45% Primary**  
**Income Earners**



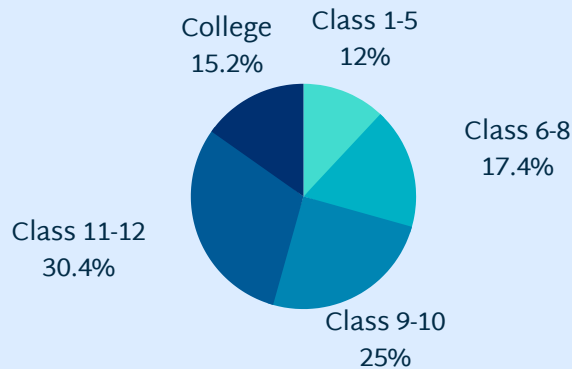
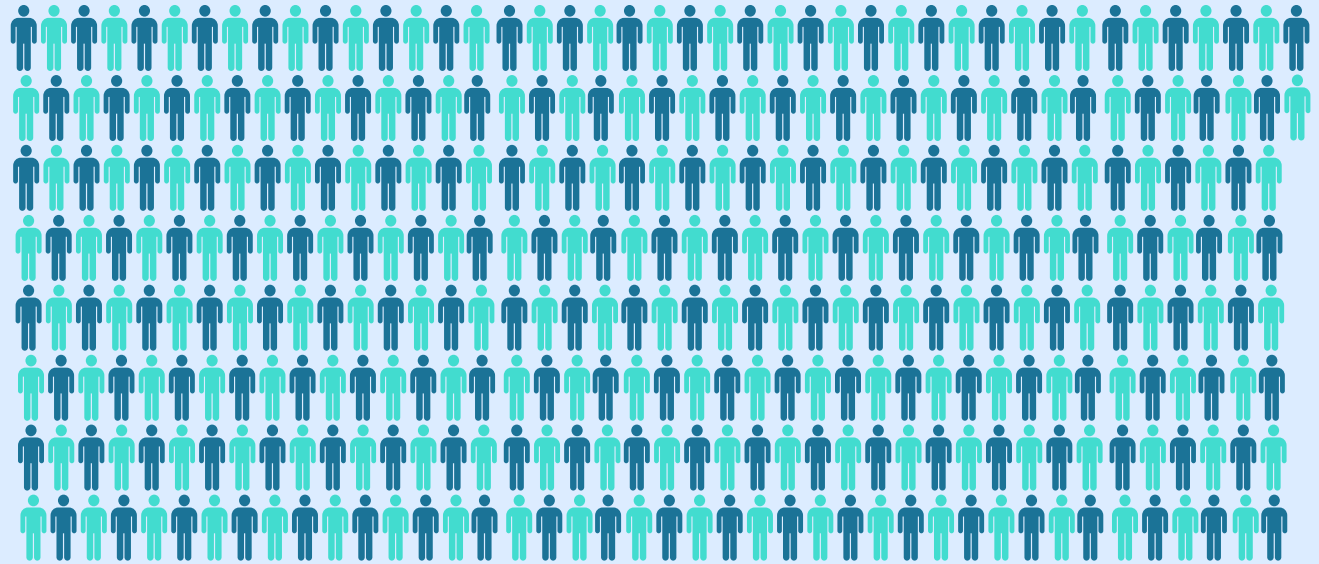
**From Marginalized**  
**Backgrounds**



**182,000**  
**Work Hours**

# 2021 by the Numbers

**328**  
People  
Supported  
through  
**120**  
Salaries

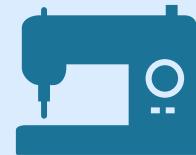


Employee Education



**82,214**

Products  
produced



**110**

Production  
Machines



**3,974**

Kilograms of  
sustainable fabric



# Empowerment Fund

Purnaa's Empowerment Fund operates in partnership with a US-based non-profit to support growth opportunities for Purnaa staff that are over and above what a company might normally be able to provide. Coming from marginalized backgrounds, many staff members at Purnaa did not have the opportunity to finish primary or secondary school. Through the Empowerment Fund, Purnaa can offer skills training, adult education, staff children scholarships, and opportunities to meet with a professional counselor to address traumatic and difficult situations.

## 2021 COVID-19 Support

In 2021, we also used empowerment funding to provide a cost-of-living stipend to employees who could not work during lockdown and to help cover transportation and childcare costs when public transportation and schools were closed.

65

Employee Children  
Awarded Scholarships

3

Employees Receiving Adult  
Education or Counseling

37

Employees Trained with  
Empowerment Funds

32

Employees Receiving Living  
Stipend During Lockdowns



**"I have been able to put my son in a good school since joining Purnaa and have been able to look after my family" - Ganga**

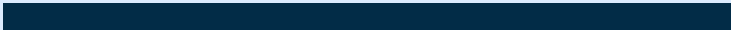


# Environmental Sustainability

This is our sustainability data. We believe that our social impact and environmental impact are inextricably linked. The fashion industry is the second-largest polluter in the world and contributes to many of the world's big environmental problems; including climate change, water pollution, and deforestation.[9] Nepal struggles with all of these environmental challenges, so a holistic approach to improving the lives of marginalized people in Nepal involves minimizing our negative impact on the environment.

