

Alliance for Water Stewardship Assessment Report

as per AWS Standard Version 2.0

For

US Denim Mills (Pvt.) Ltd

3 Km Defense Raiwind Road – Lahore Pakistan

Prepared by: TÜV Rheinland Arabia LLC (Pakistan Branch)

Cert. Number: AWS-000183

Version: AWS 2.0

Date: 09 - 10 March, 2020

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1. Client and Certification Details

Client Name:	US Denim Mills (Pvt.) Limited
Audit location:	3 Km Defence Raiwind Road – Lahore Pakistan
Country:	Pakistan
Activities/Processes:	Manufacturing of Denim Fabrics
Contact person:	Mr. Hafiz Muhammad Azeem
Contact email:	muhammad.azeem@usdenimills.com
Company website:	https://usgroup.org
AWS Reference Number:	AWS-000183
Type of audit:	Certification Audit
Audit date(s):	09 - 10 March, 2020
Audit Standard:	V2.0 Core
Proposed date of next audit:	March, 2021
Audit Team:	Mr. Rashid Mansoor (Lead Auditor) Mr. Ian Jiang (Remote Witness Auditor from China) Mr. Akhlaq Hussain (Local Auditor) Ms. Syeda Zainab Abbas (Local Auditor / Expert)
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2. Executive Summary

The scope of service covers the conformity assessment of water management and usage for US Denim Mills (Pvt.) Limited. The assessment was completed in compliance with the AWS Standard Version 2.0 dated on 10th March 2020.

US Denim Mills was founded in 2007. It is a privately held company and is a part of the US Group. US Denim specializes in the manufacture of denim fabric. The whole facility occupied about 121374 square meters its coordinates are 31°24'02.7"N and 74°12'02.5"E, and has about 1665 employees. The annual production capacity is about 3.2 million meter fabric. It located at the 3KM off defence raiwind road, Lahore - Pakistan. The main production process are Ball Warping, Rope Dyeing, Rebeaming, Sizing, Weaving, Finishing, Inspection, Packing and Dispatch. Around the site are some factories, residential area, educational institute and Government Dept. like Water and Sewage Authority etc.

Raw water and soft water supply through pipe lines and waste water drain used underground which connected with effluent treatment plant and rain water drain line separately functional. Treated waste water directly discharge into Hudyara Drain and Rain & Domestic water line discharge into municipal drain line which goes in municipal septic collection tank then it finally discharge into the Hudyara drain.

The primary and ultimate water source is groundwater and for extraction, 03 turbines found installed at the site.

Facility taken catchment of 3.5 kilometer radius with the consultation of WWF Pakistan and PCRWR (Pakistan Council for Research in Water Resources) and in accordance with Modflow analysis.

Findings summary:

- Total: # 07
- Major non-conformities # Nil
- Minor non-conformities # 06
- Observation #01

Client's response:

During audit facility management gave fully access of onsite visit, document review and stakeholder interviews. We found that management of US Denim Mills (Pvt.) Limited very open during the whole AWS 2.0 audit assessment process.

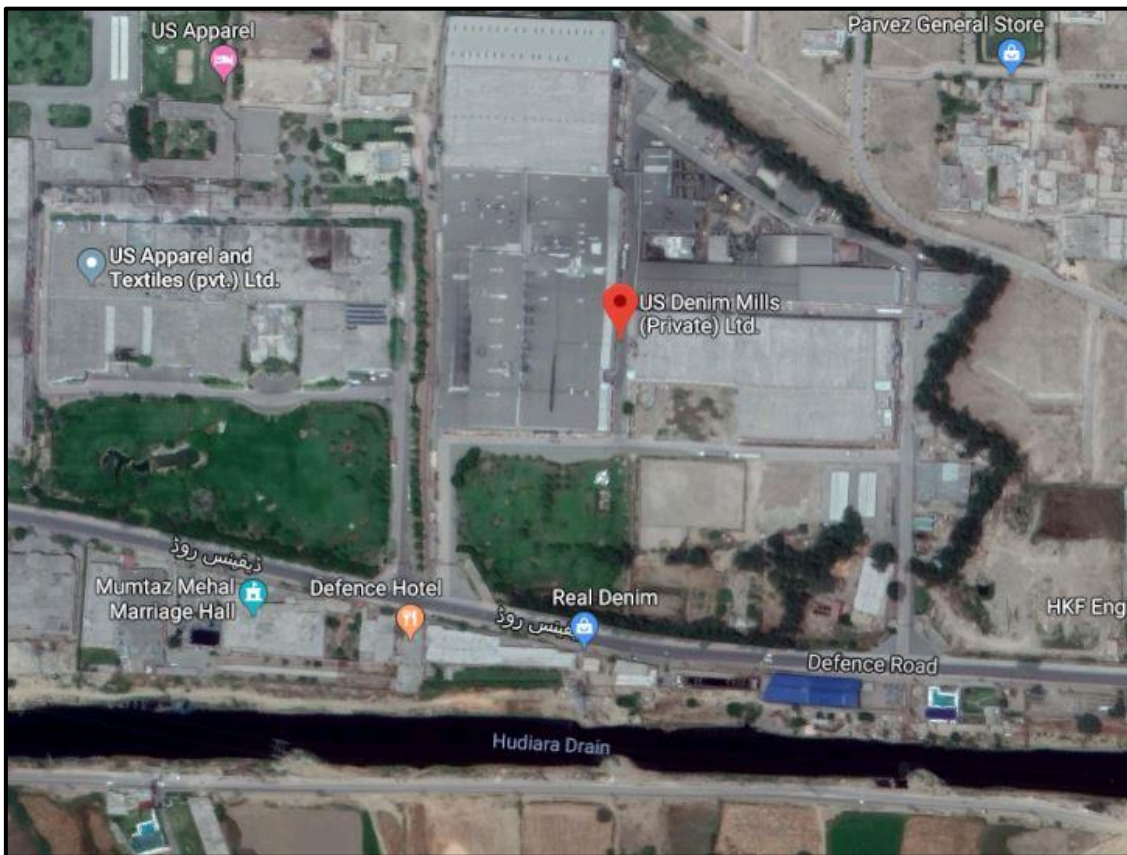
Certification level: Core

After thorough evaluation of the non-conformance and observations, in compliance with the AWS Certification Requirement V2.0 TÜV Rheinland auditor team would recommend to reward US Denim Mills (Pvt.) Limited AWS Core Certified status. Surveillance audit should be conducted on an annual basis.

3. Scope of Assessment

Client factories main products	Manufacturing of denim fabrics
Client factories production processes	Ball Warming, Rope Dyeing, Rebeaming, Sizing, Weaving, Finishing, Inspection, Packing and Dispatch
Assessment preparations activities include:	Factory site visit, Document review, stakeholder comments collecting
Assessment on-site activities includes:	Document review, onsite inspection, management interview, employee interview, stakeholder interview
Assessment follow-up activities includes (in any):	Non-conformities desktop review

Picture 1: Aerial View of US Denim Mills

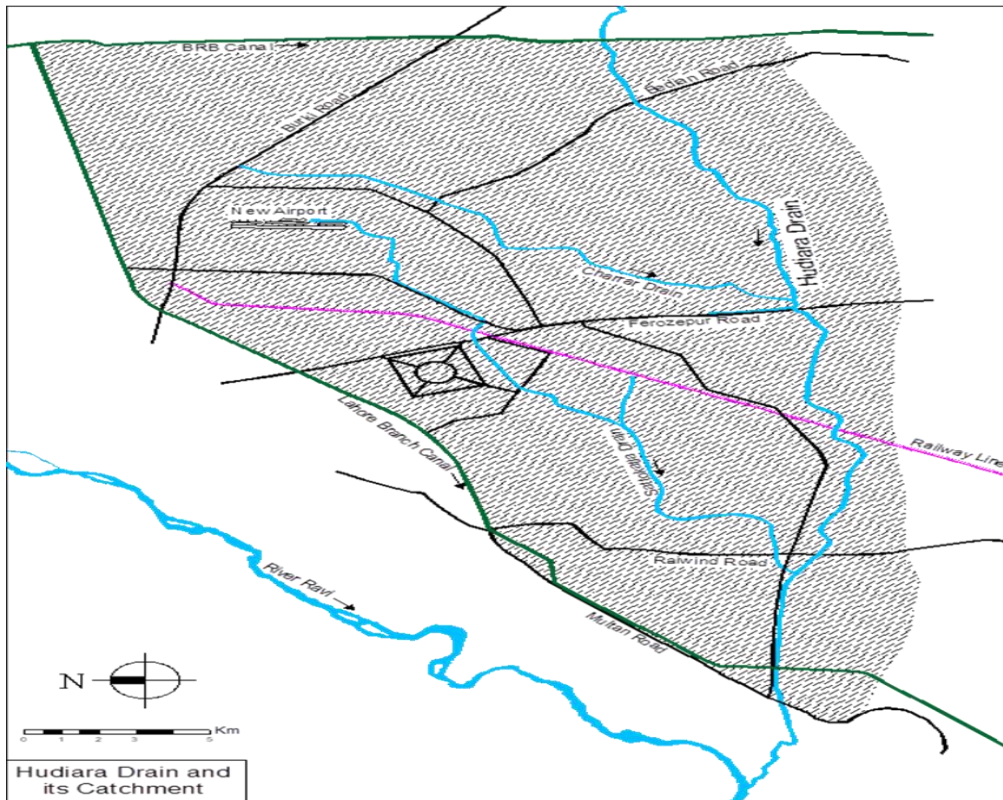


US Denim Mills discharges treated effluent water into the Hudiyara drain which is adjacent to the facility. The receiving body of Hudiyara drain is River Ravi.

