

JIVANAS

Social Impact Report

2019



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INTRODUCTION

Message from the Founders

Traveling to Nepal in 2016, we discovered the beauty of the landscape and culture, but also the heartache of widespread poverty and exploitation. Compelled to act, we moved to Kathmandu to begin the seemingly impossible task of making a difference.

Two years and a fully-operational factory later, we have employed dozens of locals and have witnessed a cluster of new businesses emerge. We are proud to be fostering positive change, one sandal at a time. Alone we can't change the world, but we are encouraged by the improvements we have seen in our short time in Nepal.

To our customers, friends, and Jivanas family: Thank you. This report is only a snapshot of your impact and the progress that has been made. We look forward to celebrating future successes together.

-Michelle and Chester Zygmunt
November 2019

IMPACT HIGHLIGHTS

1

year of manufacturing operations

7,200

meals served

100%

natural materials used

39

locals employed and trained

486,500

bottles of drinking water saved

100%

access to medical care

34

new businesses started in surrounding area

zero

material waste

100%

children of employees enrolled in school

BRAND VALUES

ETHICAL
EMPLOYMENT



ENVIRONMENTAL
RESPONSIBILITY



FINANCIAL
SUSTAINABILITY





ETHICAL EMPLOYMENT

Vertical Integration

Unlike most brands, we wholly-own and operate our factory. This enables us to ensure safe working conditions and fair treatment of our employees. We also personally visit each supplier to guarantee that everyone in our supply stream is treated ethically.

Empowering Wages

Rather than pay hourly or per piece, our artisans are salaried at an empowering wage—a sustainable income that goes beyond surviving from hand to mouth. This allows our workers to not just pay their bills, but to afford schooling for their children, to shop, to save, and to enjoy leisure.

Meaningful Benefits

Other employee benefits include health insurance, medical reimbursements, retirement fund contributions, daily meals, paid time-off, and profit-sharing.





ENVIRONMENTAL RESPONSIBILITY

Minimal Footprint

Sustainability to us means not only financial, but ecological sustainability. Minimizing our impact on the planet is a priority: our sandals are 100% biodegradable and leave a minimal ecological footprint.

Premium Materials

Jivas sandals are made only from veg-tan leather produced with tree bark and leaves. We reject the use of chromium-tanned leather or plastics that poison workers and pollute our waters. The use of veg-tan leather also saves tens of thousands of gallons of water every year.

Zero Waste

All Jivas adhesives, dyes, and conditioners are made entirely with plant-based and compostable materials. There is no waste, and any excess material is also biodegradable.



FINANCIAL SUSTAINABILITY

Self-Sustaining

Most families and small businesses in Nepal rely on unsustainable funding from foreign remittances. As a self-sustaining business, Jivas enables the community to not only profit, but to continue to grow, providing lasting change.

Strengthened Economy

Nepali people are in dire need of employment and the creation of stable, long-term jobs is part of a durable solution. Jivas serves as an example for other businesses of how to bolster the economy and raise the standard of living.

Ripple Effect

New businesses are emerging and actively growing around the Jivas factory. Jivas workers have increased their consumer spending, in turn benefiting these businesses and contributing to the local economy.





SUPPLIERS

Leather *Il Ponte, Tuscany, Italy*

Certified by the Genuine Italian Vegetable-Tanned Leather Consortium, our leather is breathable, durable, and eco-friendly. Made from food industry by-product, no animal is ever killed for its skin.

Adhesive *Intercom, Tuscany, Italy*

Sustainably-harvested from rubber trees, our latex and water-based adhesives are odorless and non-toxic.

Dye *Fenice, Veneto, Italy*

Produced especially for vegetable-tanned leather, our dye is water-based and low in volatile organic compounds.

Conditioner *Kathmandu, Nepal*

Made in-house from a proprietary blend of locally-sourced plant-based ingredients including coconut oil, beeswax, and castor oil.

PROCESS

1. CUT

Patterns are traced onto the leather, and the soles, arches, and uppers are cut by hand.

2. STAMP

Insoles and outsoles are stamped with the Jivanas logo and insoles are punched.