As a cut-and-sew garment manufacturing company, our primary environmental impacts come from our:

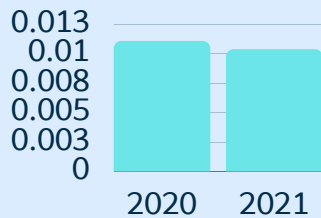
- Emissions caused by electricity consumption,
- Water consumption,
- Wasted raw materials,
- The environmental impact of the materials that go into our products.



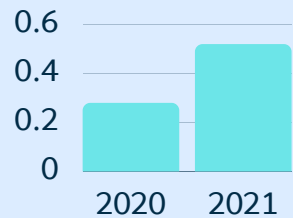
## Electricity Consumption

At Purnaa we choose to use energy-efficient sewing machines, hand-powered knitting machines, and LED lighting, which all save electricity compared to their less efficient counterparts.

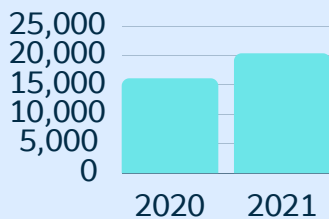
**Tons of CO2 per Employee from Electricity Usage**



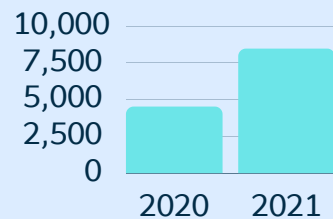
**Tons of CO2 Saved by Energy Efficient Machinery**



**Total KWH Electricity Consumed**



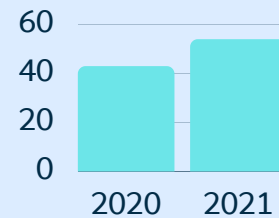
**KWH Saved by Energy Efficient Machinery**



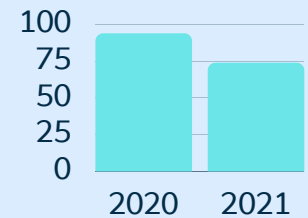
## Sustainable Fabric

Much of our environmental impact depends on the materials we use to make our products. We prefer natural fiber-based fabrics that do not emit micro-plastics into the water. We also prefer fabrics made with more sustainable methods such as organic cotton, recycled polyester, and fabrics dyed using environmentally friendly pigments and processes.

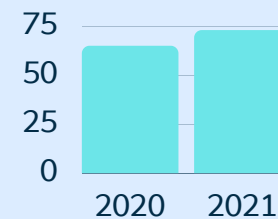
**% Recycled or Organic Fabric**



**% Natural Fiber Fabrics**



**% Fabric Sourced from Safe Dyeing Suppliers**

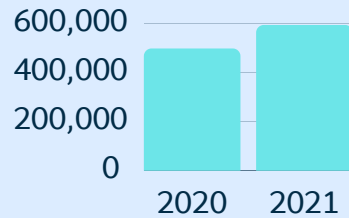




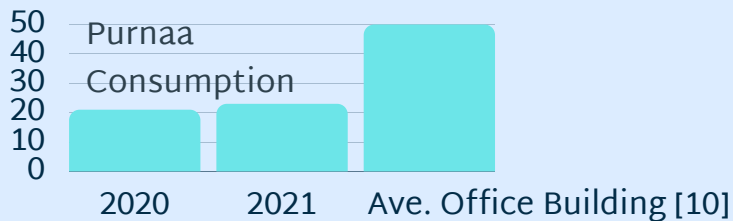
## Water Consumption

Purnaa's only direct water consumption is used for our kitchen, bathrooms, handwashing, and sample wash-testing.

**Liters of Water Consumed**



**Liters of Water per Employee at Purnaa vs Industry Average**



In 2020, Purnaa invested in a Dye Sublimation Printer, which saves an average of 3.96 liters of water per kg of fabric when compared to traditional dyeing [11]

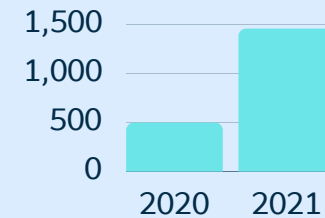


**Water Saved from Digital Printing vs Dyeing:**  
582 L

## Waste Control and Recycling

Purnaa sells all of its fabric scraps for use in making cushions and mattresses.

**Kgs Scrap Recycled**



Purnaa recycles all of its paper, plastic, and aluminum waste. Our recycling company provides a report of environmental benefits from our company's recycling. Our most recent recycling annual report gave the following statistics:



**Water Saved:**  
62,244 L



**KWH Saved:**  
9247



**Trees Saved:**  
38



**Oil Saved:**  
6803 L



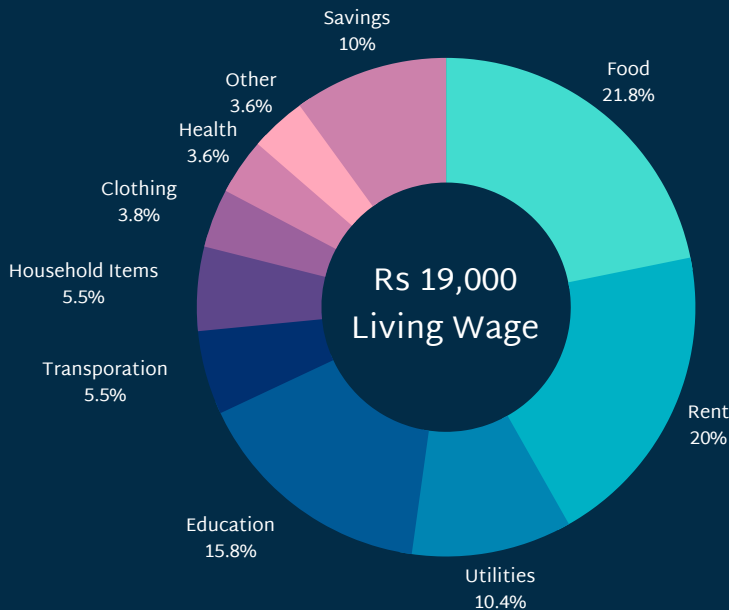
# Economic Situation

We are committed to paying a Living Wage to all of our staff, which is above and beyond current WFTO practice. Each year we go through a process using a WFTO calculation tool to determine a fair living wage in Nepal. We take into consideration Nepal's minimum wage, what our employees could make in other forms of employment, and also factor in other organizations' research regarding living wage.

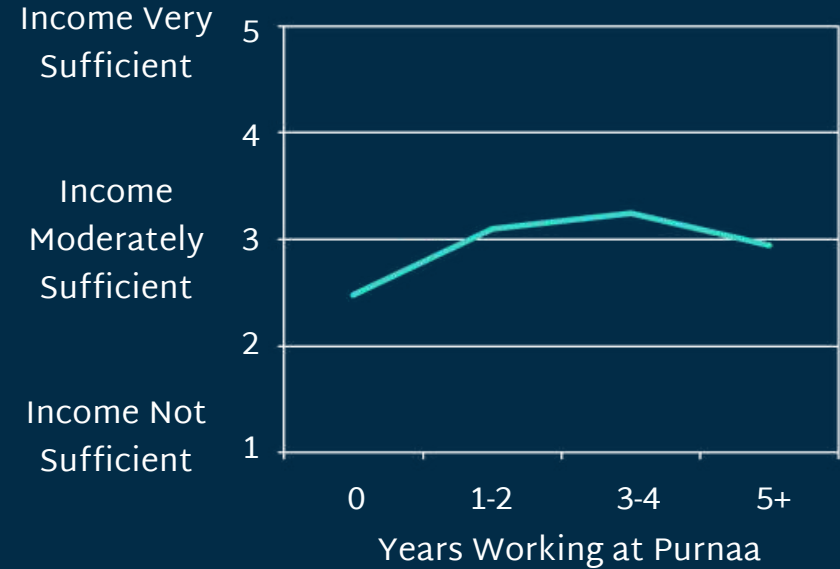
WFTO's calculator estimated that the living wage in Kathmandu would be around NPR 15,000 per month. However, through communication with our staff, we determined that Nrs. 19,000 would be considered a living wage. In 2021 Purnaa's lowest-paid employee earned Rs. 19,973 per month, which is higher than the official minimum wage of Rs. 18,140 and the WFTO estimation.

We are glad to see that when compared to "Before Purnaa", all staff feel their wages at Purnaa are better, but we are concerned about wage dissatisfaction with long-term staff and a decrease in the year-over-year response to "I have sufficient income to meet my personal needs." We address this concern in our areas for improvement section.