Picture: US Denim Layout



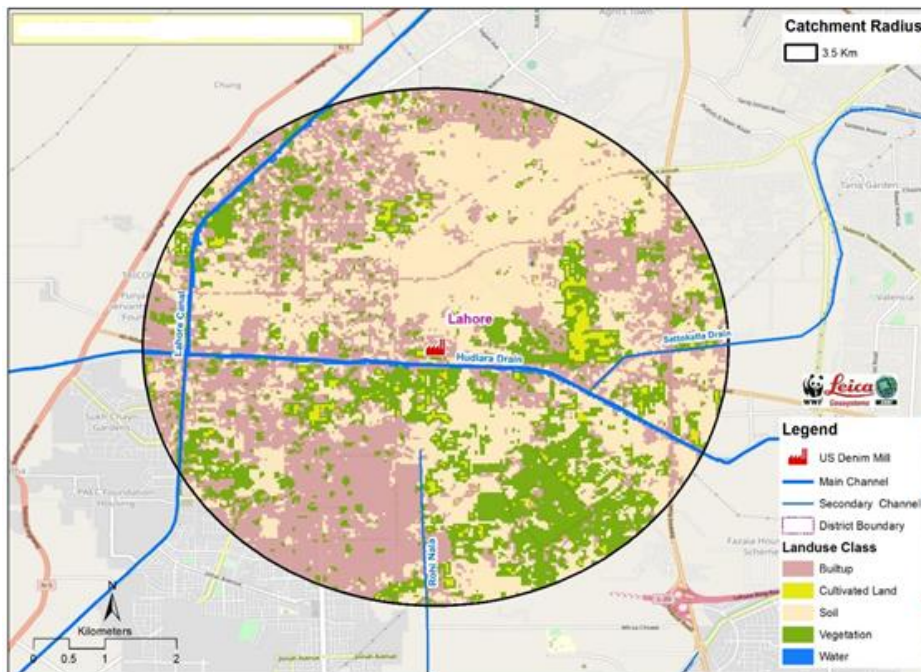
Picture: Trajectory of Hudiyara Drain



4. Description of the Catchment

US Group [US Denim Mill (Pvt) Limited] used only ground water, the catchment is taken as the distance covered in a circle of radius of 3.5 km from the site. The total distance covered in this catchment is 38.465 sq. km. The major water bodies identified in this catchment are the following:

- a. Hudyara Drain
- b. Rohi Nala
- c. Lahore Canal
- d. Sattukatla Drain



Picture of catchment

Picture: Waste Water Treatment Plant:

Aeration Tank Waste water treatment



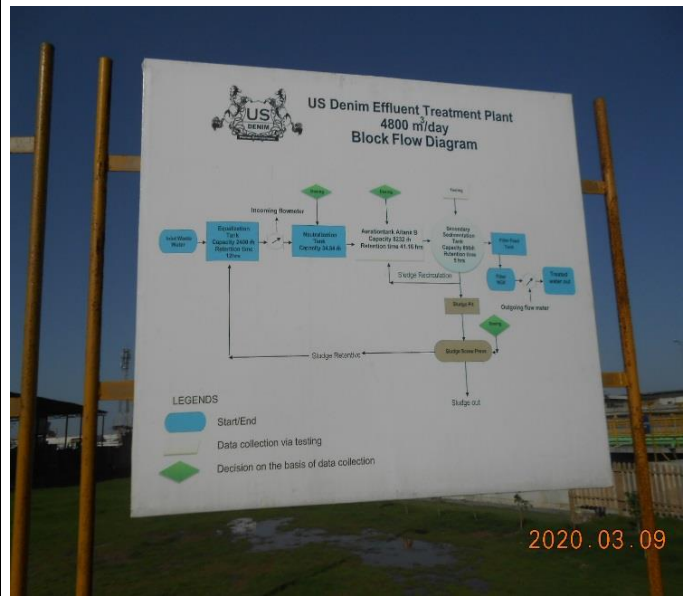
Out flow meter of waste water treatment plant



Waste water outflow in Hudyara Municipal drain



Process flow ETP



5. Summary of Stakeholder Meeting

During audit stakeholder meeting were conducted with the local resident communities, factory (Monnoo Group – Textile factory), Hospital (Indus Hospital), Local Government Agency (Water and Sewage Authority), factory management and workers as well. During meeting they confirmed the US Group [US Denim Mill (Pvt) Limited] water related engagement effort and initiative towards shared water challenges.

Stakeholder Name	Stakeholder type / related to	Water-related challenge	Influence level	Action/engagement plan with stakeholder
Pakistan Council of Research in Water Resources (PCRWR) Office – Lahore	Government department	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	High	<ul style="list-style-type: none"> Installed Rain water harvesting project Monitoring quality of water
COMSATS University Lahore Campus	Educational Institute	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	Medium	<ul style="list-style-type: none"> Installed flow meters at water extraction points
Indus Hospital	Community Welfare	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	Medium	<ul style="list-style-type: none"> Plan to install sensor based sanitary system to reduce the wastage of water Plan to install laundry on water saving techniques
Izmir Town	Residential Society	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	Low	<ul style="list-style-type: none"> Reduction in turbines running time 02 Hours per day. Bann to wash cars in society Availability of filtered water to residents and local community
Monnoo Group	Spinning and Dyeing of fabric	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	High	<ul style="list-style-type: none"> Show commitment to install flow meters and waste water treatment plant inside the factory
Sajid Flour Mills	Manufacturing of Wheat products	<ul style="list-style-type: none"> Water Quality Water Scarcity Unauthorized Water Boring 	High	<ul style="list-style-type: none"> Show commitment to install flow meters at water extraction points

6. Summary of Shared Water Challenges

Facility has identified shared water challenges with coordination of local legal authorities and stakeholders in the catchment. Facility has identified water risk including onsite and offsite. A detailed plan has been prepared and shared within organization, local legal authorities and nearby stakeholders. Share water challenges has been identified and a plan has been communicated to all relevant stakeholders. Factory has identified following share water challenges,

Water-related challenges	Initiatives by related public institutions	Relevance to Stakeholder / site	Priority
Water Quality	<ul style="list-style-type: none"> All factory related waste water discharge after the treatment. PCSIR plan to Install Rain water harvesting project for monitoring quality of water 	Opportunity to join effort for improve the useable water quality.	1
Water Scarcity	<ul style="list-style-type: none"> Minimize and reuse the water in process. Supply of treated water given free of cost to PHA (Punjab Horticulture Authority) for plantation which help to save the water/cost of extraction. Management of US Group is active member/heading the committee of Azmeer Town housing society, so they plan and ensure; <ul style="list-style-type: none"> - Reduction in turbines running time 02 Hours per day. - Stop to wash cars in society - Availability of filtered water to residents and local community 	Availability of useable water decrease day by day.	2
Unauthorized water extraction.	<ul style="list-style-type: none"> Awareness given to general public and all stakeholder came under the catchment. 	Gradually drawdown groundwater level (as per discussion with WWF Pakistan and Pakistan Council of Research in Water Resources (PCRWR) Office)	3

7. Indicators Checklists

Per requirements set from the AWS certification requirements V2.0, below is a checklist of all the CORE AWS indicators. The documents reviewed/ processes reviewed are also indicated.