3. DYE

Water-based dye is brushed onto insole and upper and then allowed to dry.

4. SEW

Uppers are hand-sewn and then adhered to the insole.

Process (continued)

5. ASSEMBLE

Natural latex adhesive is applied and the insole and outsole are assembled.

6. SAND

Edges are smoothed with a knife and finished on a sanding wheel.

7. CONDITION

Coconut oil and beeswax are massaged into the leather.

8. BUFF

Soles are buffed using a soft polishing wheel.

COMMUNITY IMPACT

Factory Build

Starting with a small rice paddy, we got to work building our factory from the ground up. Within a year the facility was complete. The first floor includes a spacious industrial workspace, a large material warehouse, and a separate inventory storeroom. The entrance features a showroom and large conference area, and a second floor provides office space for 14 people.

Local Support

From brick, to sheet metal, to wood, every component of our factory was locally sourced or made from reclaimed materials from the Kathmandu Valley. Over 25 local Nepali workers were employed to help with the build, and several were later hired as full-time employees when sandal production began.





Creating Life

New Growth

Since our factory rose from the dusty fields, there has been an unprecedented influx of businesses in the surrounding area. Over 30 small businesses, from metal fabrication shops to grocery stands, as well as 44 new residential spaces, have sprung up around the factory. The village continues to grow.



Local Testimony

“We have seen a lot of change in this community. Before, there were only rice paddies here. Now the number of homes and businesses is growing. Our community is more prosperous now.”

-Srijana Maharjan, employee

EMPLOYEES



35

Average Age



57

People Supported



8

Average Years of
Education



Employee Benefits



Savings Plans

30% of salary is contributed to savings: 10% from the employee and 20% matched by Jivanas.



Daily Meals

Freshly-cooked lunch is served in our canteen daily, plus two breaks for tea and snacks.



Profit-Sharing

A portion of yearly profit is shared among all employees.



Medical & Accident Insurance

100% coverage provided to all employees.



Family Medical Reimbursement

Provided to employees and every member of their household.



Health & Sanitation Class

Hygiene, hand-washing, and sanitation is taught to create a healthy work environment.



Meet the Maker

Juna Tamang

of Dependents: 3

Family: husband, 7-year-old son, and 4-year-old daughter

% of Children Attending School: 100%

Previous Occupation: coffee sorter

Big Changes

“Before I worked at Jivanas, I worried about medical bills. Now, I can meet my family’s needs, I have leadership skills, more free time, and more ability to spend.”

Value and Reputation

“With a steady income I can help others. I value myself more, and I feel more secure and confident. My relatives and friends look up to me because I support my family. They respect me as a provider and aid to the community.”

METHODOLOGY

Measuring Quality of Life

After our first full year of manufacturing operations, we conducted a social impact survey to measure the influence of Jivanas on our employees and their families. Based on the World Health Organization's quality of life survey (WHOQOL), we designed a 40-question survey to measure the change in quality of life in five key categories. Each employee was interviewed individually, in a confidential space that allowed for honest answers.

