



Executive Summary

Sustainability Report FY 2021



SHAHI
Exports Pvt. Ltd.

About Shahi Exports

Shahi was founded by the visionary Mrs. Sarla Ahuja in 1974 to create a source of income and sustenance for women through a small home-grown business. Beginning her journey as a sewing machine operator in a garment factory, she honed her entrepreneurial skills to turn her dream into a reality. Over 48 years, Shahi has now grown to employ a 115,000+ diverse and strong workforce across 50+ factories in nine states in India, working with the world's biggest brands. Today, Shahi is India's largest apparel manufacturer and exporter of ready-made garments.

About This Report

We proudly present our first Sustainability Report, aligned with the 'Global Reporting Initiative (GRI) Standards (Core)-2020.' Our intention is to share the company's sustainability performance through our vision, mission, goals, interventions, and programs across environmental, social, and governance (ESG) aspects with our valuable stakeholders.

The report covers all our operations, under direct operational control in India for the Financial Year 2021 i.e., 1st April 2021 to 31st March 2022.

Words from our Chairperson

“I am proud to be presenting to you Shahi's first Sustainability Report. For nearly five decades, right from when my mother started the company as a small home workshop, Shahi has put people and the planet at the forefront of business strategy. Sustainability has remained a key pillar of success over the years. In a fast-changing global environment, our “Responsible For” framework guides our actions in line with our values. Our key stakeholders, such as our customers, employees, business partners, suppliers, and civil society organizations, support us in achieving our goals.



Harish Ahuja,
Chairperson
and Managing Director,
Shahi Exports

A handwritten signature in black ink, consisting of stylized letters 'A' and 'S'.

Driving Sustainability at Shahi

Responsible for People



Empowered Workforce

Enhancing technical and soft skills of employees.



Employee Health and Well-being

Ensuring safety, creating awareness on, and tackling health issues.



Fair and Respectful Workplace

Upholding human rights through enabling policies and strong grievance management systems.



Corporate Social Responsibility

Driving impact in health, education, community, and environmental management.

Responsible for Planet



Energy & Emissions Management

Improving energy efficiency and adopting renewable energy to mitigate emissions.



Water Efficiency

Reducing dependence on freshwater through recycling and reducing water consumption.



Chemical and Material Stewardship

Aligning with global standards for zero discharge of hazardous chemicals.



Waste Towards Circularity

Managing our waste to reduce, reuse, recycle, and aiming to close the loop.

ESG Management



ESG Management has the highest levels of oversight from the Board of Directors and is driven by the Executive Committee (EC). The EC shares its guidance and oversight to initiate the right projects, strategies, and goals. Working closely with the EC and bringing vision to reality is a cross-departmental ESG Management team.

In line with the Companies Act 2013, we established a four-member Corporate Social Responsibility (CSR) Committee. As elaborated in our CSR policy, the committee develops and implements the CSR policy, programs, and initiatives, while evaluating their impact and creating a long-term strategy to scale up.

Recognitions in FY 2021

Gap Inc. P.A.C.E.
Advocacy Award

Giga-Guru Supplier
by Walmart for
setting SMART
climate goals for the
4th consecutive year

Highest Global
Exports Award
(Gold Trophy) by
Apparel Export
Promotion Council
(AEPC) every year
since 2008

India's first
woven apparel
and textiles
manufacturer to
produce Cradle to
Cradle Gold
Certified® products




Standards and Compliance

MATERIALS	 	 	
ENVIRONMENTAL MANAGEMENT	 		
COMPLIANCE	 	 	 



Responsible for Planet

Safeguarding the environment
by investing in resource
conservation, efficiency, and
innovation.