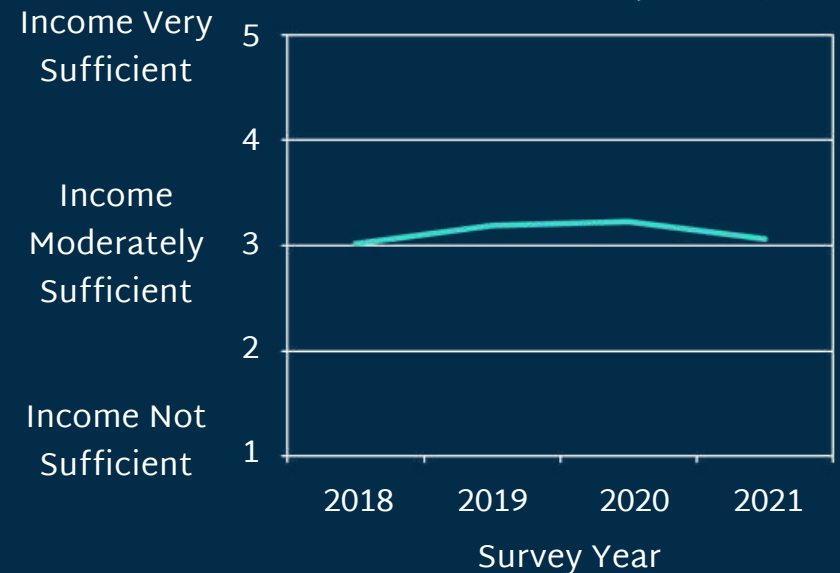
## Living Wage Cost Distribution



## "I Have Sufficient Income to Meet Personal Needs"

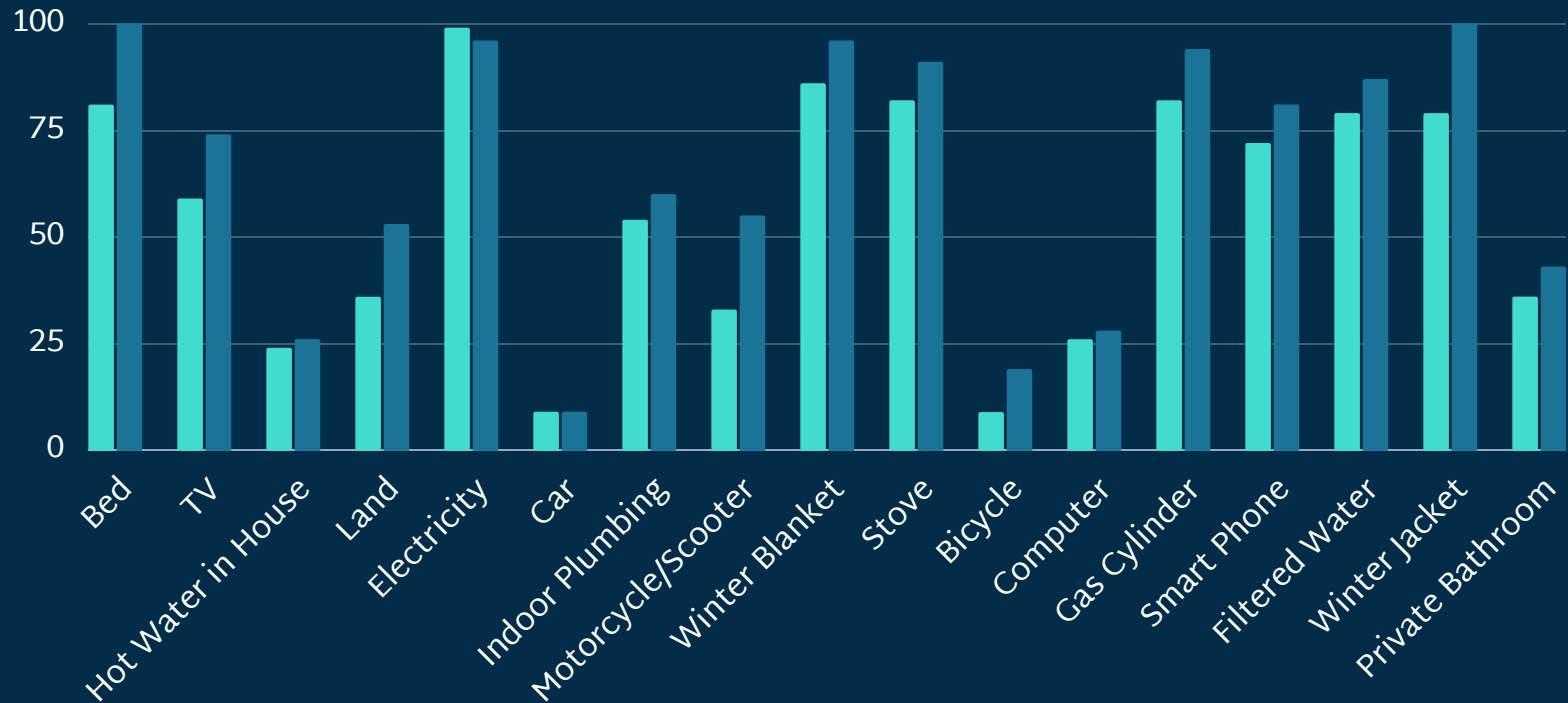


## "I Have Sufficient Income to Meet Personal Needs Yearly Average"



# Living Situations

% Ownership of Items Before and After  
Getting a Job at Purnaa



This chart demonstrates the difference a good job can make in the quality of living standards for employees and their families. We notice that there are some basic categories still not at 100%. This is because some staff still live in shelters or community homes and don't yet own those things, though they currently are able to use them. For example, to the best of our knowledge, everyone has access to a bed, a gas stove, and electricity.





**"What I like about Purnaa is that they provide health care allowance, school allowance, and adult education support." - Bishnu**



# Physical Health

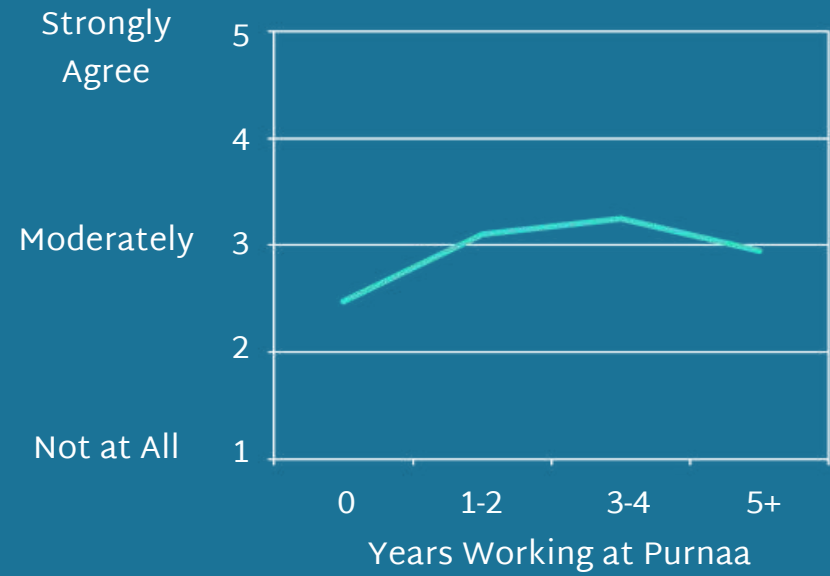
The wave of COVID cases that went through Nepal in May 2021 was severe. The death rate was significantly underreported. The cremation sites in Kathmandu were busier than the government could keep track of.[12] We are pleased that Purnaa's COVID safety protocols resulted in few cases through the serious Delta wave in 2021; however, many staff caught the more-contagious Omicron variant in January 2022.

