

Quarterly Newsletter



Issue 9

January 2022



Dear All,

We wish you a very happy and prosperous new year and hope you are keeping well and safe in the wake of the new wave of COVID-19 cases at the end of 2021.

LABS achieved yet another milestone by assessing over 100 factories in India. While 2021 was a challenging year regarding the completion of processes, LABS onboarded 265 factories and completed assessments at 250 factories by year's end.

We continue maintaining a steady state of operations at factories in India and Vietnam. With an improved situation in Vietnam in quarter four (Q4), we are gradually resuming LABS processes, albeit online at factories when possible. We continue progressing with caution in our operations and remind you to stay safe and always take necessary precautions.



265

Factories onboarded

India: 105
Vietnam: 160



251

Assessments conducted

India: 101
Vietnam: 150



254

Safety training conducted

India: 65
Vietnam: 189



564,750

Workers reached

India: 132,643
Vietnam: 432,107

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Operations Quarterly Update

INDIA



1. Assessments

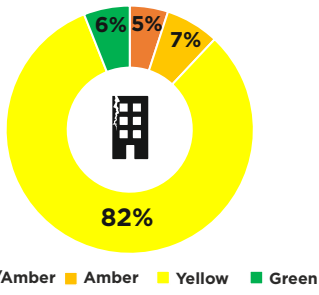
During Q4, 26 assessments and four QA assessments were conducted.

1	Shahi Exports Pvt., Ltd. - Unit 32	11	Silver Spark Apparel Limited	19	Shahi Exports Pvt., Ltd. - Unit 27
2	ANAND TEXTILES LLP	12	Elangovan Tex LLP	20	B.N. Enterprises
3	Shri Ajay Knittex LLP	13	Centex Fabric	21	SMS Exports B-10
4	Shahi Exports Pvt., Ltd. - Unit 46	14	Dhana Textiles LLP	22	Nakulan Tex LLP
5	Wear Craft Apparels	15	Sri Arul Tex LLP	23	Jega Garments LLP
6	Gokaldas Exports Ltd. - Unit I	16	Royal Classic Mills Pvt., Ltd. - Unit V	24	AV Thomas
7	Indigo Blues	17	Chelsea Mills LLP	25	Penguin Apparels Pvt., Ltd. - Unit IV
8	International Clothing Company - I	18	Pearl Global Industries Limited (BPK)	26	Royal Classic Mills Pvt., Ltd. - Unit V
9	JD Clothing Company				
10	Atlantic Apparels - II				

QA assessments

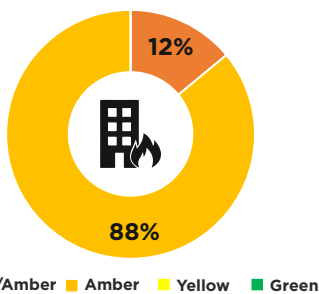
1	International Clothing Company - I	3	Royal Classic Mills Pvt., Ltd. - Unit V
2	NJK Enterprises	4	Shahi Exports Pvt., Ltd. - Unit 27

Key Findings, in particular, included:



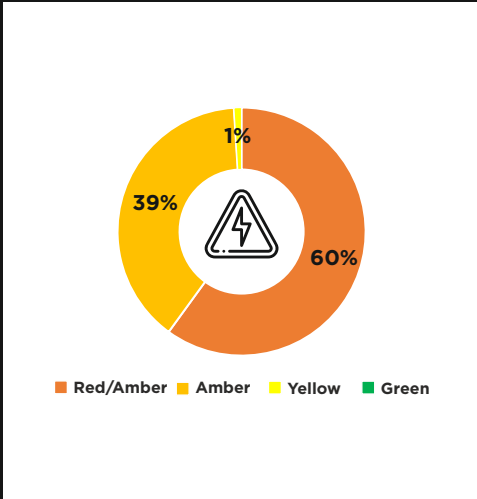
Structural Safety

- Exposed reinforcement in roof slabs
- Uneven floor-load distribution on mezzanine floor
- Cracks on main beam
- Seismic bracing not provided for storage racks
- Missing documentation (e.g., structural diagrams, geo-technical report, floor-load plans)