Criteria	Documents Reviewed
STEP 1: Gather and Understand	
<p>1.1 Define the physical scope:</p> <p>1.1.1 Map site boundaries;</p> <p>1.1.2 Water-related infrastructure, including piping network, owned or managed by the site or its parent organization</p> <p>1.1.3 Any water sources providing water to the site that are owned or managed by the site or its parent organization</p> <p>1.1.4 Water service provider (if applicable) and its ultimate water source</p> <p>1.1.5 Discharge points and waste water service provider (if applicable) and ultimate receiving water body or bodies</p> <p>1.1.6 Catchment(s) that the site affect(s) and is reliant upon for water</p>	<p><input checked="" type="checkbox"/> Documentation or map of the site's boundaries</p> <p><input checked="" type="checkbox"/> Names and location of water sources</p> <p><input checked="" type="checkbox"/> Names and location of effluent discharge points</p> <p><input type="checkbox"/> Other :</p> <p>The whole facility occupied about 121374 square meters Its coordinates are 31°24'02.7"N and 74°12'02.5"E, and has about 1665 employees. Detail map of facility showed the water channels of raw water, waste water and rain water.</p> <p>Raw water and soft water supply through pipe lines and waste water drain used underground which connected with effluent treatment plant and rain water drain line separately functional. Treated waste water directly connected with Hudyara Drain and Rain & Domestic water line connected with municipal drain line then it goes in municipal septic collection tank then it discharged into the main Hudyara drain.</p> <p>The primary and ultimate water source is groundwater. All water utilized at site is extracted from ground. For groundwater extraction, 03 turbines are installed at the site. Two out three turbines at US Denim Mill are operational and while third turbine is at standby.</p> <ul style="list-style-type: none"> - The site only uses ground water. - The wastewater was pre-treated in the wastewater treatment plant, and then emitted to the Hudyara Municipal wastewater drain. <p>Facility define 3.5 catchment with the consultation of WWF Pakistan, PCRWR (Pakistan Council for Research in Water Resources) and in accordance with Modflow analysis.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Modflow Calibration Analysis

1.2 Understand relevant stakeholders:

1.2.1 Stakeholders and their water-related challenges shall be identified. The process used for stakeholder identification shall be identified

1.2.2 Current and potential degree of influence between site and stakeholder shall be identified

- List of stakeholders
- Water-related challenges
- Current and potential degree of influence
- Other :

The factory is located at 3KM off defence raw ind road, Lahore – Pakistan and following shared water challenges were identified by the factory:

- I. Water Quality
- II. Water Scarcity
- III. Un-authorized water boring

Factory found identified the potential degree of influence in AWS stakeholder matrix of all identified 27 stakeholders.

US Denim Mill, the catchment is taken as the distance covered in a circle of radius of 3.5 km from the site. The total distance covered in this catchment is 38.465 sq. km. The major water bodies identified in this catchment are the following:

- a. Hudyara Drain
- b. Rohi Nala
- c. Lahore Canal
- d. Sattukatla Drain

Factory have defined four main categories of stakeholder as:

1. Industries: (Naveena Textile, Monnoo Group, Shahkaam Textile Mills)
2. Residential Societies: (Izmir Town, Dream Garden, LDA)
3. Educational Institutes: (COMSATS University, University of South Asia, University of Faisalabad)
4. Government Institutions: (WASA, PCRWR, Irrigation Department)
5. During audit it was found that factory conduct meeting with some stakeholders at their own site and also communicate/consult/give awareness inside factory.

Stakeholder engagement meeting currently performed with 06 out 27 (20%) which need to improve and factory should have to engage more stakeholder within catchment. (NC-MI)

Evidences:

- AWS Stakeholders Matrix
- AWS-Stakeholders Engagement

Criteria	Documents Reviewed
<p>1.3 Gather water-related data for the site:</p> <p>1.3.1 Existing water-related incident response plans</p> <p>1.3.2 Site water balance, including inflows, losses, storage, and outflows</p> <p>1.3.3 Site water balance, inflows, losses, storage, and outflows, including indication of annual variance in water usage rates. An indication of annual high and low variances shall be quantified for risky water-related challenge</p> <p>1.3.4 Water quality of the site's water source(s), provided waters, effluent and receiving water bodies. An indication of annual, and where appropriate, seasonal, high and low variances shall be quantified for risky water-related challenge</p> <p>1.3.5 Potential sources of pollution, including chemicals used or stored on site</p> <p>1.3.6 Mapping on-site Important Water-Related Areas, including a description of their status including Indigenous cultural values</p> <p>1.3.7 Annual water-related costs, revenues, and a description or quantification of the social, cultural, environmental, or economic water-related value</p> <p>1.3.8 Levels of access and adequacy of WASH at the site</p>	<p><input checked="" type="checkbox"/> Water-related incident response plans</p> <p><input checked="" type="checkbox"/> Site water balance (in Mm³ or m³)</p> <p><input checked="" type="checkbox"/> Water quality of the site's water source(s), provided waters, effluent and receiving water bodies, such as water test reports</p> <p><input type="checkbox"/> Other :</p> <p>Factory established SOP for Emergency Response and Crisis Management to address the water related incident including spill response and its mitigation plan and hierarchy found define for the controlling and action committee.</p> <p>Following water incident found consider in for emergency preparedness and response, however till to date no incident was reported.</p> <ul style="list-style-type: none"> - Rain Storm - Flood - Failure of effluent treatment plant <p>Factory found gathered the complete water data as; water Balance include;</p> <ul style="list-style-type: none"> - Water total extraction 1325108 m³, - Water use in process 631414 m³, - Water use in domestic 270322 m³ (canteen, washrooms etc.) - Line losses and evaporation 395942 m³ - Water in (ETP 636553 m³), - Water out (ETP 609356 m³) - Water evaporation loss ETP 27197 m³ <p>During audit it was found that drinking water and washroom facilities provided in whole facility and easily accessible for all workers.</p> <p>Total washroom (bathroom & toilets) 272</p> <p>Total drinking water cooler 24</p> <p>Evidences:</p> <ul style="list-style-type: none"> - SOP for Emergency Response and Crisis Management (Doc# USD/P/25/00)

Criteria	Documents Reviewed
<p>1.4 Gather data on the site's indirect water use:</p> <p>1.4.1 The embedded water use of primary inputs, including quantity, quality and level of water risk within the site's catchment</p> <p>1.4.2 The embedded water use of outsourced services shall be identified, and where those services originate within the site's catchment, quantified</p>	<p><input checked="" type="checkbox"/> List of primary inputs</p> <p><input checked="" type="checkbox"/> List of outsourced services</p> <p><input type="checkbox"/> Other :</p> <ul style="list-style-type: none"> • Data of cotton and raw material suppliers found available with site's supply chain officers. • Factory was maintained the Inventory of chemicals used, as per ZDHC standards, available with site. <p>Evidences:</p> <p>BCI (Better Cotton Initiative) former result</p> <p>Principle of Better Cotton Farmers Promote Water Stewardship</p> <p>Zero Discharge Program</p>

1.5 Gather water-related data for the catchment:

1.5.1 Water governance initiatives shall be identified, including catchment plan(s), water-related public policies, major publicly-led initiatives under way, and relevant goals to help inform site of possible opportunities for water stewardship collective action

1.5.2 Applicable water-related legal and regulatory requirements shall be identified, including legally-defined and/or stakeholder-verified customary water rights

1.5.3 The catchment water-balance, and where applicable, scarcity, shall be quantified, including indication of annual, and where appropriate, seasonal, variance

1.5.4 Water quality, including physical, chemical, and biological status, of the catchment shall be identified, and where possible, quantified

1.5.5 Important Water-Related Areas shall be identified, and where appropriate, mapped, and their status assessed including any threats to people or the natural environment, using scientific information and through stakeholder engagement

1.5.6 Existing and planned water-related infrastructure shall be identified, including condition and potential exposure to extreme events

1.5.7 The adequacy of available WASH services within the catchment

- Water governance initiatives
- Applicable water-related legal and regulatory requirements
- Catchment water balance (in Mm³ or m³)
- Documentation identifying Important Water-Related Areas (IWRA)

Other :

Water stewardship strategy is developed and uploaded on the US Group Website. This strategy will be revised as when required with respect to changes in legal or customer requirements.

Factory found identified the all applicable legal Regulations, permits and customer requirements as.

- Irrigation & Drainage Acts 1873
- Punjab Environmental Protection Act, 1997 (Amended 2012)
- Punjab Canal and Drainage Act, 1873
- Punjab Local Government Ordinance, 2001
- Punjab Water Act 2019

Customer Requirements:

- ZDHC MRSI
- CLEAN CHAIN
- Amfori BEPI
- Higg FEM
- PaCT Assessment

Applicable permits:

- Waste water discharge in Hudyara Drain (NOC)
- Monthly water charges from WASA (for managing effluent, domestic and rain water of facility)

Factory found documented important water related area (IWRA) and made effort to identify and where possibly physically quantify water quality of important water bodies.

Important water related areas are:

- Lahore Canal
- Hudyara Drain
- Safari Park Lake

These water related areas have been identified on Map.

Engagement and Stakeholder Awareness on IWRA's Conducted with below mentioned.