	 Metric	 Targets	 Progress (FY 2021)
Energy & Emissions ¹	<ul style="list-style-type: none">Renewable electricity²Carbon-neutral energy³	<ul style="list-style-type: none">100% by FY 202650% by FY 2026	<ul style="list-style-type: none">68%35%
Water ⁴	<ul style="list-style-type: none">Recycled water used in garment processing (factories)Recycled water used in textile processing (mills)	<ul style="list-style-type: none">85% by FY 202475% by FY 2024	<ul style="list-style-type: none">80%68%

Environmental Highlights (FY 2021)

400,000 MT of CO₂

Mitigated
Since 2018

84MW

Solar
Capacity

75.8 Higg vFEM Score

Against Global
Average of 55.8⁵

B- in CDP

Against Global
Average of C

26%

Sustainable Fabric

Used In
Garmenting

46%

Sustainable Yarns⁶

Used In
Mills




Partnerships





Responsible for People

Cultivating a holistic
growth-oriented environment
for all employees and the
communities we operate in.

	 Metric	 Targets (FY 2024)	 Progress (FY 2021)
Governance	<ul style="list-style-type: none"> Factories covered under SCLP⁷ Factories with Inache grievance redressal tool⁸ 	<ul style="list-style-type: none"> 100% 100% 	<ul style="list-style-type: none"> 80% 57%
Training & Development	<ul style="list-style-type: none"> Leaders trained in unconscious bias Female workers trained in GAP Inc. P.A.C.E.⁹ Supervisors trained in STITCH¹⁰ Leaders trained in PULSE¹¹ Employees trained in behavioral and soft skills 	<ul style="list-style-type: none"> 300 90,000 100% 500 3,850 	<ul style="list-style-type: none"> Start in FY 2023 74,000 41% 320 1,850
Skill Training for Community Women	<ul style="list-style-type: none"> Community women trained in soft skills and technical skills 	<ul style="list-style-type: none"> 65,000 	<ul style="list-style-type: none"> 44,000

Our People Highlights for FY 2021

46%
Females
In Factory
Supervisory Roles

35%
Customers
Accepting
SCLP

30+
Factories
Running
Inache⁸

80+
Centers
For
Skill Training

980,203
Hours Of
Training
Delivered





Our Corporate Social Responsibility (CSR) Targets for FY 2025

Enhancing Education

Provide access to STEM labs to
2,000 children

Environmental Management

Plant
21,000 trees
in Delhi NCR

Public Health

Extend maternal, menstrual, and reproductive health services to
42,000 women

Community Management

Support
10,000 migrant workers
through expanding our migration support center

Our CSR Highlights for FY 2021

1,600 Migrants

Reached Through Support Center

3,000 Beneficiaries

Received Covid Relief Packages

3,185 Beneficiaries

Through Peer Counselling

635 Beneficiaries

Through Menstrual Health Training

1,000 Trees

Planted

Glossary

- ¹ The baseline year for the energy target is FY 2018.
- ² Renewable electricity is a form of indirect energy derived from natural sources that are replenished at a higher rate than they are consumed.
- ³ Carbon-neutral energy incorporates direct and indirect energy with a net zero balance between emitting and absorbing carbon from the atmosphere.
- ⁴ The baseline year for the water targets is FY 2021.
- ⁵ 55.8 is the Global average of Higg FEM, as on November 2022.
- ⁶ Sustainable fiber and yarn comprise Better Cotton Initiative (BCI) Cotton, Organic Cotton, Canopy Viscose, Certified Sustainable Viscose, Ecovera, Liva Eco, Recycled Polyester, Tencel, and Hemp.
- ⁷ Social & Labor Convergence Program (SLCP) aims to reduce audit fatigue by adopting a standardized framework for assessing factories on social compliance topics.
- ⁸ Inache is a two-way communication platform where workers can anonymously call or send an SMS about their complaints, grievances, suggestions, or questions to factory staff for response and resolution within a stipulated time.
- ⁹ GAP Inc. P.A.C.E. is a soft skills training program for female workers to enhance their skills and support career advancement.
- ¹⁰ STITCH is a Leadership Program for supervisors to build their capacities as a person, supervisor, team member, and leader by improving their people management and operational skills.
- ¹¹ PULSE is an intensive and robust leadership development program for personal and interpersonal growth for all levels above supervisors.



**SCAN TO READ THE FULL
SUSTAINABILITY REPORT FOR FY 2021**