We are pleased to see that even in the year of a pandemic, most staff reported feeling healthy and staff feel healthier than before working at Purnaa. However, we see a year-over-year decline in health responses, which is a longer trend than just the pandemic years, so we address it further in our improvement section.

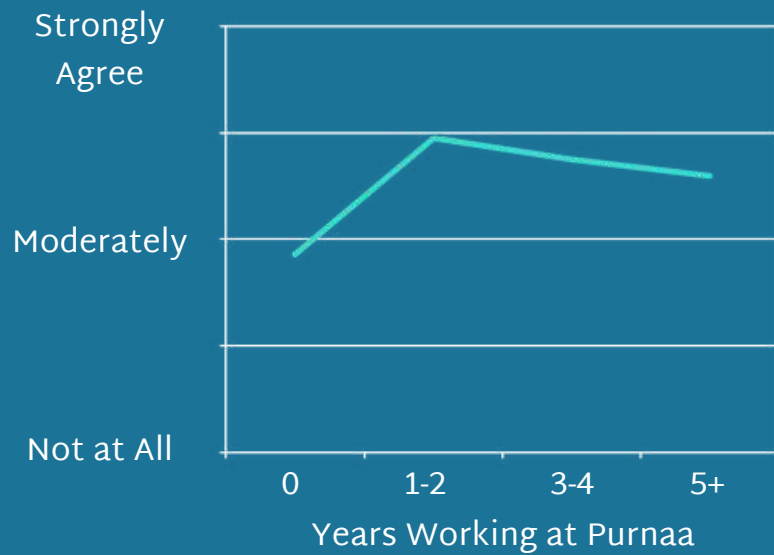
# Physical Health



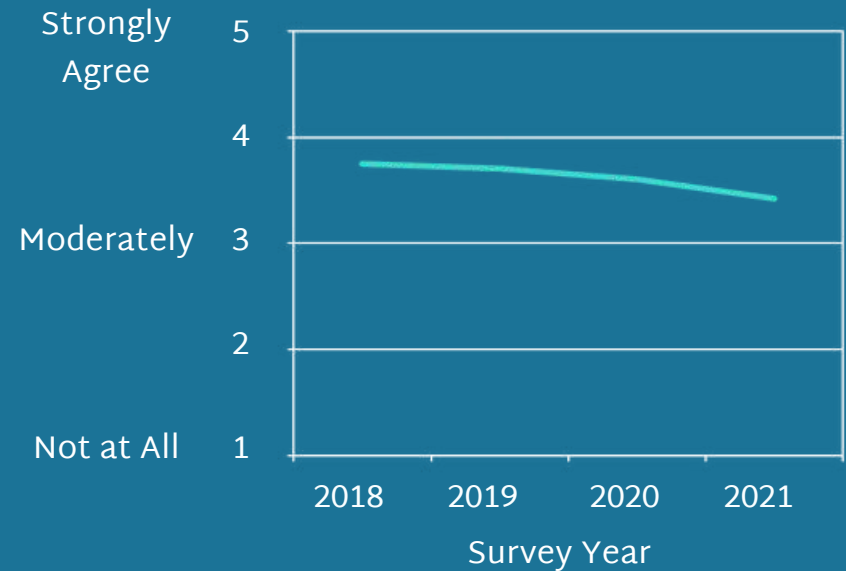
### Overall Employee Health



### Ease of Access to Medical Care



### Employee Overall Health Yearly Average







**"With the  
Company's  
benefits, I can  
now easily get  
access to health  
care." - Kalpana**



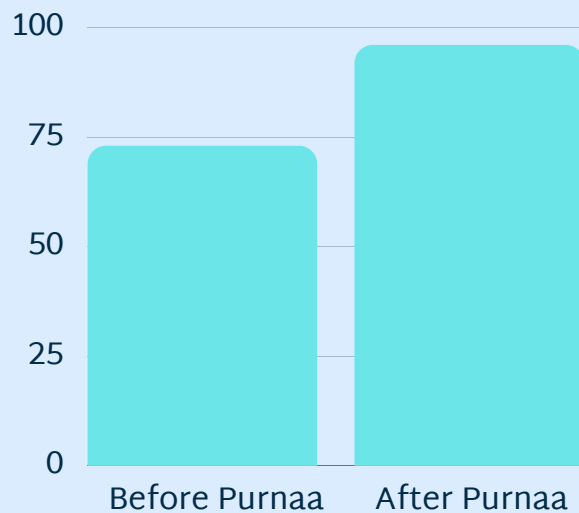


# Emotional Health

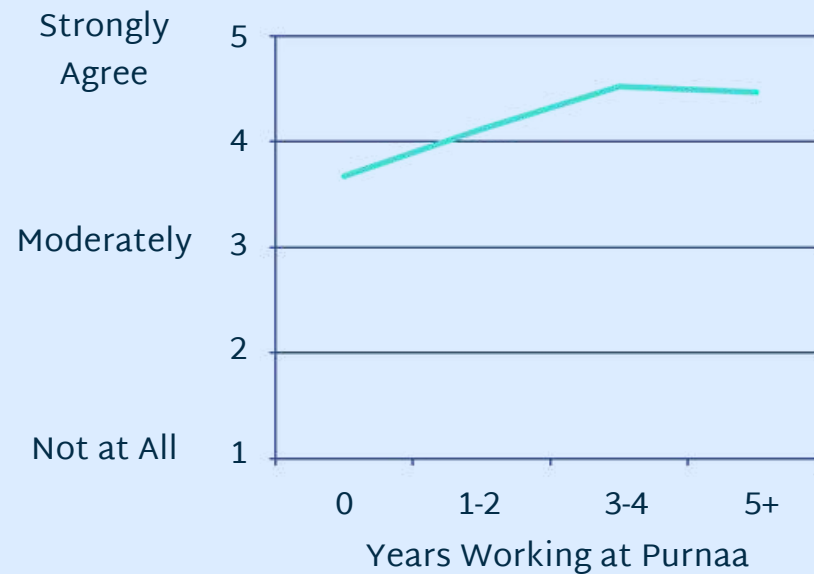
Compared to last year, we saw an overall increase in ratings in our emotional health questions, which we find surprising in a second stressful year of COVID-19 