ECONOMIC



HEALTH



ENVIRONMENTAL



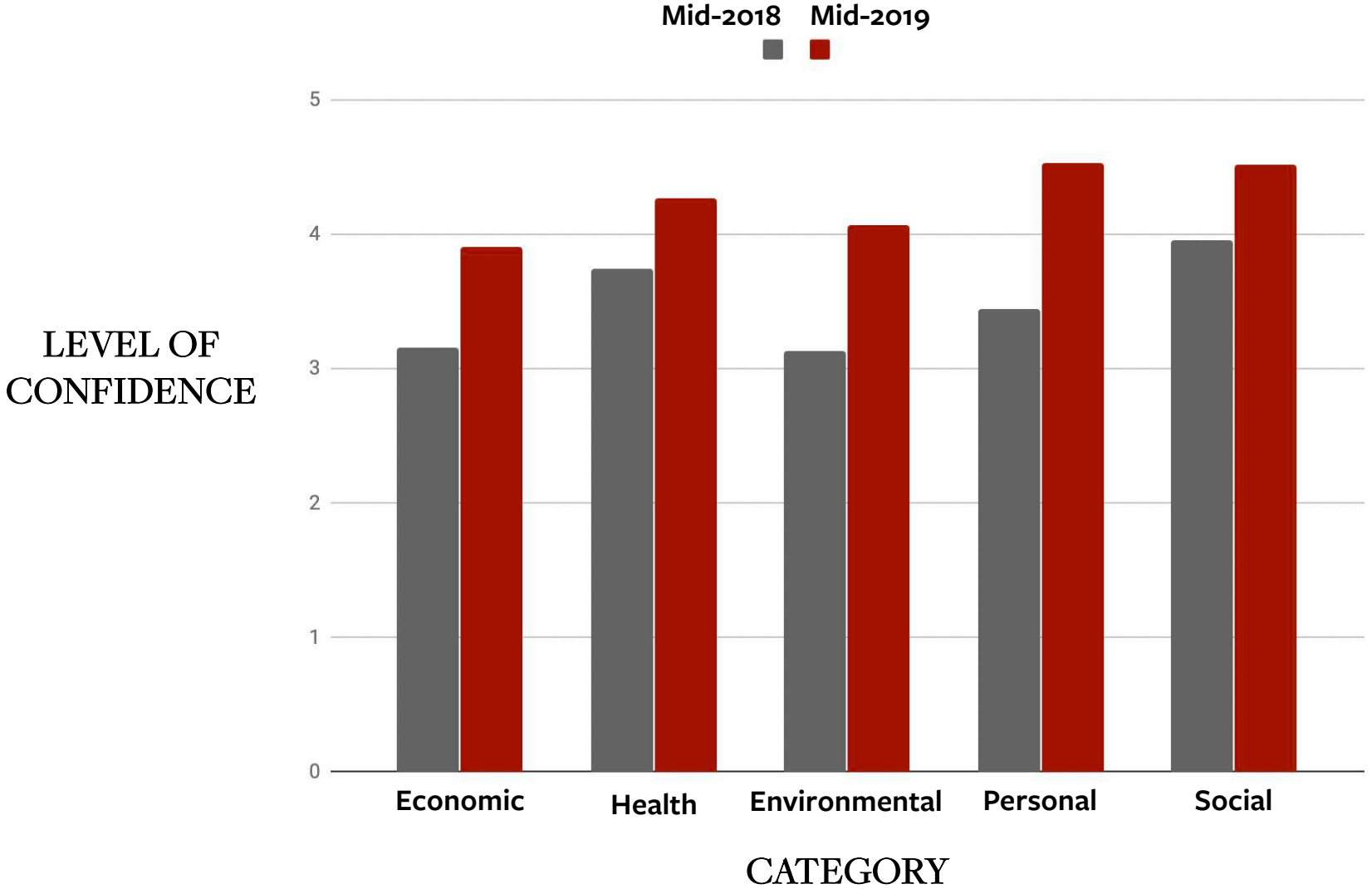
PERSONAL



SOCIAL



RESULTS





HIRA Finishing

“I am supporting 7 people with my income and I am the primary source of income for my family. I am more than satisfied with my ability to support other people. I am supporting my sick parents with the help of Jivanas.”