Criteria	Documents Reviewed
	<ul style="list-style-type: none"> - PCRWR - Monnoo Group - COMSATS University - Izmir Town - Indus Hospital - Sajid Flour Mills - Massage Grammar School <p>Meeting with Safari Park Lake will be conducted till April 2020.</p> <p>They have also made efforts to measure their impact on WRAs through groundwater assessment and drain water quality analysis.</p> <p>Based on the documentation and stakeholder interview, plant is leading the water stewardship of the local area.</p> <p>The WASA (Water and Sewage Authority) responsible to provide/ensure the WASH services in all area (external side of factory/home/institute etc), and found the same implemented within the catchment of US Denim Mills (Pvt.) Ltd. However the facility also in contact with WASA for support and take some initiatives on its side.</p> <p>Evidences:</p> <p>Stakeholder engagement plan</p> <p>List of Water Related applicable Legal Requirements</p>

Criteria	Documents Reviewed
<p>1.6 Understand current and future shared water challenges in the catchment:</p> <p>1.6.1 Shared water challenges shall be identified and prioritized from the information gathered</p> <p>1.6.2 Initiatives to address shared water challenges</p>	<p><input checked="" type="checkbox"/> List of shared water challenges</p> <p><input type="checkbox"/> Other :</p> <p>Facility found established list the shared water challenges in the catchment, by linking the water challenges identified by stakeholders with the site's water challenges.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - List of shared water challenges. - consultation sessions with local stakeholders
<p>1.7 Understand the site's water risks and opportunities:</p> <p>1.7.1 Water risks faced by the site shall be identified, and prioritized, including likelihood and severity of impact within a given timeframe, potential costs and business impact</p> <p>1.7.2 Water-related opportunities shall be identified, including how the site may participate, assessment and prioritization of potential savings, and business opportunities</p>	<p><input checked="" type="checkbox"/> List of water risks facing the site</p> <p><input checked="" type="checkbox"/> List of water-related opportunities</p> <p><input type="checkbox"/> Other :</p> <p>Factory found established the mechanism to access and prioritize the water risks and opportunities affecting the site based upon the status of the site, existing risk management plans and/or the issues and future risk trends identified.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Water Quality tests of Hudyara drain and groundwater levels data for quality and quantity related risks. - Reports on future water risk. - Internal management meetings details to analyse water related risks and response plan

Criteria	Documents Reviewed
<p>1.8 Understand best practice towards achieving AWS outcomes:</p> <p>1.8.1 Relevant catchment best practice for water governance</p> <p>1.8.2 Relevant sector and/or catchment best practice for water balance (either through water efficiency or less total water use)</p> <p>1.8.3 Relevant sector and/or catchment best practice for water quality, including rationale for data source</p> <p>1.8.4 Relevant catchment best practice for site maintenance of Important Water-Related Areas</p> <p>1.8.5 Relevant sector and/or catchment best practice for site provision of equitable and adequate WASH services</p>	<p><input checked="" type="checkbox"/> List of best practice related to AWS requirement</p> <p><input type="checkbox"/> Other :</p> <p>Factory found prepared the list of best practices within the catchment like;</p> <ul style="list-style-type: none"> • Supply of treated water given free of cost to PHA (Punjab Horticulture Authority) for plantation which help to save the water/cost of extraction • Availability of filtered water to residents and local community • Awareness given to general public and all stakeholder came under the catchment to overcome the reduction of underground water through discourage unauthorized water boring. • Stop to wash cars within the factory and motivate/encourage resident of Azmeer Town (residential society – located within catchment) to conserve the filtered water. • Support and develop close liaison with WASA (Water and Sewage Authority) to promote WASH facilities within the catchment. <p>List of shared water challenges and associated initiatives moves towards best practice will be prepared in addition to individual challenges.</p> <p>Training effectiveness of employees need to further improve on the principles of water stewardship and how they can incorporate them within their daily tasks and responsibilities in (Observation).</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Meeting summaries with stakeholders to learn best practices in processes and catchment. - List of initiatives with respect to challenges
STEP 2: Commit	

Criteria	Documents Reviewed
<p>2.1 Commit to water stewardship:</p> <p>2.1.1 A signed and publicly disclosed site statement OR organizational document</p>	<p><input checked="" type="checkbox"/> Statement</p> <p><input type="checkbox"/> Other :</p> <p>Facility has the signed and publicly disclosed site statement is as "The US Group Commitment on Water Stewardship has been prepared to guide and align US Group's efforts to comply with US Group's Corporate Business Principles and AWS standard requirements.</p> <ol style="list-style-type: none"> 1. Work to achieve water efficiency across our operations by excelling in the efficient use of water in all our facilities 2. Advocate for effective water policies and stewardship by engaging in collaborative policy and water conservation activities 3. Treat the water we discharge effectively by Ensuring that our operations do not compromise the right to water & sanitation of local communities 4. Engage with stakeholders and suppliers by Conducting stakeholder engagement sessions to address shared water challenges 5. Raise awareness of water access and conservation by supporting our employees to understand and make better-informed decisions that will lead to effective water stewardship. <p>Facility has posted the commitments at their websites is as</p> <p>https://usgroup.org/responsibility-environment.htm</p> <p>Evidences:</p> <p>US Group [US Denim Mills (Pvt.) Limited] AWS Commitment</p> <p>https://usgroup.org/responsibility-environment.htm</p>

Criteria	Documents Reviewed
<p>2.2 Develop and document a process to achieve and maintain legal and regulatory compliance:</p> <p>2.2.1 The system to maintain compliance obligations for water and wastewater management shall be identified</p>	<p><input checked="" type="checkbox"/> Documented description of system</p> <p><input type="checkbox"/> Other :</p> <p>The facility has system to maintain compliance obligation and getting update from different legal authorities, 3rd parties, client code of conduct and communicate these requirements with all employees. Facility maintained and applicable legal requirement, customer requirement and permits as mentioned above in clause 1.5.</p> <p>Evidences:</p> <p>- List of Water Related applicable Legal Requirements.</p>
<p>2.3 Create a water stewardship strategy and plan:</p> <p>2.3.1 A water stewardship strategy shall be identified that defines the overarching mission, vision, and goals of the organization towards good water stewardship in line with this AWS Standard</p> <p>2.3.2 A water stewardship plan shall be identified</p>	<p><input checked="" type="checkbox"/> Water stewardship strategy</p> <p><input checked="" type="checkbox"/> Water stewardship Plan</p> <p><input type="checkbox"/> Other :</p> <p>US Denim Mills has defined the mission, vision and goals. Facility has publicly posted at their website. Further factory mission statement regarding good water stewardship are in line with the AWS standard.</p> <p>https://www.usdenimills.com/about-us.html</p> <p>US Denim Mills has defined the 2022 sustainability challenges goals which has water stewardship objective and targets as well. The goals are SMART having details are as, action to be taken, time line, responsible person, estimated water savings, milestone against each target, remarks/ notes and estimated cost.</p> <p>Evidences:</p> <p>US Group [US Denim Mills (Pvt.) Limited] AWS Commitment</p> <p>https://www.usdenimills.com/about-us.html</p> <p>-Environmental Management Strategy</p> <p>US Group [US Denim Mills (Pvt.) Limited] AWS Commitment</p> <p>https://usgroup.org/responsibility-environment.htm</p> <p>-Water reduction targets</p>

Criteria	Documents Reviewed
<p>2.4 Demonstrate the site's responsiveness and resilience to respond to water risks:</p> <p>2.4.1 A plan to mitigate or adapt to identified water risks developed in co-ordination with relevant public-sector and infrastructure agencies</p>	<p><input checked="" type="checkbox"/> Water risk mitigation plan</p> <p><input checked="" type="checkbox"/> Other :</p> <p>Facility has identified shared water challenges with coordination of local legal authorities and stakeholders in the catchment. Facility has identified water risk including onsite and offsite. A detailed plan has been prepared and shared within organization, local legal authorities and nearby stakeholders. Share water challenges has been identified and a plan has been communicated to all relevant stakeholders as mentioned in stakeholder meeting table (Action/engagement plan with stakeholder). Factory has identified following share water challenges,</p> <p>1-Water Quality</p> <p>2-Scarcity</p> <p>3-Unauthorized water extraction.</p> <p>Facility is being tested the raw water quality on quarterly basis and wastewater on monthly basis. Factory is being treated the wastewater through treatment plant. For scarcity factory is working to reduce water extraction by using efficient methods. Factory is planting those plants who consume less water.</p> <p>Factory is being paid monthly bills for water extraction and even factory paid for the wastewater disposal after treatment into Hudyara drain.</p> <p>Evidences:</p> <p>Stakeholders Engagement shared water challenges</p> <p>-AWS Action Plan</p> <p>-Raw water and wastewater testing reports</p>
STEP 3: Implement	