Fire Safety

- Rolling shutters installed on exit doors
- Lockable devices on exit doors
- Fire-rated separation not supplied for elevator shafts
- Missing alternate escape route on mezzanine floor
- Fire-rated doors and enclosures not equipped at staircases
- Combustible goods stacked near electrical sources
- Inadequate water-storage capacity for firefighting
- Single-side handrail on staircase



Electrical Safety

- Inadequate back-up for emergency lights
- Lighting protection system not installed
- Cable dressing inadequate inside electrical panels and distribution boards (DBs)
- Alternate backup power not provided for fuel pump
- Sufficient access and working space lacking in front of DBs; fabric storage found in front of DBs
- Earthing to distribution boards, MS roof truss, transformer fencing, and battery bank racks not provided
- Heavy lint and dust inside distribution boards/switchboards
- Numerous hotspots with temperatures varying from 58°C to 162°C

2. Remediations

Data is from 30 factories where 54 follow-up visits were conducted.



Fire Safety:

- 68% of the factories installed emergency lights
- 80% of the factories eliminated temporary obstacles on the evacuation pathways
- 77% of the factories installed illuminated exit signages
- 52% of the factories removed locking mechanisms from exit doors



Electrical Safety:

- 91% of the factories eliminated lint and dust from electrical panels and DBs
- 92% of the factories corrected the high temperatures in electrical panels and DBs
- 100% of the factories provided earthing connections for electrical components
- 50% of the factories remediated issues regarding drawings and layouts (e.g., single-line diagram, earthing layouts, electrical layouts)



Structural Safety:

- 48% of the factories fixed cracks in beams and columns
- 37% of the factories remediated the issues related to load plans
- 36% of the factories remediated corrosion in non-engineered structures, such as MS Shed
- 41% of the factories rectified dampness in walls

3. Safety Trainings

Thirty Safety Training sessions were conducted with 588 participants, with representatives from Factory Management, OHS Committee, HR and maintenance departments, and workers from the production area.

Level 1:

- Pee Empro Exports Pvt., Ltd. – Unit 13
- Pee Empro Exports Pvt., Ltd. – Unit 67
- Fancy Fashions Ltd.
- Richa Fashions Pvt., Ltd. – Unit C39
- Pearl Global Industries Ltd. – Kancheepuram
- Tets N Rai, IMT Manesar
- Wear Craft Apparels
- JD Clothing Company
- Shahi Exports Pvt., Ltd. – Unit 36
- Shahi Exports Pvt., Ltd. – Unit 36 A
- ATLANTIC APPARELS
- AHP Garments Unit 45
- Shahi Exports Pvt., Ltd. – Unit 12
- Shahi Exports Pvt., Ltd. – UNIT 33
- White House (Guduvanchery)
- Indian Designs Exports Pvt., Ltd. – Unit 9
- Ahp Garments Pvt., Ltd. – Unit 54
- Indigo Blues
- Shahi Exports Pvt., Ltd. – Unit 32
- Indian Designs Exports Pvt., Ltd. – Unit 4
- AALA Gloves
- NJK Enterprises
- International Clothing Co.
- Yellow Jerseys LLP
- Carnival Clothing Co.
- Gokaldas Exports – Unit 1

Level 2:

- Pearl Global Industries Ltd. – 446
- Orient Fashion Exports Pvt., Ltd. – Plot C-17
- Orient Fashion Exports Pvt., Ltd. (Daffodil)
- SMS Exports – D28



VIETNAM



1. Assessments

During Q4, 33 Assessments and seven QA assessments were conducted at factories.

