



SUDARA®

ANNUAL BENEFIT REPORT



2020

Certified



Corporation

**SUDARA'S MISSION IS TO
ERADICATE THE WORLD'S
FASTEST GROWING CRIME,
HUMAN TRAFFICKING.**

Sudara is a hybrid nonprofit organization and certified B Corp that offers a beautiful line of pajamas and loungewear crafted by brave women in India who are survivors or at risk of sex slavery.

Each year, millions of women and children are trafficked into sexual exploitation around the world, with India claiming the most victims. The majority of women become enslaved in one of three ways: they were trafficked, born into it, or impoverished and forced to repay never-ending debts through bonded servitude.

Our operations and partner-based ecosystem focus on the United Nations' Sustainable Development Goals (SDGs) - specifically goals 1, 4, 5, 8, and 10 - fueling a virtuous supply chain with a mission to eradicate sex slavery. We reinvest revenue generated from sales in training programs and sustainable, dignified employment opportunities for more women to avoid or escape the sex trade.

We train more than 1,200 women per year across 11 vocations with a 90% job placement rate with our mission-aligned partners. It is our experience that jobs, not handouts, create systemic multi-generational change and elevate entire communities.



EMPOWERING WOMEN



sustainable employment

micro-loan programs

job placement services

community support

education

children's education

skills training

childcare

MEALS AND TRANSPORTATION

COUNSELING

MEDICAL CARE

SAFE HOUSING

REHABILITATION AND WELLNESS SERVICES

YEAR IN REVIEW



In 2020, we aimed to deepen how we measured and understood the connections between sustainable living wages and financial independence that encompass purpose and dignity.

We interview the women we support to ensure our program effectively achieves our mission - to create pathways to independence and freedom. To prepare, we use our theory of change to strategize and determine additional areas of evaluation that needed further review, which empowered us to strengthen our framework and align our indicators with the UN SDGs and global metrics.

Amidst the COVID-19 global pandemic and UN SDGs in retrograde, Sudara's metrics remained stable and, in some cases, exceeded 2019. We kept our mission intact and supported the women we serve through a trying year.

In addition, with our partner on the ground in India, we identified the needs of citizens vulnerable to the pandemic and raised funds for masks and sanitizer distribution in Indian communities.

7,572

Number of women leading self-sufficient, safer, and more productive lives since our inception

1,200

Number of women who completed training for a new vocation last year

11

Number of vocational programs for skills training

90%

Job placement rate after graduation

FOUR AREAS OF IMPACT

Each field contains a set of metrics and indicators that directly or indirectly align with standardized tools.

#1 Financial Independence

Focused on empowerment and financial independence, 86% reported financial independence as they could meet their personal and childrens' needs such as food, clothing, and housing. In alignment with SDG 5 (Gender Equity) and SDG 8 (Decent Work for All), participants noted they obtained better housing, support for themselves, and support for their children through education. The education data point is critical as it gives children a pathway out of trafficking and leads to a sense of hope for a brighter future.

"I am able to support my family."

"I am able to take care of myself."

"My children are able to go to school."

"I am able to pay my debt faster."

82%

reported that they were able to make payments toward their debt



#2 Confidence & Dignity

The confidence and dignity metric included a strong tie to autonomy and a sense of trust. Participants shared that their confidence increased because they felt valued and listened to by their employers. Being valued increases the feeling of dignity, confidence, and self-worth. Participants reported feeling heard, comfortable sharing their ideas with others, and that their opinions matter.

"I can share my opinion."

"They allow me to try new things."

"I haven't felt differentiated against."

"They treat us equally."

100%

reported feeling valued
and listened to



#3 Community & Support

Participants reported that the support and sense of community they receive give them peace of mind. Support and a sense of community create a positive and healthy work environment and an increase in mental wellness. 95.5% were happy with their relationship with their family and participation in family decisions. Participants say they receive support and acknowledgment from their family once they become financially independent and can support their family, which leads to confidence, self-worth, and dignity.

"They care for me."

"They provide a lot of training."

"Always encourage me to do better."

"I am more respected at home."

100%

received support they needed and were surrounded by people who care about them





#4 Increased Mental Well-Being and Hope

All the participants felt an increased sense of purpose and hope by being employed. Participants shared that they were more confident for a better personal future and the future of their children. Confidence in their future leads to the understanding that there is a connection between financial security/independence and mental wellness. Based on the participants' responses, financial security leads to increased confidence and empowerment, creating hope for a brighter, better future and mental health.

"I am in a better position financially."

"I am more confident of my future."

"I can handle any difficulties."

"I am confident to try new patterns."

100%

increased sense of
purpose and hope

MODEL FOR SUCCESS



B Corp + Nonprofit: a hybrid that works

As a Benefit Corporation and certified B Corp, our revenue fuels our mission. B Corps meet the highest verified social and environmental performance standards, public transparency, and legal accountability. They aspire to use the power of markets to solve social and environmental problems.