Criteria	Documents Reviewed
<p>3.1 Implement plan to participate positively in catchment governance:</p> <p>3.1.1 Evidence that the site has supported good catchment governance</p> <p>3.1.2 Measures identified to respect the water rights of others including Indigenous peoples, that are not part of 3.1</p>	<p><input checked="" type="checkbox"/> Good catchment governance evidence</p> <p><input checked="" type="checkbox"/> Identified measures</p> <p><input type="checkbox"/> Other :</p> <p>The site has supported and identified good catchment governance including PCRWR, irrigation department, environment protection department, however factory has not identified the WASA (water and sewerage authority) which is local authority related to waste water. This has been evident during WASA department visit during audit. (NC MI)</p> <p>Minutes of meetings with government official, pictures, progress report and interviews with stakeholders.</p> <p>Awareness session and minutes of meeting with PCRWR held on dated October 08, 2019.</p> <p>The factory has identified the water rights of others including local communities like factory has created the awareness with the local schools and markets in the vicinity for AWS journey.</p> <p>Evidences:</p> <p>Stakeholders Engagement -shared water challenges</p> <p>-Meeting of minutes with PCRWR dated October 08, 2019</p> <p>- US Group [US Denim Mills (Pvt.) Limited] AWS journey 2020 (a doc. about AWS activities, journey from management commitment to implementation)</p> <p>- US Denim AWS Action Plan 2020</p> <p>- Final report Implementation of AWS under ILES</p>

Criteria	Documents Reviewed
<p>3.2 Implement system to comply with water-related legal and regulatory requirements:</p> <p>3.2.1 A process to verify full legal and regulatory compliance</p> <p>3.2.2 Where water rights are part of legal and regulatory requirements, measures identified to respect the water rights of others including Indigenous peoples</p>	<p><input checked="" type="checkbox"/> Legal and regulatory compliance verification process</p> <p><input checked="" type="checkbox"/> Identified measures (if applicable)</p> <p><input type="checkbox"/> Other :</p> <p>The facility has provided, the documentation demonstrating legal compliance. Factory has established corrective actions documents to address if any legal violations. Factory has maintained letter of authorizations, audits reports and compliance submissions, etc. Facility is abiding all legal compliance and till date there was no violation are noted. The facility has system to maintain compliance obligation and getting update from different legal authorities, 3rd parties, client code of conduct and communicate with all managers and employees. During audit reviewed all (as mentioned above in ref.15 clause) applicable legal law, customer requirement and legal permits which found maintained up to date and implemented as well.</p> <p>The factory has identified the water rights of others including local communities, like factory has created the awareness with the local schools and markets in the vicinity for AWS journey. Factory is abiding the legal requirements in order to avoid any environmental impact on catchment areas. Factory has obtained all legal documents, all water and wastewater testing is being done from the 3rd party. Factory is following their client's code of conduct with respect to CSR activities. Factory has arranged the awareness sessions with in the catchments,</p> <p>However, factory has not included the neighbouring school of the wastewater treatment plant of US Apparel & Textile Mills (Pvt.) Limited (Unit2&5) and did not consult them about the adverse effects.(NC MI)</p> <p>Evidences:</p> <p>List of Water Related applicable Legal Requirements.xlsx</p> <p>-US Denim AWS Action Plan</p> <p>US Group [US Denim Mills (Pvt.) Limited] AWS journey 2020</p> <p>-Final report Implementation of AWS under ILES</p>

3.3 Implement plan to achieve site water balance targets:

3.3.1 Status of progress towards meeting water balance targets set in the water stewardship plan

3.3.2 Where water scarcity is a shared water challenge, annual targets to improve the site's water use efficiency, or if practical and applicable, reduce volumetric total use shall be implemented

3.3.3 Legally-binding documentation, if applicable, for the re-allocation of water to social, cultural or environmental needs

- Status of progress
- Water use efficiency annual target (if applicable)
- Legally-binding documentation (if applicable)
- Other :

The factory has set the targets and achieved following,

- 1) The site has developed the sustainable choices regarding sustainable technologies, sustainable processes, sustainable fibres
- 2) Factory has introduced the sustainable technologies like water conservation through caustic recovery unit, biological effluent treatment plant
- 3) The factory has improved the water conservation by using bio-reducing agent in dyeing process and water save dyeing and aniline free drying
- 4) Factory is being used sustainable fibres like organic cotton, BCI cotton, recycled cotton and recycled polyester
- 5) SCADA System has been installed at water extraction and usage areas
- 6) Water flow meter has been installed at ETP inlet and outlet to monitor wastewater
- 7) Facility has saved water through soft water recovery system, condensate recovery system and waste heat recovery system.

Facility has established the annual water reductions based on water scarcity and shared water challenge are as, reduce water 50 % through,

- Reuse water by 10%
- Recycle treated wastewater by 15 %
- Conservation and process improvement by 25 %

Facility progress on the above projects are as

-Factory has taken the initiative and implemented

- 1.) US Group [US Denim Mills (Pvt.) Limited] has established BCI (better cotton initiative) supply chain to acquire sustainably grown cotton to current utilization is 80 % of yarn is BCI
- 2.) Factory is being collecting the condensate water and reuse at as boiler feed water. This save 1388 tons per annum steam
- 3.) Factory has installed waste heat recovery boiler to utilize the waste heat and produce steam.
- 4.) Factory has completed the feasibility study to install the rain harvesting projects. Factory is going to

Criteria	Documents Reviewed
	<p>install 4 wells in the premises of unit 2&5 that has been approved by the top management.</p> <p>5.) Factory has installed the sprinkler system for gardening purpose.</p> <p>The factory has completed two projects are as,</p> <ol style="list-style-type: none"> 1.) Nemat Saleem Trust (NST) is CSR organization on the behalf of US Group [US Denim Mills (Pvt.) Limited] and NST has installed RO plant of 1400 Litre/Hours capacity for the IZMIR Town community. 2.) Factory has taken the decision to install rain water harvesting system at all possible locations which will recharge the underground water belt to create water balance for all stakeholders within the catchment. 3.) Facility has plan to provide RO drinking water point for local community which will improve the hygiene conditions of the community, the RO water will meet the WHO requirements. 4.) Facility has supplied 76000 litres in the month of Feb. 2020 treated wastewater to local parks and horticultural authority (PHA) for plantation purpose which reduced their fresh water pumping cost and scarcity of water. <p>Evidences:</p> <ul style="list-style-type: none"> - Water reduction targets - Final Sustainable choices - US Group [US Denim Mills (Pvt.) Limited] AWS Journey - US Denim AWS action plan

3.4 Maintain or improve site water quality:

3.4.1 Status of progress towards meeting water quality targets set in the water stewardship plan

3.4.2 Where water quality is a shared water challenge, continual improvement to achieve best practice for the site's effluent shall be identified and where applicable, quantified

Status of progress

Site's effluent best practice (if applicable)

Other :

The quality of source water is monitored. The factory has planned water quality targets. Factory has conducted the monthly and bi-annual water test reports to check the progress of the water quality targets.

Water Quality: US Denim Mills (Pvt.) Limited testing quality of raw water and wastewater discharge from third party labs as per PEQS (Punjab Environmental Quality Standard).

The site has installed biological based wastewater treatment plant.

Factory has made the progress from foundational limits to progressive and have the targets to achieve the aspirational till 2025.

The factory has process to follow the legal and ZDHC compliance related to water quality and found from the test reports that effluent quality is legally compliant. Factory is following beyond the limits by following the ZDHC wastewater quality limits. Since water quality is a shared challenge, quality concern has identified by the factory and this taken into account in treatment and discharge location.

Water quality report and wastewater report periodically for US Denim Mills (Pvt.) Limited.

Adapt ZDHC protocol and guideline.

Use ZDHC recommended chemicals

Conducted wastewater analysis from Hudyara Drain

The factory has process to follow the legal and ZDHC compliance related to water quality and found from the test reports that effluent quality is legally compliant. Factory is following beyond the limits by following the ZDHC wastewater quality limits. Since water quality is a shared challenge, quality concern has identified by the factory and this taken into account in treatment and discharge location.

Water quality report and wastewater report periodically for US Denim Mills (Pvt.) Limited.

Adapt ZDHC protocol and guideline.