1	Branch of Garment 10 Corp JSC - Hung Ha Center Business of Trade & Production High Tech (2050675)	13	MAY HAI JSC- TRAN THANH NGO	24	Viet Tri Garment JSC
2	Branch of Phong Phu International Joint Stock Company - Phong Phu - Quang Tri Export Garment Factory	14	New Wide Garment (Vietnam) Company Limited	25	Vietnam Jin Chang Shoes Company Limited
3	Crystal Martin (Vietnam) Company Limited (2054707)	15	Nomura Thanh Hoa Garment Co., Ltd.	26	Vietnam Style Fashion Accessories Co., Ltd. (2058280)
4	Crystal Sweater Vietnam Ltd.	16	Nyan Kids Dong Nai Co., Ltd. (2057695)	27	Wingsburg Vietnam Company Limited (2060600)
5	First Team (Vietnam) Garment Ltd. (2051265)	17	Pungkook Ben Tre One Member Co., Ltd. - My Tho Branch	28	YSS Garment Company Limited (2057105)
6	FWKK Vietnam Company Limited	18	Pungkook Saigon Two Corporation	29	Green Shoes Vietnam Enterprise, Ltd.
7	HOA THO Textile Garment JSC	19	Regent Garment Factory Ltd.	30	S&D Quang Binh Company Limited
8	Hung Long Garment and Service JSC	20	SON HA Duy Xuyen Limited Company	31	High Rock Recreation Products Co., Ltd.
9	Ivory Trieu Son - Thanh Hoa Co., Ltd.	21	South Asia Garments Limited (2056970)	32	Weitai Ha Long Garment Textile Company Limited
10	K&K Fashion Company Limited	22	Starite International Vietnam Limited	33	Jia Hsin Co., Ltd.
11	KIM BINH Garment Co., Ltd.	23	Viet Thuan JSC		
12	Makalot Garments (Vietnam) Co., Ltd.				

QA assessments

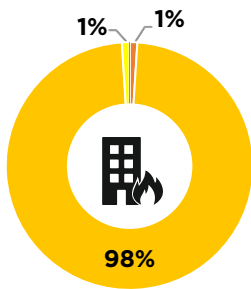
1	FWKK Vietnam Company Limited	5	Viet Tri Garment JSC
2	K&K Fashion Company Limited	6	Vina Kyung Seung Trading Co., Ltd.
3	Makalot Garments (Viet Nam) Co., Ltd.	7	High Rock Recreation Products Co., Ltd.
4	Seshin Vietnam Co., Ltd.		

Key findings included:

Category	Percentage
Red/Amber	1%
Amber	6%
Yellow	76%
Green	17%

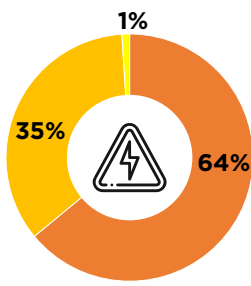
Structural Safety

- Uncontrolled load for storage area on the floors
- Lack of anchored bolts at column base plates
- Cracks on masonry wall and mezzanine floor
- Corrosion on steel structures



Fire Safety

- Locking mechanisms on exit doors and escape paths
- Back-up power for fire alarm system working poorly
- Fire-rated walls not provided between production and storage areas



Electrical Safety

- High temperatures at electrical panels
- Lack of emergency first-aid equipment in substation areas
- Small-sized Protective Earth (PE) conductor

2. Remediations

Data provided is from 107 factories where 187 follow-up visits were conducted.



Fire Safety Issues

- 100% of the factories eliminated temporary obstacles on evacuation pathways
- 81% of the factories provided additional emergency lighting
- 72% of the factories installed additional fire detectors
- 57% of the factories remediated issues at exit doors



Electrical Safety Issues

- 94% of the factories removed lint and dust from electrical panels and Dbs
- 94% of the factories corrected the high temperatures in electrical panels and Dbs
- 94% of the factories remediated issues regarding Supplies to Life Safety Systems
- 71% of the factories provided PE connections



Structural Safety Issues

- 61% of the factories remediated the issues related to missing braces in steel structures
- 68% of the factories remediated the visible distress in structural members, such as cracks
- 53% of the factories provided Allowable Loading Plans throughout the factory building

3. Safety Trainings

During this quarter, 77 Safety Training sessions were conducted; 1,338 people participated with representatives from Factory Management, OHS Committee, HR and maintenance departments, and workers from the production area.

Basic Level:

- Minh ANH - Do Luong Garment Joint Stock Company (2054437)
- Jasan Socks Vietnam Co., Ltd. (2055855)
- Precious Garments (Vietnam) Co., Ltd.
- Weitai Ha Long Garment Textile Company Limited
- Vietnam Style Fashion Accessories Co., Ltd.
- Colltex Garment MFY Co., Ltd.
- YSS Garment Company Limited
- Hansoll Vina Co., Ltd.