and with Nepal's deadly Delta wave of May 2021. The average response to all emotional health questions continues to show a trend of increasing with longer time spent at Purnaa. We also see a marked increase in hope for the future after getting a job at Purnaa.

"I feel proud to share where I work," continues to be a question in which we receive one of the highest overall ratings.

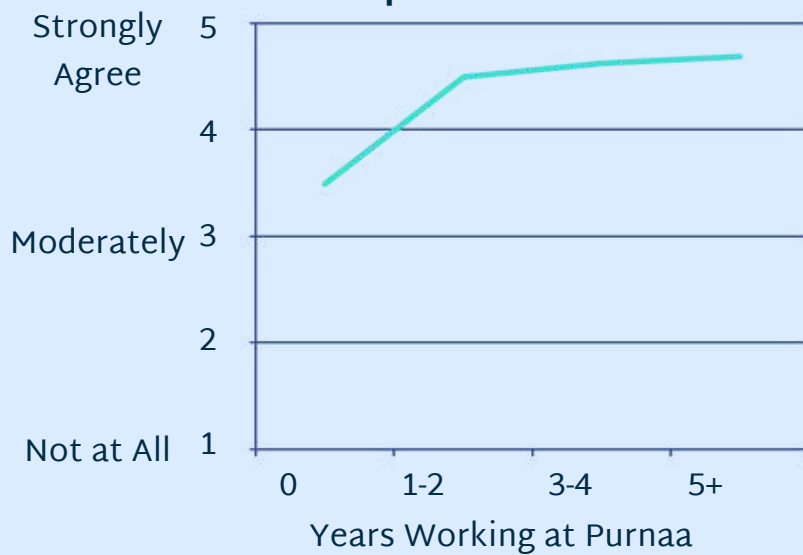
**% Positive Response to  
"I feel Hopeful For the Future"**



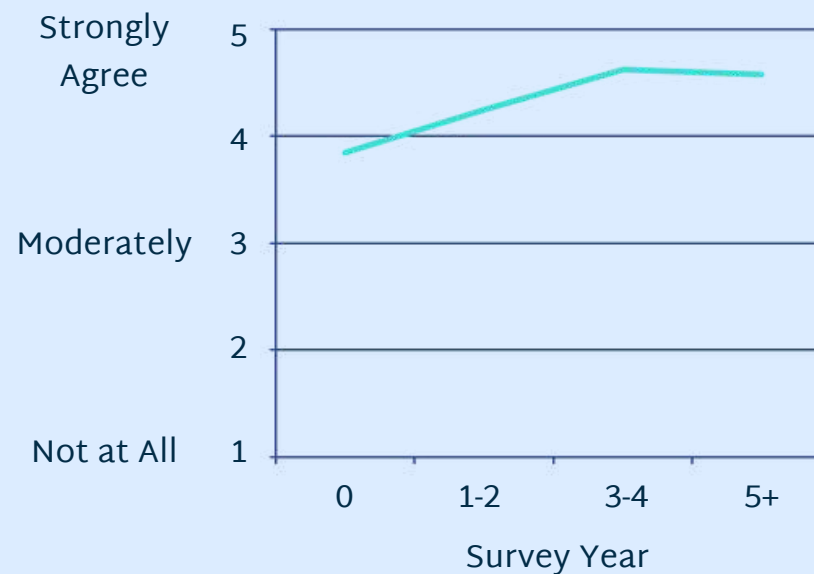
**Overall Emotional Health**



**"I Feel Proud to Tell  
People Where I Work"**



**"I Value Myself"**





**"After lots of depressing working environments, I had unknowingly become negative and sad. After I joined Purnaa, especially now, I have started becoming more active and have been doing everything possible to change my lifestyle and thoughts."  
- Abhishek**