Criteria	Documents Reviewed
	Use ZDHC recommended chemicals Conducted wastewater analysis from Hudyara Drain Evidences: <ul style="list-style-type: none"> - US Denim AWS action plan - US Group [US Denim Mills (Pvt.) Limited] AWS Journey - ZDHC wastewater test reports - Drinking water test reports - Hudyara Drain wastewater test reports
3.5 Implement plan to maintain or improve the site's and/or catchments IWRA's: 3.5.1 Practices set in the water stewardship plan to maintain and/or enhance the site's IWRA's shall be implemented	<input checked="" type="checkbox"/> Practices set in the water stewardship plan <input checked="" type="checkbox"/> Other : Factory has identified 3 IWRA's in the 3.5 KM catchment area 1-Lahore Canal 2-Hudyara Drain 3-Safari Park lane 4-Sattukatla Drain The most polluted water is Hudyara drain and factory has conducted the wastewater test report from 3rd party. The last report has conducted on 14-01-2020. The factory will meet the safari park management in April 2020. The factory will meet the local Govt. body of handling Lahore canal in quarter 2 of 2020. Evidences: US Denim AWS action plan US Group [US Denim Mills (Pvt.) Limited] AWS Journey US Denim Mills_3.5 KM_IWRA

Criteria	Documents Reviewed
<p>3.6 Implement plan to provide access to WASH:</p> <p>3.6.1 Evidence of the site's provision of adequate access to safe drinking water, effective sanitation, and protective hygiene (WASH) for all workers onsite shall be identified and where applicable, quantified</p> <p>3.6.2 Evidence that the site is not impinging on the human right to safe water and sanitation of communities through their operations, and that traditional access rights for indigenous and local communities are being respected, and that remedial actions are in place where this is not the case, and that these are effective</p>	<p><input checked="" type="checkbox"/> Evidence of site's provisions of WASH</p> <p><input checked="" type="checkbox"/> Evidence of site operations not affecting water rights of surrounding environment</p> <p><input type="checkbox"/> Other :</p> <p>The current description of the status is as US Group [US Denim Mills (Pvt.) Limited] set 3 year target for the provision of clean drinking water for employee as well as for neighbouring community and factory has made an additional provision made to ensure all workers have access to WASH and that it takes equitable account of gender needs, and any other special needs. This includes toilets, washing facilities, hygienic areas for food and drink consumption, and potentially showers.</p> <p>However, during site visit it was observed that 02 out of 24 drinking water point found un-hygiene near mechanical workshop. (NC-MI)</p> <p>As per the requirements of Factories Act 1934, facility have enough washrooms at the facility.</p> <p>Clean drinking water plant has been approved for the US denim mills</p> <p>Onsite toilets, hand wash facilities and other water supply and sanitation services has been documented</p> <p>According to Punjab Factory Rules:</p> <p>100= (4 Washrooms)</p> <p>101-1499 (one for 40 people)</p> <p>1500 to above (one for 60 people)</p> <p>As per legal provision factory needs 43 toilets how ever factory has provided 272 toilets in production and workers dormitories.</p> <p>Factory has installed the total 24 drinking water points</p> <p>Evidences:</p> <p>US Denim AWS action plan</p> <p>US Group [US Denim Mills (Pvt.) Limited] AWS Journey WASH-Wash rooms and water cooler data</p> <p>Drinking water test reports</p>

Criteria	Documents Reviewed
<p>3.7 Implement plan to maintain or improve indirect water use within the catchment:</p> <p>3.7.1 List of suppliers and service providers, along with the actions they have taken as a result of the site's engagement relating to indirect water use</p> <p>3.7.2 Evidence of engagement with suppliers and service providers, as well as, when applicable, actions they have taken in the catchment as a result of the site's engagement related to indirect water use, shall be identified</p>	<p><input checked="" type="checkbox"/> List of suppliers and service providers</p> <p><input checked="" type="checkbox"/> Evidence of engagement with suppliers and service providers</p> <p><input type="checkbox"/> Other :</p> <p>Factory has shifted 80 % of yarn purchase to BCI supply chain and they have reduced 20% of water during cotton farming.</p> <p>They have used less pesticide and achieved 20% less pesticide as compared with the non-BCI farmers.</p> <p>They have reduced the use of fertilizers 15% as compared with non-BCI</p> <p>Yield of the overall production has been increased by 15% as compared with non-BCI farming</p> <p>Due to BCI farming profit has been increased by 37%</p> <p>Factory has member of ZDHC gate way, and 50 % chemicals are used which has been approved. This has impacted directly the environment and pollution load has been reduced.</p> <p>Factory has participated in the awareness session in the BCI platform for the awareness session related to</p> <p>Evidences:</p> <ul style="list-style-type: none"> - US Denim AWS action Plan - ZDHS gate way chemicals inventory list - Sustainable fibres details 2019 - BCI-Farmers results-2016~2017 - US Denim AWS action Plan - ZDHS gate way chemicals inventory list - Sustainable fibres details 2019 - BCI-Farmers results-2016~2017 - BCI Agenda-Lahore Suppliers training - Archorma Chem Sustainability Session

Criteria	Documents Reviewed
<p>3.8 Notify the owners of shared water-related infrastructure of any concerns:</p> <p>3.8.1 Evidence of engagement, and the key messages relayed with confirmation of receipt</p>	<p><input checked="" type="checkbox"/> Evidence of engagement</p> <p><input type="checkbox"/> Other :</p> <p>The factory has maintained all the records of the awareness sessions and produced during the audit. They have supplier list with contacts details. Factory has arranged the awareness session with the suppliers and stakeholders and discussed common risks.</p> <p>Evidences:</p> <p>BCI-Farmers results-2016~2017</p> <p>-BCI Agenda-Lahore Suppliers training</p> <p>-Archorm Chem Sustainability Session</p> <p>- Meeting of minutes with PCRWR 2019-08-10</p>

3.9 Implement actions to achieve best practice towards AWS outcomes:

3.9.1 Actions towards achieving best practice, related to water governance

3.9.2 Actions towards achieving best practice, related to targets in terms of water balance

3.9.3 Actions towards achieving best practice, related to targets in terms of water quality

3.9.4 Actions towards achieving best practice, related to targets in terms of the site's maintenance of IWRA's

3.9.5 Actions towards achieving best practice, related to targets in terms of WASH

Actions related to water governance

Actions related to water balance

Actions related to water quality

Actions related to IWRA's

Actions related to WASH

Other :

Factory had established a comprehensive water stewardship plan having following points is as;

- Routinely reviewed and updated
- Responsibility for water stewardship to senior staff has been designated
- Training of all employees on the principles of water stewardship has been arranged and ensured this that they can incorporate within their daily tasks and responsibilities
- Engaging with peer organizations and stakeholders to promote water stewardship, like stakeholders engagement within the catchments
- Facility has supported legal authority like PCRWR, Irrigation department for good water governance and stewardship
- Facility has developed the brochure related to shared water challenges and has been communicated to the relevant water related stakeholders

Factory has developed the water balance data which comprises of water extraction, water usage in processes, domestic usage and evaporation losses during the processes.

Monitoring of wastewater is being done by an inlet and outlet water flow meter.

All water balance data can be traced by flow meter installed at data extraction point and usage point.

The factory has achieved all the PEQS (Punjab Environmental Quality Standard) related to drinking and wastewater through 3rd party testing reports.

Factory has achieved the foundational limits of wastewater quality of the ZDHC and now working for the progressive value achievements.

Factory has installed the caustic recovery unit for recovering caustic soda and alkaline water

The site has identified three IWRA's within the catchments like

-Lahore Canal

Criteria	Documents Reviewed
	<p>-Hudyara drain -Safari Park -Sattukatla Drain</p> <p>Factory has arranged the 3rd party wastew ater reports from the Hudyara drain where all the industries disposed off their wastewaters. This is beyond the legal requirements of testing the water quality from the public drain.</p> <p>The facility has provided more than legally required toilets areas in the facility to promote hygiene practices in the factory. Factory has provided 13 drinking water points.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - US Denim AWS action Plan - US Group [US Denim Mills (Pvt.) Limited] AWS Journey - Water consumption Jan 19~Dec 19 - wastew ater test reports - ZDHC gate way - Caustic recovery unit - US Denim AWS action plan - WASH-Wash rooms and water cooler data - Drinking water test reports
STEP 4: Evaluate	

4.1 Evaluate the site's performance:

4.1.1 Performance against targets in the site's water stewardship plan and the contribution to achieving water stewardship outcomes shall be evaluated

4.1.2 Value creation resulting from the water stewardship plan shall be evaluated

4.1.3 The shared value benefits in the catchment shall be identified and where applicable, quantified

- Performance against targets
- Value creation
- The shared value benefits (if applicable)
- Other :

The factory has listed the targets for action and improvement from its water stewardship plan, and reported the performance to achieve the outcomes. The factory has made the targets and plan in their AWS commit and plan part. Factory has achieved the following AWS outcomes assessment through WWF a project under ILES.

- 1.) Water Governance
- 2.) Water Quantity and quality (Sustainable water balance)
- 3) Important water related areas
- 4) WASH

The factory has achieved the value creation from the water stewardship plan evaluation is as;

1. By abiding the customer requirements like ZDHC, clean chain, amfori BEPI, Higg FEM, and PaCT Assessment.
2. Engagement and stakeholder awareness on important water related areas to create value on water savings.
3. Construction of biological waste effluent treatment plant, 4800 cubic meter per day capacity, in order to treat water and save the environment.
4. Construction of caustic recovery unit to save chemicals and water.
5. Factory is reusing the cooling water during singeing, mercerizing and sanforizing process in finishing unit and save around 80300 cubic meter of water per annum.
6. Factory has installed the condensate recovery system in finishing unit to save steam and save 14886 meter cube water per annum.
7. Nemat Saleem Trust (NST) is CSR organization on the behalf of US Group [US Denim Mills (Pvt.) Limited] and NST has installed RO plant of 1400 Litre/Hours capacity for the ZMIR Town community.