Level 1:

- Hana Kovi Inc.
- PT Daehan Global Yen Dung Joint Stock Company
- SSV Export Garment Company
- NAM HA Garment Joint Stock Company
- NAM HA Garment Joint Stock Company Workshop 2
- Seshin Vietnam Co., Ltd.
- High Rock Recreation Products Co., Ltd.
- Bac Giang LNG Garment Corporation
- Lang Giang BGG Garment Joint Stock Company
- TY Bach Co., Ltd.
- Viet Thanh Garment and Trading Company Limited (Gia Binh Factory)
- Vina Aron Co., Ltd.
- Crystal Martin (Vietnam) Company Limited
- P.I.T. Vina Co., Ltd.
- Ivory Trieu Son - Thanh Hoa Co., Ltd.
- Sangwoo Vietnam Co Ltd (2056640)
- Regent Garment Factory Ltd.
- Sun Jade Vietnam Footwear Ltd.
- Branch of Garment 10 Corp JSC - Hung Ha Center Business of Trade & Production High Tech (2050675)
- Viet Thuan Apparel Company Limited
- PHU Thinh Export Garment Joint Stock Company
- Quang Viet (Long An) Co., Ltd.
- Langham Garment Co., Ltd.
- K&K Fashion Company Limited
- Golden Star Company Limited - Tien Lang Footwear Factory
- Quang Viet (Tien Giang) Co., Ltd.
- May Hai Joint Stock Company - TRAN THANH NGO
- FWKK Vietnam Company Limited
- Seyang Corporation Vietnam
- First Team (Vietnam) Garment Ltd.

Level 2:

- Vina Kyung Seung Trading Co., Ltd.
- YI DA Viet Nam Limited
- TAN DE 5
- Bac Giang LGG Garment Corporation
- Delta Galil Vietnam Co., Ltd.
- Fulgent Sun Footwear Co., Ltd.
- HA HAE vietnam corporation
- Man Seon Global Garment Limited Liability Company
- TAN DE 2
- TAN DE 3
- TAN DE 6
- Manufacturing Sportwear Joint Stock Company - Thai Binh Branch
- TAN DE 8
- NIEN HSING (NINH BINH) Garment Co., Ltd.
- PD - Song Hong Garment JSC - Song Hong Nghia Hung Branch (Factory 15, 16, 17, 18)
- Shinwon Ebenezer HA NOI Co., Ltd.
- Song Hong Garment JSC (Factory 3, 4, 5, 6)
- Viet Pan Pacific World Co., Ltd.
- Winners Vina Co., Ltd.
- Youngone Hung Yen Co., Ltd.
- Vina Korea
- Dong Viet Shoes Co., Ltd.
- Branch of Poong in Vina Co., Ltd.
- Chutex International Co., Ltd.
- Exported Footwear Manufacturer
- Jia Hsin Co., Ltd.
- Ngoc Hung Footwear Company
- Now Vina Co., Ltd.
- Poong In Vina Co., Ltd.
- Shinwon Ebenezer Vietnam Co., Ltd.
- Star Fashion Company Limited
- Sun Garment Textile Vietnam Co., Ltd.
- Vinh Thinh Trading General Joint Stock Company
- Hong Duong International Company Ltd.
- CPPC Outdoor Wear (Vietnam) Co., Ltd.
- S&H Vina Co., Ltd.
- Hansae TG Co., Ltd.
- Texma Vina Co., Ltd.
- Hansae Vietnam Co., Ltd.

Cambodia

- Setup at the Cambodia office is complete; groundwork is ongoing to commence LABS operations and conduct a public launch by the middle of April 2022
- Activities were initiated to create an enabling environment for technical aspects (e.g., shortlisting and onboarding Inspection Firms, Remediation Firms, Safety Training Firms, etc.) and connect with relevant country-specific stakeholders
- Initial draft of the LABS Methodology & Standards (Cambodia) was received from Archetype – feedback was shared by LABS Team for incorporation. The LABS Methodology & Standards was then shared with LABS technical sub-committee for their review and feedback

Helpline Quarterly Updates

India

Two Non-LABS, Non-Zero Tolerance cases were received

1. A female worker found deductions in her FnF amount in her bank statement after leaving her job 6 months prior
2. A female worker wanted a raise in salary due to increased workload; she spoke on behalf of herself and other workers

The Helpline team conducted Regards and Recognition at India Helpline and distributed LABS merchandise to the Helpline team with a certificate of appreciation for their continuous support to the LABS program.