# Relationships

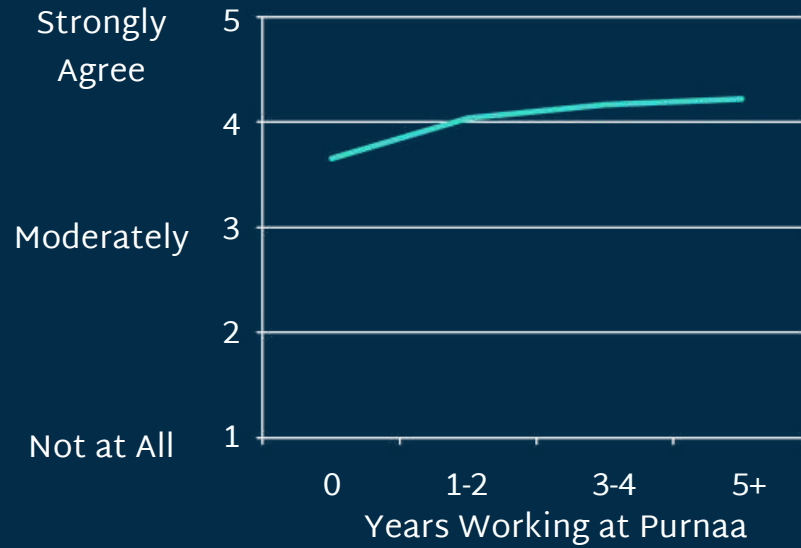
Many employees say that the community and acceptance that they experience at Purnaa are among the most meaningful benefits of working at our company. These strong and encouraging relationships that developed between staff at Purnaa are one of the impacts we are most pleased to see.

We are also delighted to see that people feel more accepted not just by their co-workers, but also by their communities outside of Purnaa. Many employees previously experienced discrimination. The respect they now receive from their neighbors ranks as something they are most happy about.

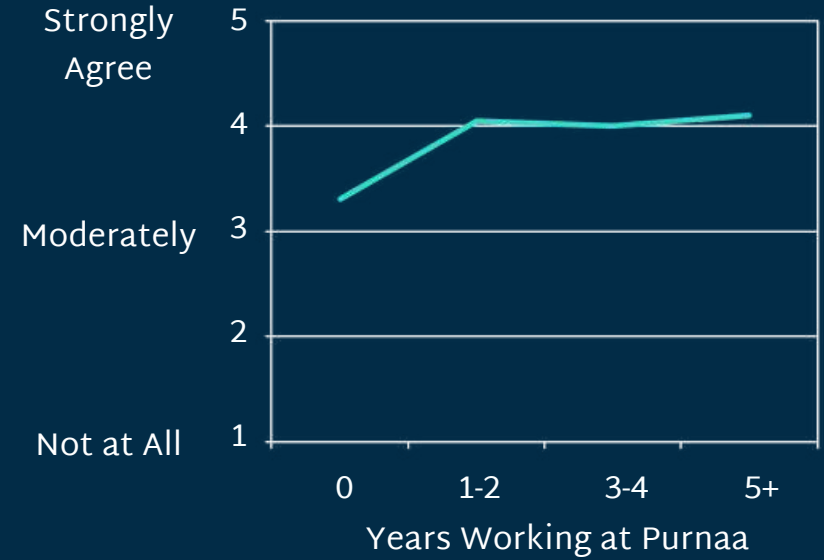


# Relationships

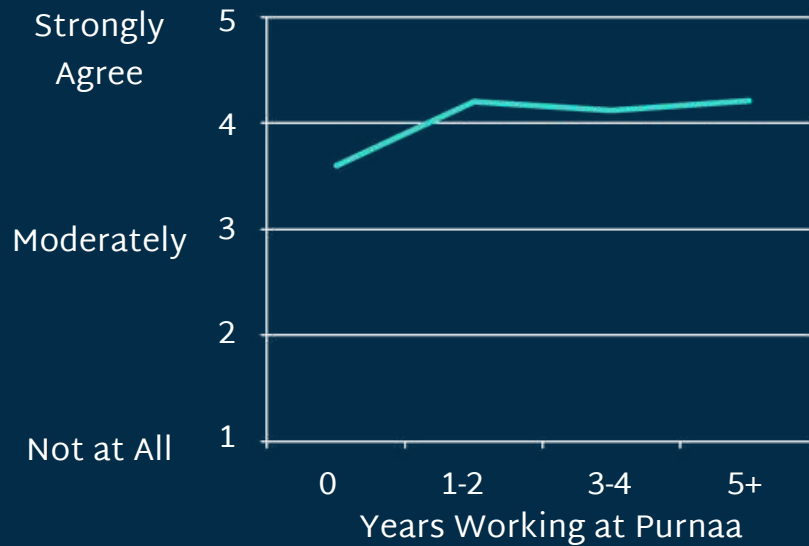
Overall Relationships Average Response



"I Feel Surrounded by People Who Care"



"I Feel Accepted by My Community"