Criteria	Documents Reviewed
	<p>8. The factory existing water filtration system providing clean drinking water facility, however factory has set a plan to install bigger drinking water plant.</p> <p>9. Clean drinking water plant has been approved. Onsite toilets, hand wash facilities and other water supply and sanitation services has been documented According to Punjab Factory Rules:</p> <p>1-100= (4 Washrooms) 101-1499 (one for 40 people) 1500 to above (one for 60 people) Total Washrooms Required: 43</p> <p>Factory has identified the shared value benefits in the catchments is as;</p> <ol style="list-style-type: none"> 1. Nemat Saleem Trust (NST) is CSR organization on the behalf of US Group [US Denim Mills (Pvt.) Limited] and NST has installed RO plant of 1400 Litre/Hours capacity for the IZMIR Town community. 2. Facility has supplied 76000 litres in the month of Feb. 2020 treated wastewater to local parks and horticultural authority (PHA) for plantation purpose which reduced their fresh water pumping cost and scarcity of water. 3. Factory has taken the decision to install rain water harvesting system at all possible locations which will recharge the underground water belt to create water balance for all stakeholders within the catchment. 4. Facility has plan to provide RO drinking water point for local community which will improve the

Criteria	Documents Reviewed
	<p>hygiene conditions of the community, the RO water will meet the WHO requirements.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Final report implementation of AWS under ILES - US Denim Action Plan 2020 - Final report implementation of AWS under ILES - Drinking water test report - wastewater test reported - SCADA water consumption 2019 - WASH-washrooms and water cooler data - Sustainability data July 2018 to June 2019 - Water consumptions Record 2019
<p>4.2 Evaluate the impacts of water-related emergency incidents:</p> <p>4.2.1 A written annual review and (where appropriate) root-cause analysis of the year's emergency incident(s) shall be prepared and the site's response to the incident(s) shall be evaluated and proposed preventative and corrective actions and mitigations against future incidents shall be identified</p>	<p><input checked="" type="checkbox"/> A written annual review and root-cause analysis</p> <p><input type="checkbox"/> Other :</p> <p>Facility has established emergency incidents such as rain storm, flood and failure of effluent treatment plant. The organization has system to report at least annually on any significant or emergency water-related events, its response, actions and outcome. Which is aim to understand the cause of events, and where appropriate, implement new actions or modify its water stewardship plan. The water emergency response and crises management is comprises of fire control, bomb threat, transportation incident, civil unrest, war emergencies, arson and sabotage, plane crash in vicinity, spill response, shortage of natural resources, earthquake, flood, rain storm, wind storm, lightening, effluent treatment plant. The annual review has been evaluated during the assessment of WWF final report, a project by the ILES. Moreover, all incidents has been evaluated during annual review meeting however, till date no such incidents happened in the factory.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Water emergency and crises management - Final report implementation of AWS under ILES - US Group [US Denim Mills (Pvt.) Limited] AWS journey 2020

Criteria	Documents Reviewed
<p>4.3 Evaluate the stakeholders' consultation feedback:</p> <p>4.3.1 Consultation efforts with stakeholders on the site's water stewardship performance shall be identified</p>	<p><input checked="" type="checkbox"/> Stakeholder feedback</p> <p><input type="checkbox"/> Other :</p> <p>The factory has established stakeholder's engagement system in the workplace. The factory has maintained the report on its consultation efforts, the means of communication, and any feedback in the system. The factory has engaged stakeholders to review its water stewardship performance and provided them written commentary from identified stakeholders on the site's performance. Factory had shared all site initiative with their stakeholders and provided them the awareness related to shared water challenges and contributions of US Group [US Denim Mills (Pvt.) Limited] towards water sustainability. Feedback was positive about the planned water related initiatives in different nearby areas.</p> <p>Evidences:</p> <ul style="list-style-type: none"> -Contribution shared with stakeholders -Final report implementation of AWS under ILES
<p>4.4 Evaluate and updated the site's water stewardship plan:</p> <p>4.4.1 The site's water stewardship plan shall be modified and adapted to incorporate any relevant information and lessons learned from the evaluations in this step and these changes shall be identified</p>	<p><input checked="" type="checkbox"/> Modification of water stewardship plan</p> <p><input type="checkbox"/> Other :</p> <p>The factory has developed Water stewardship strategy and published into posters and an online statement with respect to AWS make available on US Group Website. This strategy will be revised as when required with respect to changes in legal or customer requirements. The factory has arranged third party PaCT assessment from 3rd party to evaluate water and energy consumptions and has been revised their water savings opportunities upon their recommendations. Further, WWF has conducted the water assessment and factory has revised the action plan and water related strategies. Moreover, factory is working with Higg index tool which is used to be the effective textile sustainable tools, factory has implemented the actions plans based on the 2019 3rd party verifications.</p> <p>Evidences:</p> <ul style="list-style-type: none"> -PaCT advantage report -Final report implementation of AWS under ILES -Higg Index
STEP 5: Communication and Disclosure	

Criteria	Documents Reviewed
<p>5.1 Disclose water-related internal governance of the site's management:</p> <p>5.1.1 The site's water-related internal governance, including positions of those accountable for compliance with water-related laws and regulations shall be disclosed</p>	<p><input checked="" type="checkbox"/> Summary of governance</p> <p><input type="checkbox"/> Other :</p> <p>Water stewardship strategy is developed and signed by top management</p> <p>Organization chart for water governance is established and attached in action plan that is shared with the stakeholders.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Doc ref. no: US Group [US Denim Mills (Pvt.) Limited] AWS Commitment - Doc ref no: US Denim AWS team
<p>5.2 Communicate the water stewardship plan with relevant stakeholders:</p> <p>5.2.1 The water stewardship plan, including how the water stewardship plan contributes to AWS Standard outcomes, shall be communicated to relevant stakeholders</p>	<p><input checked="" type="checkbox"/> Documented evidence of communicating</p> <p><input type="checkbox"/> Other :</p> <p>A detailed water stewardship plan addressing the AWS outcomes is communicated to all stakeholders through email, through awareness sessions and stakeholders onsite visits, through training and onsite activities (which publish on the website for stakeholder's awareness).</p> <p>Evidences:</p> <ul style="list-style-type: none"> - AWS Stakeholders engagement activities - Doc ref no: (AWS-ILES)_Water Stewardship plan - US Denim Mills have celebrated World Water Day on 22nd March 2019.
<p>5.3 Disclose annual site water stewardship summary:</p> <p>5.3.1 A summary of the site's water stewardship performance, including quantified performance against targets, shall be disclosed annually at a minimum</p>	<p><input checked="" type="checkbox"/> Water stewardship performance summary</p> <p><input type="checkbox"/> Other :</p> <p>Quality: Facility has tested the water quality offsite and onsite. Samples are taken from Hudyara Drain and from the outlet of ETP to test water quality. The information is disclosed with stakeholders and is publically available at ZDHC portal however,</p> <p>Achievement of water sustainability to address water challenges not disclosed publically with stakeholders.(NCMI)</p> <p>Evidences:</p> <p>Hudyara Drain waste water test report ref no: 947997 SGS Report-947907</p> <p>US Denim waste water treatment plant (Analytical report)</p> <p>doc ref no: US Group [US Denim Mills (Pvt.) Limited] AWS journey 2020</p> <p>ZDHC Wastewater report at ZDHC Gateway</p>

Criteria	Documents Reviewed
<p>5.4 Disclose efforts to collectively address shared water challenges:</p> <p>5.4.1 The site's shared water-related challenges and efforts made to address these challenges shall be disclosed</p> <p>5.4.2 Efforts made by the site to engage stakeholders and coordinate and support public-sector agencies shall be identified</p>	<p><input checked="" type="checkbox"/> Disclosure evidence</p> <p><input type="checkbox"/> Other :</p> <p>AWS awareness session has been conducted with different stakeholders to address shared water challenges</p> <p>Facility has also conducted onsite awareness session at Group level for the employee's awareness</p> <p>Facility has identified and disclosed their shared water challenges with their stakeholders in AWS action plan through email.</p> <p>An agreement is signed between US Group [US Denim Mills (Pvt.) Limited] and PHA to use the treated water from ETP for plantation purpose.</p> <p>Facility has conducted meetings with their stakeholders at their premises to address their shared water challenges.</p> <p>The information is communicated and disclosed to the stakeholders in their action plan through email however it is not publically available due to confidentiality concern.</p> <p>Evidences:</p> <ul style="list-style-type: none"> - Doc ref: stakeholder end- shared water challenges. - Doc. Ref.no: US Group-AWS (US Denim Mills (Pvt.) Limited) journey - Doc ref no: (AWS-ILES)_Water Stewardship plan