Vietnam

Received 22 Non-LABS calls with 23 cases logged: six factory general policy, eight COVID questions, one overtime, two employment contracts, three general complaints, two inquiries about what LABS Helpline is, and one caller mistaking LABS Helpline number with the Worker Union's number.

- Helpline materials were sent to 19 new factories and 19 renewed factories
- Refresher training on technical aspect was provided to the Vietnam Helpline team

Outreach and Meetings

Brand outreach continues to be the focus with an objective to strengthen the coalition and enable more brands and factories to follow common standards and adopt to sustainable business practices. LABS Secretariat is following up with various brands previously outreach (Hanes, Amazon, Fruit of the Loom, Nike, Canadian Tire, Kontoor Brands, and PVH) at corporate level regarding next steps and future engagements.

Safety trainings being conducted at factories in Vietnam



Meetings

LABS National Stakeholder Committee Meeting, India (October 27, 2021)

Key discussion points:

- Strengthening the National Stakeholder Committee with Director General, National Safety Council, Ministry of Labour, and Employment and Government of India
- Building inroads with key Institutions and Government Bodies (NITI Aayog, Ministry of Textiles, Apparel Export Promotion Council, Directorate General – Fire Services – Government of India) with support from NSC members with intent to increase collaborative solutions between buyers, factories, and government to ensure greater enforcement
- Setting a goal to increase traction with the National Standard Body (National Building Code – Bureau of Indian Standards) to adapt and enforce of policies/standards as per program mandates

Additional Update: National Stakeholder Committee, India was strengthened in India with the addition of Mr. Lalit Gabhane, Director General, National Safety Council, Ministry of Labour and Employment, Government of India – December 2021.

LABS National Stakeholder Committee Meeting, Vietnam (November 26, 2021)

Key discussion points:

- Continue cooperation with MOC/IBST for delivering a harmonized national standard to ensure LABS within the apparel and footwear industry. LABS team was invited to participate in the MOC conference scheduled biannually
- Uptake the remediation rate. MOC/IBST offered to support LABS factories by providing remediation actions for issues identified during assessment
- Utilize on-field experiences and data of LABS at factories associated with VITAS and LEFASO via communication material and seminars on LABS Standard and Methodology to further promote factory safety
- Support from VITAS and LEFASO to LABS to increase traction with their associated brands

Quarterly major incidents in the apparel and footwear sectors

India

Two accidents were reported:

1. **December 26, 2021:** Ludhiana, Punjab; fire due to short circuit broke out at garment factory; no casualties
2. **November 17, 2021:** Bangalore, Karnataka; boiler blast at textile wash and coloring unit; two people perished

Vietnam

In Q4, 1 accident was reported:

1. **October 11, 2021:** Fire at Dong Tien factory (South Vietnam); 2,000sqm building was burned down; no injuries

Source: <https://vnexpress.net/bien-lua-bao-trum-kho-vai-4370449.html>

What the Workers are Saying



“ By joining the LABS program, we realized that the LABS program helped us to improve the electrical, fire, and structural safety systems in our factory. LABS team and Inspection Firm have not only identified the safety issues in the factory but also supported us in the remediation process by providing the technical advice. In my opinion, the LABS program is very meaningful and practical for the factory to ensure worker safety. ”

Kaylin Pham

CSR Assistant Manager, Regina Miracle Co., Ltd.



“ I really appreciate the way the trainings were conducted by LABS. It helped me to understand the structural, fire, and electrical safety issues and further communicate it to my co-workers. Also, we are now aware of the Helpline. The numbers are posted on notice boards and displayed across the factory to report any issues related to safety. ”

Suresh Kumar

Knitting Operator, Jeans Knit Pvt., Ltd.



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