\$

ECONOMIC

35%

Increase in Economic Confidence

48%

Increase in Ability to Care for Family

38%

Increase in Ability to Pay-Off Debt



HEALTH

20%

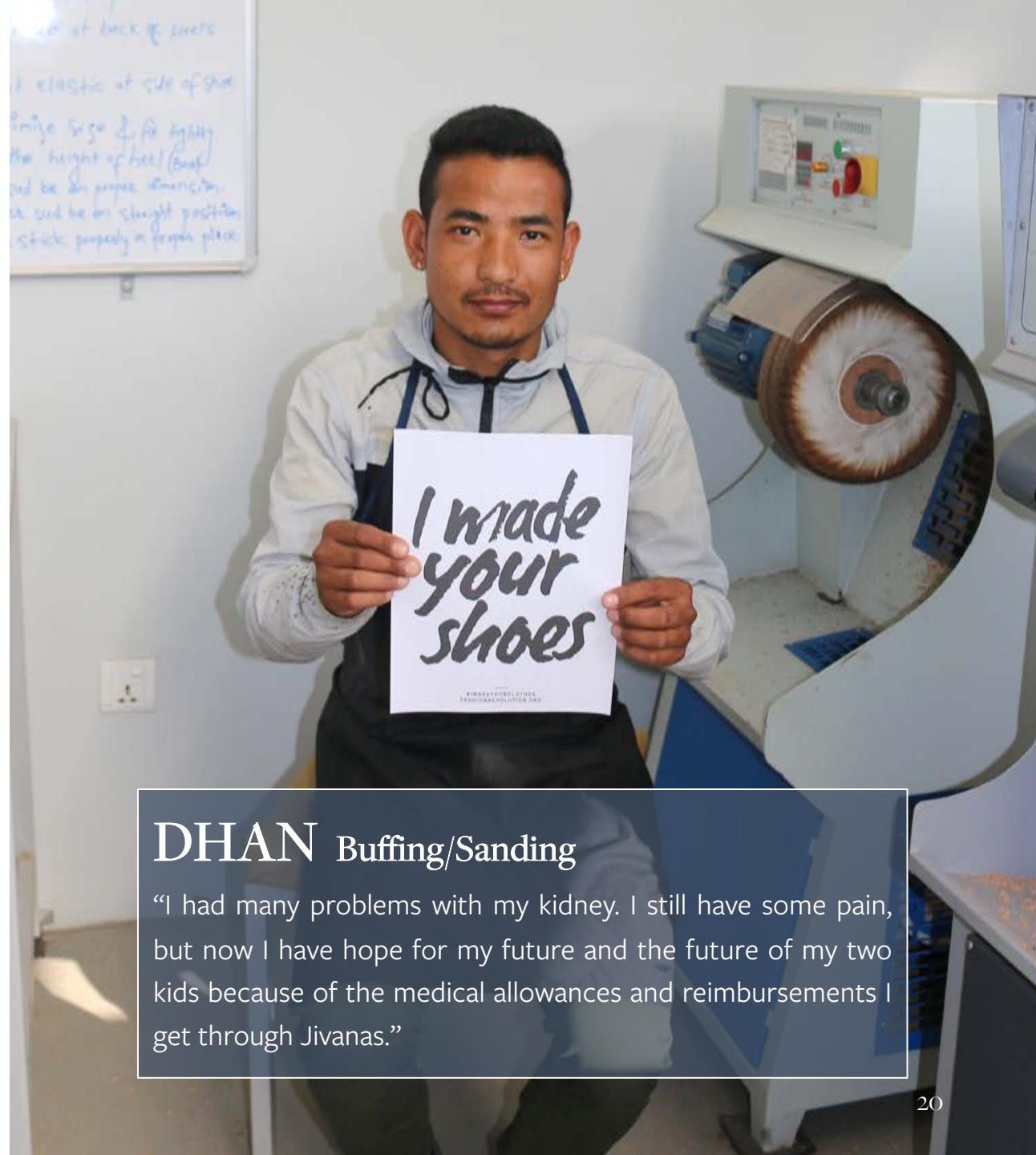
Improvement in
Overall Health

40%

Increase in Access to
Medical Care

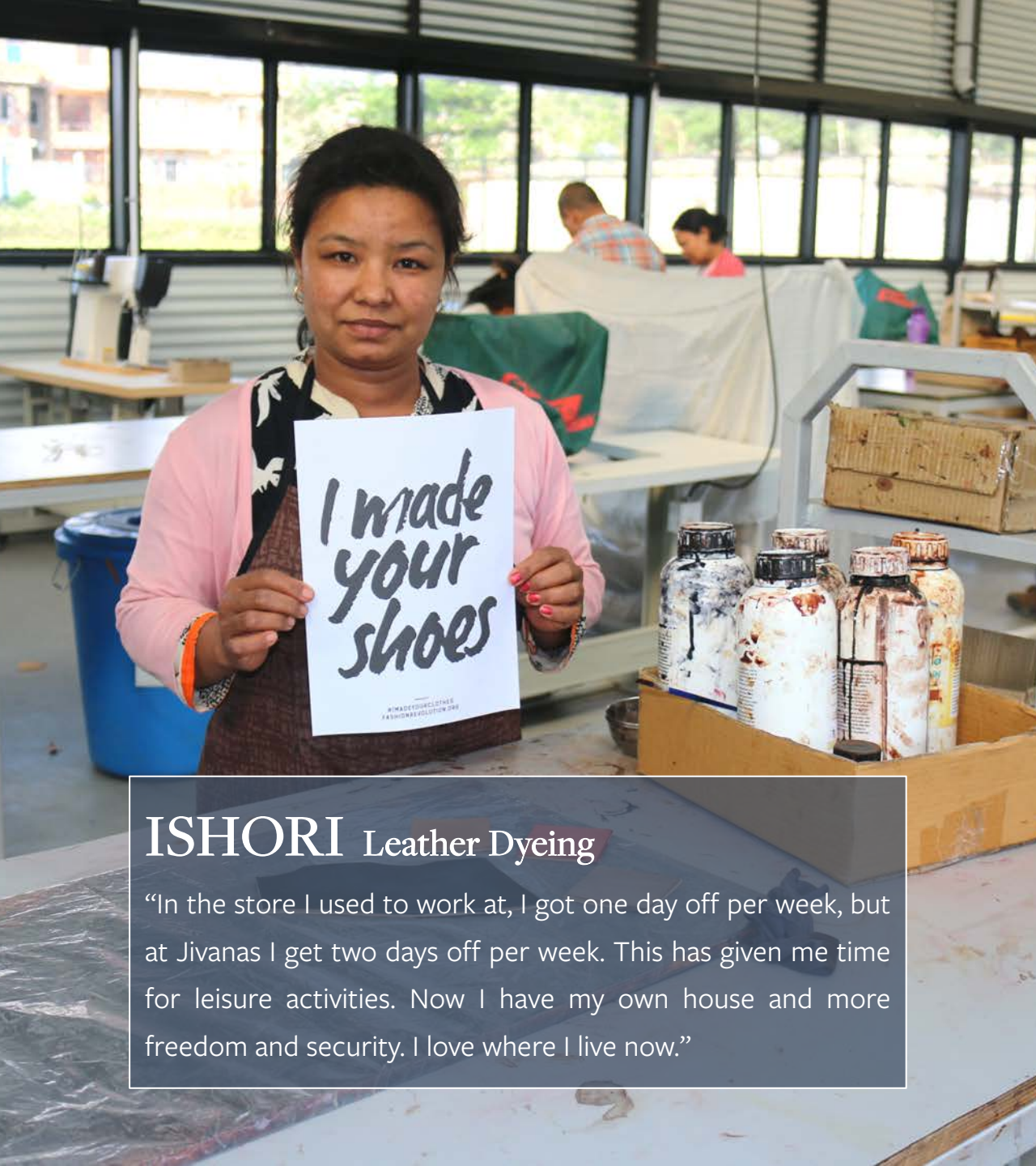
29%

Increase in Ability
to Focus



DHAN Buffing/Sanding

“I had many problems with my kidney. I still have some pain, but now I have hope for my future and the future of my two kids because of the medical allowances and reimbursements I get through Jivas.”



ISHORI Leather Dyeing

“In the store I used to work at, I got one day off per week, but at Jivanas I get two days off per week. This has given me time for leisure activities. Now I have my own house and more freedom and security. I love where I live now.”