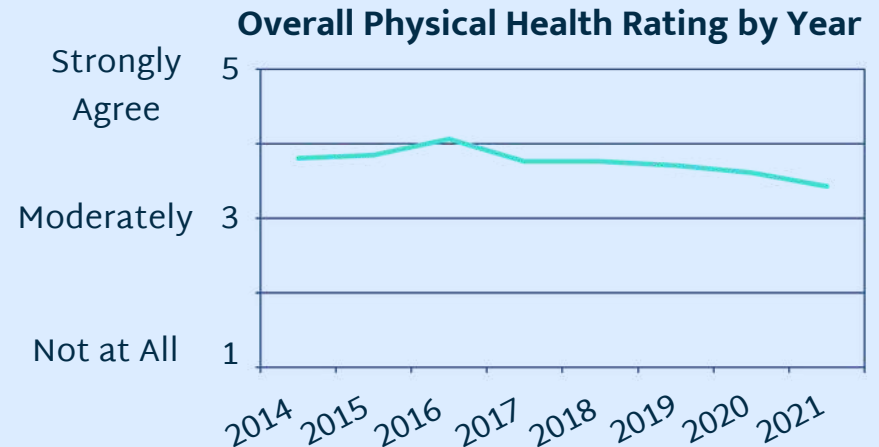
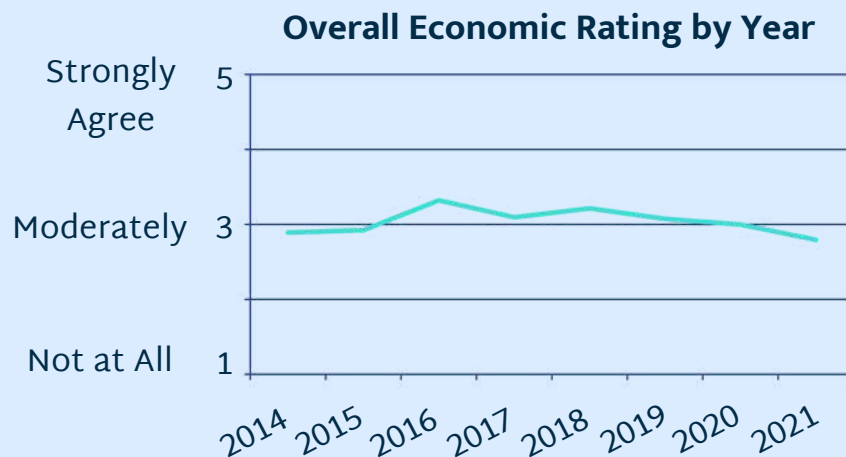


**"My work makes  
a huge difference  
to people's lives  
for the better." -  
Gayatri**

# Areas for Improvement - Economic and Health Ratings

This year we had the lowest overall economic rating since starting the survey and the first time that we see staff who have worked longer than 5 years on average dissatisfied with pay, giving an average rating below 3. We noticed many comments about high food inflation this year in Nepal and difficulty covering all family health care expenses. We also see a continued decline in the overall average health rating.

While some decline for older staff can be explained by expectations increasing as employees work with us longer, it is our desire to be an employer where staff feel they have a positive future for the long term. Unfortunately, cost pressure in the garment cut-and-sew business is intense and Purnaa's profits were below its targets in 2021. To raise salaries and provide more healthcare coverage for our staff, Purnaa will need to find ways to become more efficient in its manufacturing operations. Purnaa will make cost of living wage adjustments this year, but will also need to continue many efforts to increase productivity so that further wage increases and healthcare benefits can be possible.





# Looking Ahead

## Our Goals for 2022

- Start constructing our factory building
- Scale our new sublimated cap line
- Add new customers to add more jobs
- Continue to assist Nepali women trafficked to India to find freedom and return to Nepal where they can access counseling, medical care, life skills and job skills, as well as assistance getting a job

## How You Can Be Involved

- Send good manufacturing clients our way, brands that share a commitment to clean supply chains and empowering people through business.
- Become a Purnaa Empowerment Fund sponsor and help trafficked Nepali women journey home and find freedom, scholarship Purnaa employees and their children, and provide counseling and other needed social services. Contact us at [info@purnaa.com](mailto:info@purnaa.com) to find out how to give.



A group of young women in Nepal are celebrating with their arms raised in the air. They are wearing colorful traditional Nepalese clothing, including a red top and a green skirt. The background is a blurred outdoor setting.

# Notes

1. WHO Quality of Life Assessment. 2012.
2. "Migration and Remittances: Recent Developments and Outlook" Knomad, 2019.
3. Ghimere, Anita. "MIDEQ Nepal Brief." 2020.
4. "At least 500,000 migrant workers want to return home at the earliest, says report." Kathmandu Post. May 2020.
5. "Nepal takes a step forward against human trafficking." UN Office on Drugs and Crime.
6. Global Slavery Index, Nepal Country Data page.
7. "Kathmandu Valley breathes world's worst air once again." Republica. 2021.
8. "Kathmandu's sky is clear after months, air quality index docks at less than 35  $\mu\text{g}/\text{m}^3$ ." Republica. 2021.
9. "What's Wrong with the Fashion Industry." Sustain Your Style. 2017.
10. "Water Use in Your Business." South Staffs Water.
11. Shaikh. "Water Conservation in the Textile Industry." College of Textile Engineering, SFDAC. 2009.
12. "Feature: Nepal's cremation center works overtime to cope with more COVID-19 deaths." Xinhuanet. 2021.