We believe in empowering women, not in handouts. Our nonprofit entity, Sudara Freedom Fund, raises funds to support holistic wellness services for women and children recovering from or avoiding sex slavery. Meeting these foundational human needs sets women up for success as they enter their skills and vocational training.



Sudara is supported through purchases and/or donations



Profits from the sales of Sudara goods provide training for more women



Sudara provides wellness services, and choice of training program and job opportunities for women in India to be freed from sex slavery



Women who choose tailoring have the option for employment in our partner sewing centers in India

SUSTAINABLE DEVELOPMENT GOALS

The United Nations (UN) Sustainable Development Goals (SDGs) were adopted in 2015 as a universal call to action to end poverty, protect the planet, and ensure that all people enjoy peace and prosperity by 2030.

The UN estimates that about \$6 trillion per year is required to address all 17 SDGs adequately. That amount far exceeds what traditional sources such as government aid and private philanthropy can accomplish alone. It takes all of us.

For 16 years, Sudara has been on the frontlines of impact businesses that do good for the world. Although unique in its "first dollar" living-wage commitment and profit/nonprofit hybrid model, Sudara supports those on the margins to live their best lives on their terms through enterprise and self-sustainability.

We support the women we serve through opportunity, education, and community. When women rise, they elevate their communities. At Sudara, we believe that the SDGs are everyone's responsibility, and women are leading the way.



Sudara aligns directly with 5 of the 17 UN SDGs.



SDG 1 endeavors to end poverty in all its forms everywhere by 2030. According to the UN, 700 million people, or 10% of the world population, still live in extreme poverty who struggle to fulfill even basic needs. An additional 150 million fell into extreme poverty from the global COVID-19 pandemic in 2020, and hundreds of thousands of Indian citizens have lost their lives. The COVID-19 pandemic set the SDG 1 goal for 2030 back, but we can still strive to make the goal a reality if we rebuild our economy more equitably.

Since 2005, Sudara has lifted 7,000+ women out of sexual slavery and the risks posed by poverty to find dignified and self-sustaining employment with our partner centers. Our mission continued through the pandemic and succeeded in maintaining our numbers throughout 2020.



SDG 4 endeavors to ensure inclusive and quality education for all and promote lifelong learning. One goal aims to eliminate gender disparities in education and ensure equal access to all education and vocational training levels for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.

In collaboration with our partners in India, Sudara elevates the most marginalized women in the most impoverished communities. In 2020, with the support of our Sudara Family of incredible donors, customers, and dedicated partners, we brought hope in a challenging year. Our mission remained focused on the women we serve, and we supported the completion of a new school to scale our impact and educate more women and their families.



SDG 5 endeavors to end all forms of discrimination against all women and girls everywhere.

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous, and sustainable world and many women experience further marginalization through gender-based violence and enslavement. One specific goal is to eliminate all forms of violence against all women and girls in public and private spheres, including trafficking and sexual and other types of exploitation.

At Sudara, gender equity is at the core of who we are and why we do what we do. When a woman is not free anywhere in the world, women everywhere are not free. With thousands of women freed from the dangers of human trafficking and life in the sex trade, we stand with the UN in creating pathways to freedom for more women in 2021 and beyond.

8 DECENT WORK AND ECONOMIC GROWTH



SDG 8 endeavors to promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all. It takes immediate and effective measures to eradicate forced labor, end modern slavery, end human trafficking, and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms.

At Sudara, we promote a life free of slavery and oppression. We illuminate pathways to freedom for the women in our partner centers and create opportunities to provide for their families through dignified work. They create a life of their choosing that ends poverty and the risk of human trafficking for generations to come.

10 REDUCED INEQUALITIES



SDG 10 endeavors to reduce inequalities globally. Target 10.2 attempts to empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status by 2030. However, according to the UN, by mid-2020, the number of people who had fled their countries as refugees due to war, conflict, persecution, human rights violations, and events had grown to 24 million, the highest absolute number on record.

With the addition of Covid-19 and the global recession, women and children suffered disproportionately, setting gender inclusion in the global economy back exponentially.

With gender equity at Sudara's core, we promote social inclusion and reduce inequality by providing women access to the global economy.

Together with our partners in India, we continue to promote lives of freedom, opportunity, and dignity, which contributes to systemic, economic, and social change.



AUTHORITY LEADERSHIP



In 2020, Sudara emerged as an authority leader to shed light on Social Enterprises and B Corps, who use business as a force for good.

Founder and CEO, Shannon Keith, entered the new year with speaking and interview engagements to challenge the business community to do better. Tommy Hilfiger acknowledged Sudara as the Audience Favorite at the Fashion Frontier Challenge. Recognition for Sudara continued throughout 2020 with news articles, collaborations, and a new advisory board to guide Sudara toward diversified goals for our business platform and a stronger voice to engage the new economy in 2021.

Sudara anticipates a booming economy in 2021 and beyond. We continue to elevate the merits and benefits of doing business with Social Enterprises, Impact Businesses, and B Corps, who put people and the planet on par with profit. We step into 2021 with a clear focus on engaging new customers and donors, collaborating with new partners, and acting to change business for the better.

OVERCOMING OBSTACLES

Sudara started 2020 energized with a new plan to diversify our business. We learned some lessons from 2019 and were at the end of negotiations with our first significant distributor deal when COVID hit. Everything came to a halt, so we needed to pivot.

We shifted back to what we knew best, direct sales to our Sudara Family. With people forced to work from home, comfort was wanted and needed.

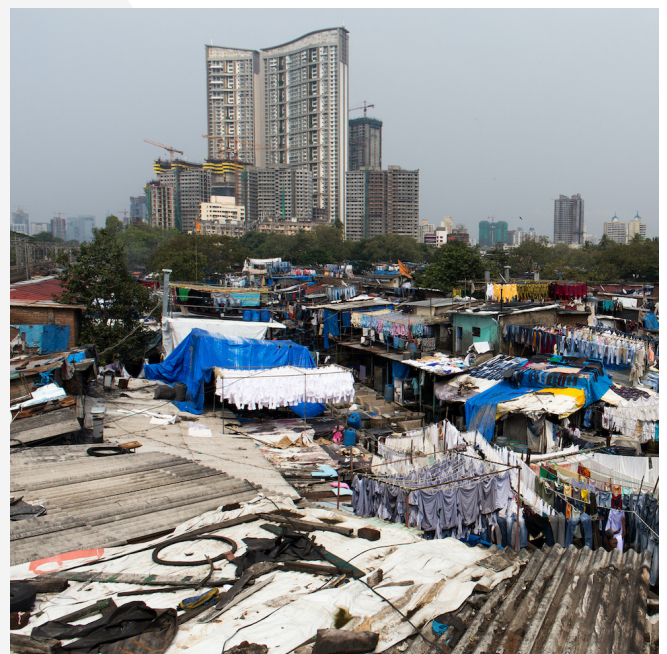
We shifted energies to partnerships with other impact brands using business as a force for good to satisfy our consumer demand. We ignited eight new partnerships, and our Sudara Family leaned in to support our new alliances.

Our engagement strategy moved to an open-hearted honesty regarding the challenges we faced with shipping, importing goods, and the products we could offer. Again, our Sudara Family rose to the challenge and engaged with their actions and words of support.

COVID 19 hit our partners in India hard. The sewing centers in India had to temporarily close down, which limited our supply of inventory to fulfill new orders.

Our Sudara Family relationships, though, proved to be unshakable. They understood the challenges we faced and were accommodating during a challenging time. We doubled down on our engagement strategy and told the harrowing stories on the ground.

Our customers purchased items and donated to support our mission. They were delighted to be part of the solution. Some customers waited over four months for their shipments. In the end, our Sudara Family stood by our mission and the women we serve. Crisis reveals character, and our Sudara Family exposed the depth of their commitment to our mission.



CONCLUSION

At the beginning of 2020, Sudara flew to Amsterdam to collaborate with Tommy Hilfiger mentors to prepare their pitch and compete in The Tommy Hilfiger Fashion Frontier Challenge that pursues “fashion as a force for good.” This concept speaks directly to our brand purpose and mission. Sudara received the “Audience Favorite,” deepening our mission’s purpose to resonate with our partners and customers committed to making a difference in the fashion industry. The year was off to a great start.

Shut down in India:

Just a month later, the world shut down as the acceleration of COVID-19 raced around the globe. Our sewing centers were closed, and the women we serve were in dire need of support. The global pandemic wreaked havoc in all corners of the world, and Sudara acted quickly to adjust business strategies, create selling opportunities, and move all products from India to Oregon.

Disproportionate impact on women and children:

When a crisis hits, the marginalized are disproportionately affected in all areas. At the time of the COVID-19 shutdowns in March 2020, our partners on the ground immediately went into action. The first and hardest hit population were the migrant workers. In the immediate shutdown, migrant workers had to travel back to their homes in the far reaches of India and abroad. They set out on foot to journey back to their villages with little more than the shirts on their backs. Our partners met their immediate needs with masks, hand-sanitizer, and food packets to survive this arduous journey.

Humanitarian crisis of food and shelter scarcity:

Our partners distributed nearly 12,000 food packets and supplies to migrants and their families. The women we serve in the immediate community received food packets and financial support until our education facilities and sewing centers could open. The generosity of our donors and customers kept the families we serve fed and safe through the shutdown.

Until our sewing partners could get back to work, Sudara pivoted to local collaborations and sold the product we could ship from India before the shutdown. Our lean, committed team got creative and kept the women we serve employed and the company financially sound.





Your support creates freedom,
opportunity, dignity, and systemic change
for women and children.

~Thank you