ENVIRONMENTAL

38%

Increase in Leisure Time

40%

Increase in Sense of Safety

26%

Improvement in Living Situation



PERSONAL

34%

Increase in Pride
of Work

31%

More Hope for
the Future

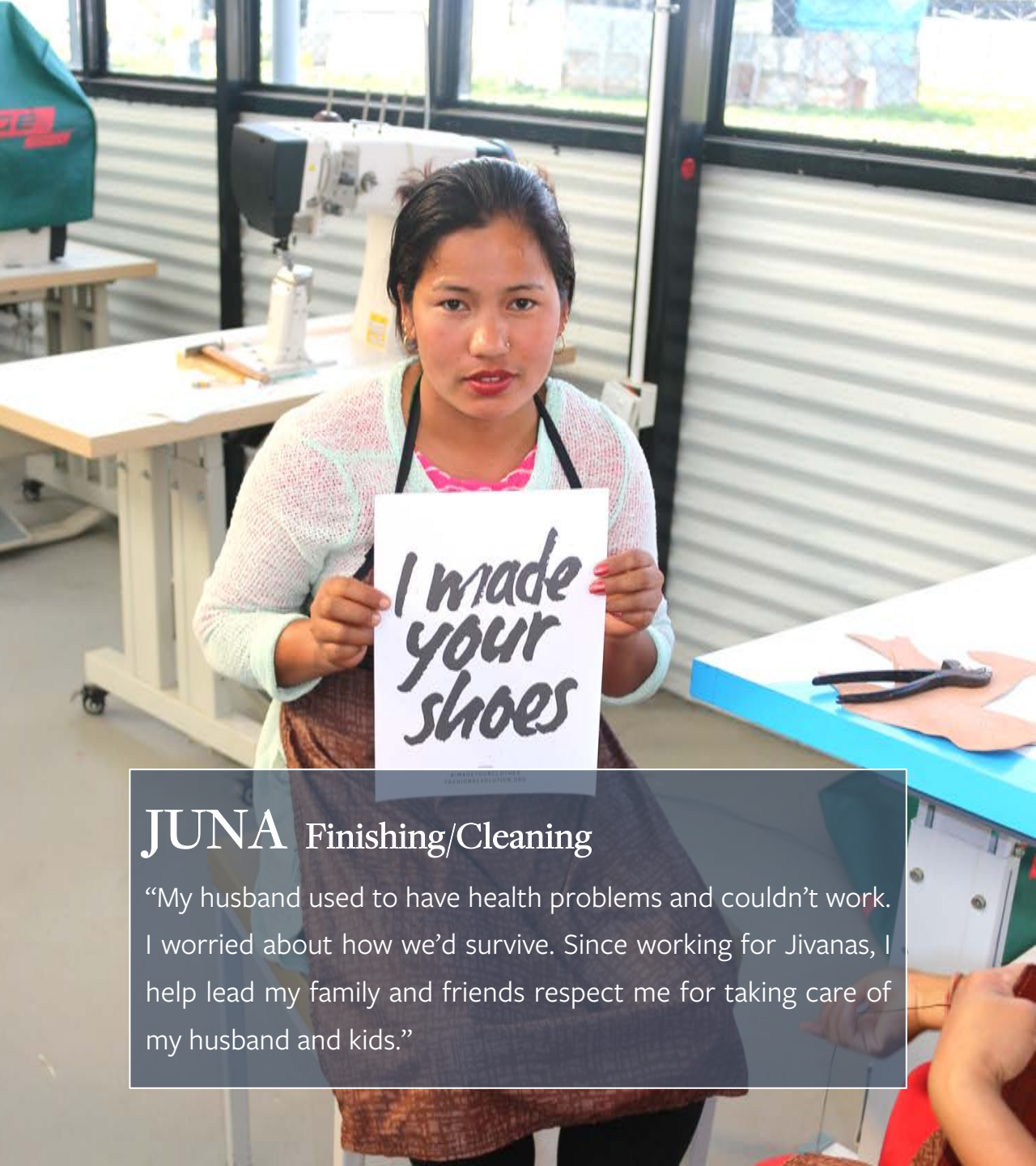
30%

Increase in Self
Worth



HASINA Quality Control

“Before Jivanas, I took a break from work for two years to care for my children. Now I can work again because Jivanas is near my house. This saves me time and gas while giving me the opportunity to earn more and contribute to my family.”



JUNA Finishing/Cleaning

“My husband used to have health problems and couldn’t work. I worried about how we’d survive. Since working for Jivanas, I help lead my family and friends respect me for taking care of my husband and kids.”



SOCIAL

15%

Increase in
Community
Acceptance

20%

Increase in Feeling
Cared-for

12%

More Involved in
Family Decisions

Thank You for Making a Difference



J I V A N A S

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