Criteria	Documents Reviewed
<p>5.5 Communicate transparency in water-related compliance:</p> <p>5.5.1 Any site water-related compliance violations and associated corrections shall be disclosed</p> <p>5.5.2 Necessary corrective actions taken by the site to prevent future occurrences shall be disclosed if applicable</p> <p>5.5.3 Any site water-related violation that may pose significant risk and threat to human or ecosystem health shall be immediately communicated to relevant public agencies and disclosed</p>	<p><input checked="" type="checkbox"/> List of water-related compliance violations with corresponding corrective actions</p> <p><input type="checkbox"/> Other :</p> <p>No water related compliance violation reported</p> <p>SOP to report corrective action not disclosed to stakeholder however till date there was no non-conformity related to water management not reported. (NC MI)</p> <p>All onsite and offsite possible water related risks have been identified and evaluated in Emergency response plan and risk assessment report.</p> <p>Evidences:</p> <p>Doc ref no: Water Emergency Response & Crisis Management</p> <p>Doc ref no: (AWS-ILES)_Water Stewardship plan</p>

Assessment Non-conformities:

Major non-conformities:

NO.	AWS Expectations	Description of non-conformity	Client's response and Documentation provided	Auditors' assessment
Nil	Nil	Nil	Nil	Nil

Minor non-conformities:

NO.	AWS Expectations	Description of non-conformity	Client's response and Documentation provided	Auditors' assessment
1	1.2.1: A recommended approach is to create and maintain a table or database listing each stakeholder along with the additional information requested. Pay particular attention to traditionally disadvantaged and potentially less-vocal groups, such as indigenous communities, women, children and the elderly.	Stakeholder engagement interview currently performed 06 out 27 (20%) which need to improve and factory should have to engage more stakeholder within catchment.	The facility has listed all the stakeholder in the catchment and conducted meetings with 06 stakeholders till onsite audit. The factory will continue stakeholder engagement process and will complete engagement cycle till Dec 2020. As per Plan the factory shall conduct the meeting WASA and safari Park in May & June 2020 and rest will be covered till Dec 2020,	The corrective action found appropriate and will review its effectiveness in next surveillance audit.
2	3.1.1: The organization should describe how it has supported or contributed to good catchment governance. For example, it may have engaged with relevant authorities to express its support for improved water governance and water management policies.	The site has supported and identified good catchment governance in the catchments including PCRWR, irrigation department, environment protection department however factory has not identified the WASA (water and sewerage authority) which is local authority related to wastewater.	The facility has listed WASA as a major stakeholder in the catchment however because of their busy schedule, we could not conduct meeting with nearby WASA Drainage section. Meeting shall be planned in May 2020.	Corrective action of facility reviewed and acceptable and will monitor its effectiveness in next surveillance audit.

3	<p>3.2.2: Where stakeholders have rights to the water resource, such as some local communities and indigenous peoples with traditional rights, their informed consent must be given in order to use the resource. Where these rights are not formally recognized by a government regulator, there remains a duty to identify and respect them where they exist. Engaging with such communities requires a long-term commitment to achieve meaningful dialogue and build trust between parties.</p>	<p>Factory has arranged the awareness sessions with in the catchments, however, factory has not included the neighboring school of the wastewater treatment plant of US Apparel & Textile Mills (Pvt.) Limited (Unit2&5) and did not consult them about the adverse effects.</p>	<p>The facility has conducted the awareness sessions with faculty members and students of MGS (Massage Grammar School) and two other Primary and Middle Schools in Govt. sector in the catchment. However, in neighborhood American School is newly opened. This school has been included in the list of stakeholders. The factory will conduct meeting and awareness session with faculty members and students of subject school.</p>	<p>Accepted the corrective action however it objective evidence with effectiveness will ensure in next surveillance audit.</p>
4	<p>3.6.1: Provide a description of the status and any additional provision made to ensure all workers have access to WASH and that it takes equitable account of gender needs, and any other special needs. This includes toilets, washing facilities, hygienic areas for food and drink consumption, and potentially showers.</p>	<p>All workers have access to WASH and that it takes equitable account of gender needs, however, some drinking water point found unhygiene during site visit.</p>	<p>To ensure the hygiene of drinking water points the factory has implemented schedule for filter change and cleaning of the sanitary fittings and water point area. Strict monitoring mechanism will be established through administration team. In addition, this point is made part of monthly housekeeping audit which is being implemented by group corporate office.</p>	<p>Corrective action taken found appropriately and non-conformity closed.</p>
5	<p>5.3.1: Disclosure should be in a format that is clear and comprehensible to the intended audience. This aspect of disclosure should be a summary of the</p>	<p>Achievement of water sustainability to address water challenges not disclosed publically with stakeholders.</p>	<p>US Group [US Denim Mills (Pvt.) Limited] have communicated shared water</p>	<p>Corrective action taken by the facility found</p>

	results (and/or efforts) the site has achieved in addressing its water-related challenges. Moreover, it should include the site's water-related targets, as well as a reference to the site's commitment		challenges to all stakeholders by email but achievements on water sustainability has not shared with stakeholder. Facility will disclose list of sustainability achievements with all stakeholders till 30 th April 2020.	acceptable so the nonconformity closed.
6	5.5.2: The site needs to also disclose what corrective actions it took to address the items raised	SOP to report corrective action not disclosed to stakeholder however till date there was no non-conformity related to water management reported.	The facility has added water related issues in the current emergency response plan and will share with stakeholder as well till 30-04-2020. In case of any water related non-conformity the facility will disclose this issue with all stakeholders.	Corrective action taken by the facility reviewed and found acceptable so non-conformity closed.

Observations:

NO.	AWS Expectations	Description of Observation	Client's response and Documentation provided	Auditors' assessment
1.8.1	Understand best practice towards achieving AWS outcomes	Training effectiveness of employees need to further improve on the principles of water stewardship and how they can incorporate them within their daily tasks and responsibilities.	The facility has conducted different awareness sessions with management staff and with workers at production floor. We will increase the frequency of awareness sessions to improve the effectiveness of trainings at floor level.	Corrective action reviewed and found appropriate & accepted.

8. Summary and Conclusion of the Assessment

In assessment of the water stewardship performance of the US Denim Mills (Pvt.) Limited, it is apparent that the sites put considerable effort to adopt the AWS standard into the management system. After the certification audit 02 surveillance plan to conduct on annual frequency.

06 minor NC were raised during this audit. The site has been requested to make some improvement plan to address the Non-conformity to fully compliant to the standard.

01 observation was raised during this audit. Auditors have pointed out the areas that to be considered for improvement in the following implementation. However, no action is demanded during the audit cycle.

All evidences of corrective action provided to TÜV Rheinland to address the non-conformity was reviewed and evaluated, to ensure the compliance to the AWS standard. All actions were accepted as sufficient to close the non-conformity.

In conclusion, US Denim Mills (Pvt.) Limited met the AWS Standard Version 2.0 - Core Level.

9. Opportunity and Improvement

- Domestic water used for floor cleaning need to improve with respect to water conversation in utility area.
- Few pressure gauges installed near water pumping station suggest to calibrate for the accuracy monitoring of water pressure.
- Handle valve need to replace with revolving tap which help to conserve the raw water used for cleaning purpose in rope dyeing and near mechanical workshop.

10. Appendix

AWS Stakeholders Matrix			
Sr. No.	Grouping/Type of Stakeholder	Stakeholder (Name/Group)	Ability to Influence
1	Government	PCRWR	High
		WASA	High
		Irrigation Department	High
		Lahore Development Authority (LDA)	High
2	Industries	Naveena Denim	High
		Mannoo Group	High
		Shahkam Textile	High
3	Education	Comsats University	Medium
		Virtual University M. A. Jinnah Campus, Defence Road	Low
		Government College of Technology	Low
		University of Sargodha (Lahore Campus)	Medium
4	Residential	Nespak Phase 2 Site	Low
		Jubilee Town	Low
		Canal Gardens	Low
		Izmir Town	Low
		P&D Employees Housing Society	Low
		Judicial Housing Society Phase 3	Low
		Bahria Town	Low
		Eden Villas	Low
		LDA Housing	Low
		Army Welfare Trust Housing Phase 1	Low
		Dream Garden	Low
5	Internal Stakeholders	Staff of US Denim Mills (Pvt.) Limited	Medium
		Suppliers of US Denim Mills	Medium
6	Community	Local communities adjacent to US Denim Mills (Pvt.) Limited	Medium

AWS Awareness Broachers:



Certifications of US Denim Mills (Pvt.) Ltd.



Other sustainability Projects / Certification:

