



**LABS**  
Life And Building Safety

# LIFE AND BUILDING SAFETY (LABS) INITIATIVE

**PROGRAM REPORT**

August 2018 - December 2021

powered  
by



# CONTENT

Executive Summary	3
Background	8
How Do We Work	15
Engaging Stakeholders	18
Governance	22
LABS Process Update	24
Transparency	35
LABS Helpline	37
What are our stakeholder saying	39
Learnings Overall	42
Looking Ahead	45





---

# EXECUTIVE SUMMARY

---

# EXECUTIVE SUMMARY

**The Life and Building Safety (LABS)** program is a private sector led and funded initiative, facilitated by the LABS Foundation. Since 2019, LABS has been striving to increase the safety of workers in the apparel and footwear industry in Vietnam and India.

LABS organizes activities to identify and solve risks related to fire and electrical hazards, structural building safety, and evacuation to improve worker safety. LABS leads and coordinates processes with associated firms for the program to help factories become and remain safe.

Since launching, LABS reached over 564,750 workers in India and Vietnam to provide safer working conditions and collaborated with factories to remediate pressing safety issues. As of December 2021, approximately 63% of the issues identified across 265 factories in both countries were remediated because of LABS' intervention.

Operating in a complex and dynamic value chain, LABS Initiative recognizes upcoming challenges. The program, with its strong coalition of global brands will continue to convene key industry stakeholders and decision makers including private sector, governments, Civil Society actors and NGO's to unlock resources and work jointly towards preventing and mitigating fire, electrical, and structural risks in the apparel and footwear industry.

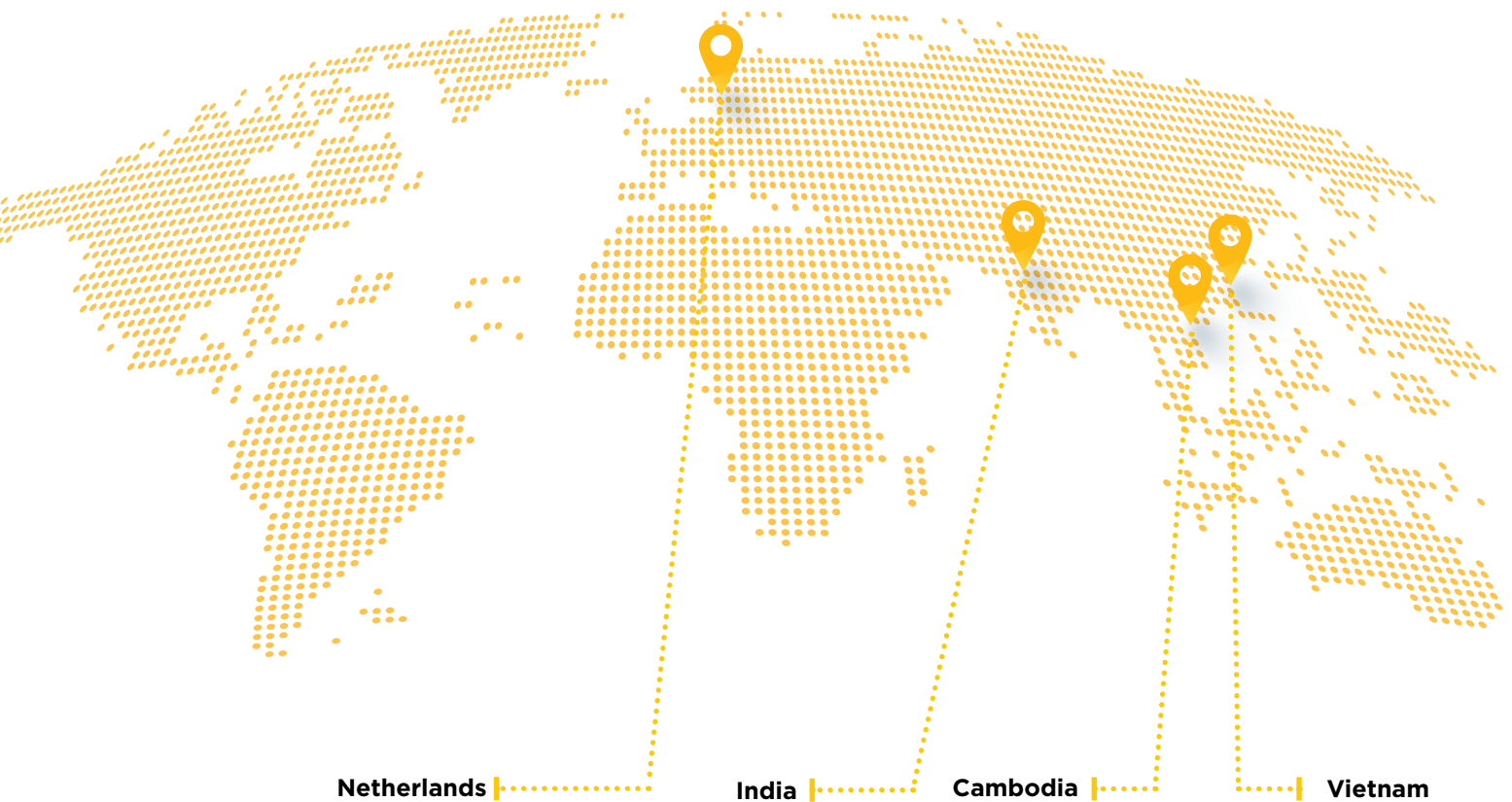
The goal of this report is twofold; as we approach the end of the second full year of LABS operations, we aim to present an introduction to our approach and methodology followed by program achievements and our learnings to date.

**LABS leads and coordinates processes with associated firms for the program to help factories become and remain safe.**



## A Collaborative Model for Change

Tragic events at garment factories highlighted the need to address life and building safety in the industry. The Rana Plaza incident in Bangladesh was an eye opener; many brands invested in creating and maintaining socially responsible supply chains, prioritizing respect and care for all people engaged in creating their products. Building on these learnings, IDH the Sustainable Trade Initiative convened key apparel brands including Bestseller, Gap Inc., Target, VF Corporation, and Walmart to design a program to effectively mitigate preventable fire, electrical, and structural building safety risks in garment and footwear-producing factories.



The LABS Initiative launched in India and Vietnam in August, 2019 as an industry-driven program with a vision to scale to additional producer countries with high building-safety risks.

# ACHIEVEMENTS

28 MONTHS SINCE INCEPTION

## Proven Business cases for field level impact



**251**

Assessments Conducted



**254**

Safety Trainings Delivered



**564,750**

Workers Reached



**12**

Firms Onboarded



**43**

Engineers Trainers Trained



**63%**

Overall Remediation Achieved

## Improved Business Practices



**India**

2019



**Vietnam**

2019



**Cambodia**

2022



**265**

Factories



**≈3.5 Mn**

Euros of public-private investments leveraged

## Improved Sector Governance



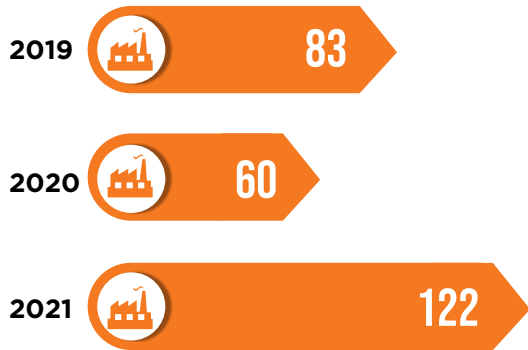
**Adoption** of LABS standard into Vietnam Government's guidelines



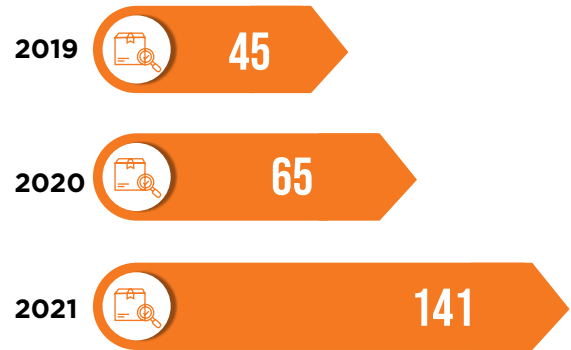
National stakeholder committees established

Technical guidance on fire safety assessment added on official website of Vietnam leather and footwear Association (LEFASO) and Vietnam Textile and Apparel Association (VITAS)

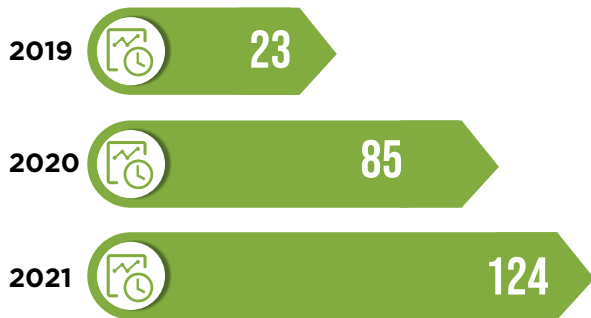
### Factories Onboarded



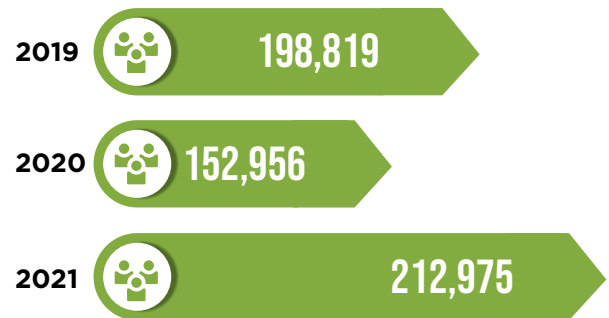
### Assessments Completed



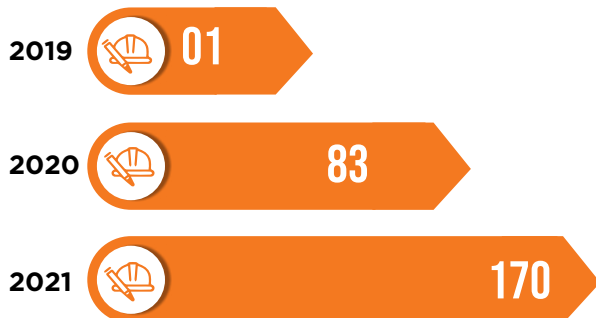
### Follow-up visits completed



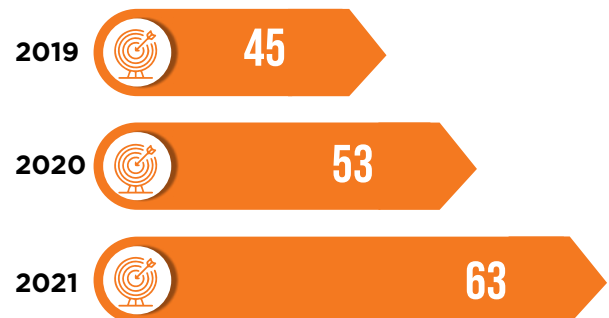
### Workers reached



### Safety trainings conducted



### Remediation percent achieved



The numbers highlighted above are cumulative.





---

# BACKGROUND

---

# BACKGROUND

**The apparel industry employs more than 75 million workers globally<sup>1</sup>.** The sector is the backbone of many developing countries' economies and increasingly contributes to women employment opportunities. However, oftentimes, the apparel and footwear value chain dynamics, the cost-price and wage pressure in fast fashion, combined with weak regulatory schemes in several countries result in precarious working conditions.

Three of the deadliest disasters in history involving an apparel factory occurred over the last decade: a textile factory complex in Karachi, Pakistan; and the Tazreen Fashions factory and Rana Plaza, both in Bangladesh. Unsafe working conditions remain common in factories across some of the key sourcing countries.

Furthermore, the COVID-19 outbreak posed a devastating impact on the apparel's global value chain. Systemic social problems and inequalities in performance became more evident and pressing. Workers' health and safety became an absolute priority. An increased scrutiny was placed on more responsible and transparent business practices, where claims for extraterritorial liability opened new spaces for mobilization on human rights and due diligence.

LABS adopts a coordinated approach to protect workers from unsafe working conditions, addressing systemic life and building safety issues present in key apparel manufacturing countries such as India, Vietnam, and Cambodia.

---

**Unsafe working conditions remain common in factories across some of the key sourcing countries.**

<sup>1</sup> <https://fashionunited.com/global-fashion-industry-statistics/>







LABS' work to create safer working conditions for people in the apparel supply chain is invaluable. Retailers, suppliers, factory owners, industry associations, and government all play a role to keep workers safe and the industry thriving, and LABS is helping bring all of these players together for a common goal.

**Marco Reyes**, Senior Director, Strategic Initiatives, Walmart



Our partnership with LABS has allowed us to enroll more than 160 of our supplier's factories in a program that identifies and remediates worker safety risks. The initiative's focus on fire, building, and electrical safety management and emphasis on sectoral collaboration has helped us scale our efforts and meaningfully address an urgent need in many apparel factories around the world.

**Kapil Mathur**, Director, Supplier Sustainability (South Asia & EMEA), ESG, Gap Inc.



Target is a proud partner of the Life and Building Safety Initiative to improve worker safety in apparel supply chains. LABS' work to convene brands and retailers, technical experts, and local stakeholders to improve worker safety is a model for sustainable and meaningful change.

**Amanda Tucker**, VP Responsible Sourcing and Sustainability Target



LABS has been a key partner for BESTSELLER in advocating for and improving structural fire and building safety standards among our suppliers in India. Everyone working in the RMG industry is entitled to a safe and secure workplace, and we have been working with LABS to bring together the stakeholders and resources to make best practices standard practices.

**Jose Prakash**, Social and Labour Manager for India BESTSELLER







We believe leveraging a network of industry peers, technical safety experts, and governments is essential to driving sustainable change to critical life safety across our industry. The LABS program is foundational to our enterprise safety strategy. Our collective effort has been very important in upgrading the safety of our facilities to industry-leading practices and helping to keep workers safer in factories. The LABS program has proven to be successful in both India and Vietnam over the past couple of years, which increases our confidence and excitement to see the program expand into Cambodia in the months ahead.

**Kyle Bogler**, Senior Director – Safe and Sustainable Operations – Global Responsible Sourcing, VF Corporation





# DRIVING CHANGE

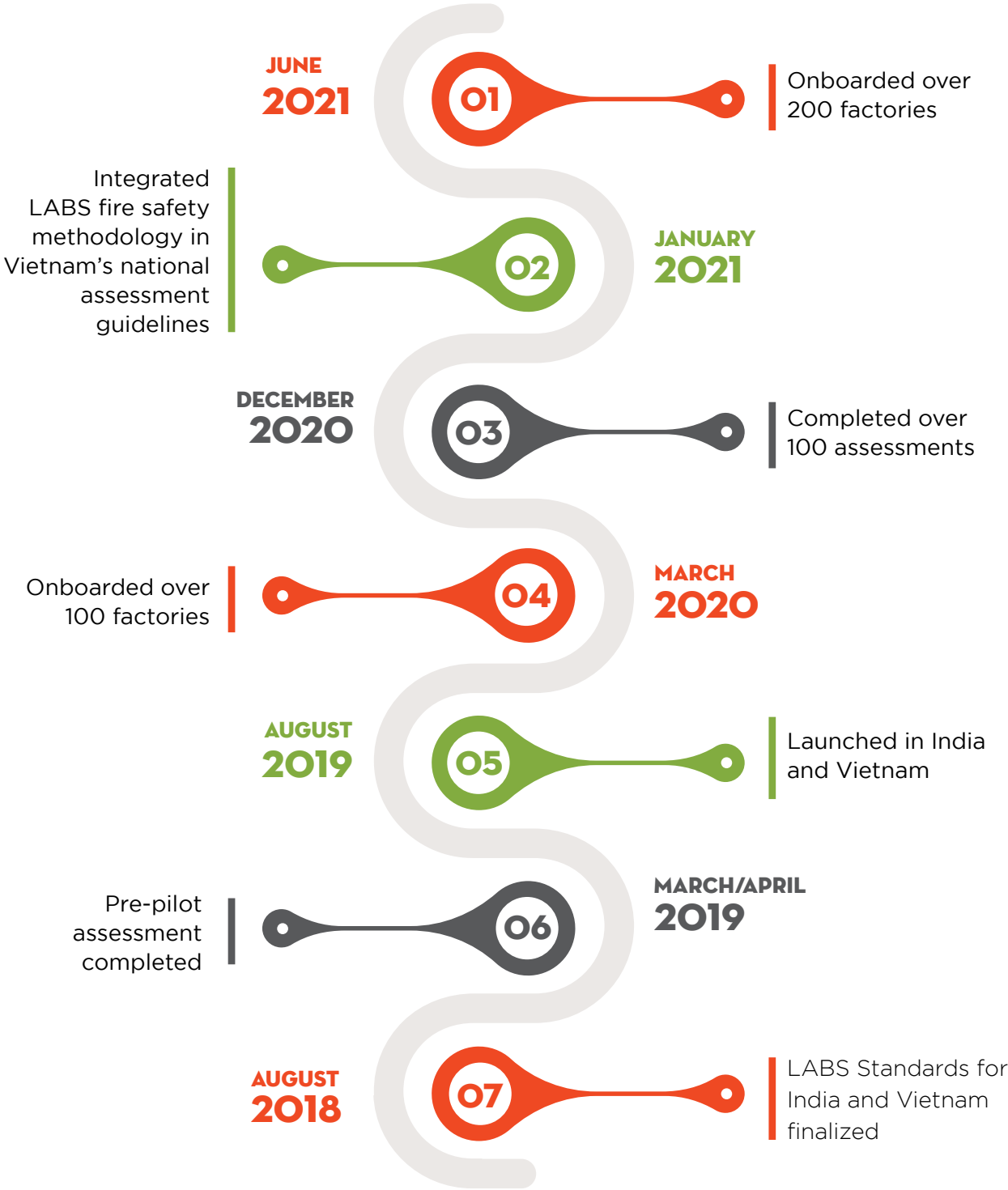
LABS creates a direct impact on SDG 8 – Decent Work and Economic Growth and SDG 17 – Partnerships for the Goals by promoting a safe and secure working environment for workers in the apparel and footwear value chain. The approach relies on collaboration with key stakeholders. While LABS is an industry-led initiative, it in no way reduces the duty of governments and related enforcement agencies to ensure their citizens work in safe places. LABS engages with local governments and civil society actors in the countries we operate to integrate best practices into policies and provisions and to adjust and adapt our strategy to be as effective as possible. LABS mission is to embed longer time life and building safety oversight in the local authorities scope of work.

LABS Initiative promotes life and building safety by:

- Promoting workers' safety by effectively identifying and remediating pressing risks related to fire, electrical, and structural building safety, aligned with internal standards and best practices
- Creating awareness of trends including root cause analysis (RCA) and business cases on viable solutions
- Building and improving the local capacity of sector experts to promote and implement workplace life and building safety
- Strengthening workers' awareness and capacity to identify and maintain workplace safety
- Solidifying partnerships and policies among different stakeholders at global, regional, and country levels to support and increase sector coordination and enable collaboration



# PROGRAM TIMELINE





# IMPACT OF COVID-19 AND OUR RESPONSE

Worldwide, COVID-19 devastated communities and economies, affecting people differently; people in the apparel value chain were hit particularly hard, experiencing severe economic consequences.

For the majority of 2020 and 2021, factories in India and Vietnam remained fully closed or semi-operational. They faced uncertainties and challenges, including reductions in future orders and workers losing their jobs amidst factory lockdown and store closures. We saw the direct impact and implication of the pandemic on the progress and outreach of the LABS program; brand onboarding continues to be challenging. However, the program continues to model and advocate that LABS is a “must have” and not a “nice to have” and sits at the apex of priorities concerning worker safety.

## OUR RESPONSE

Colleagues, partners, and suppliers remained vital to the program’s response to the pandemic. The initial priority was protecting employees and program associates and supporting the health and safety of workers, business partners, and communities. The program followed guidelines issued by authorities at all stages. Since August 2020, LABS Safety Trainings included a section on “COVID-19 – General Awareness & Preventive Measures” as part of the training modules.

Despite pandemic challenges, we accelerated program work on many fronts, operating with caution and supporting factories. When physical meetings were not possible, LABS team initiated processes virtually. To support factories, LABS extended annual membership contracts by 60-90 days in regions where there was lockdown and/or factories were not fully operational – this helped factories give higher priority to stabilize business operations.

As the situation eased globally towards the end of 2021, LABS moved towards a normal mode of operation. The pace of assessments picked up and follow-ups increased to check the remediation status of the factories. Towards the last quarter, we intensified activities to become operational in Cambodia.

## LEARNINGS

During the pandemic, we were reminded how vulnerable the supply chain is in the apparel industry. We will continue to work towards improving the safety of workers and steering factories to create safer working conditions.

By working closely with our stakeholders, we recovered operationally and financially quicker than anticipated and continued to accelerate LABS existing work. We will continue to use these lessons learned to work towards a safer apparel industry.



---

# HOW DO WE WORK

---

# HOW DO WE WORK

## LABS STANDARDS AND METHODOLOGY

The **LABS Standard and Methodology** (the “Standard”) is based on international best practices and codes, such as the International Building Code, National Building Code of India, Vietnam National Building Code, Cambodia Law On Construction and NFPA. Under LABS, in addition to applicable country laws, factories commit to adhere to a harmonized, country-level standard around structural, fire, and electrical safety.

LABS assesses factories and provides a framework for monitoring identified risks related to fire and electrical hazards,

structural building safety, and evacuation towards the Standard. The onsite methodology is designed to ensure mitigation and

remediation, including the workers’ Helpline and strengthening Occupational Health and Safety (OHS) committees.

01

Assessment & Remediation Mechanism



02

Building Safety Helpline



03

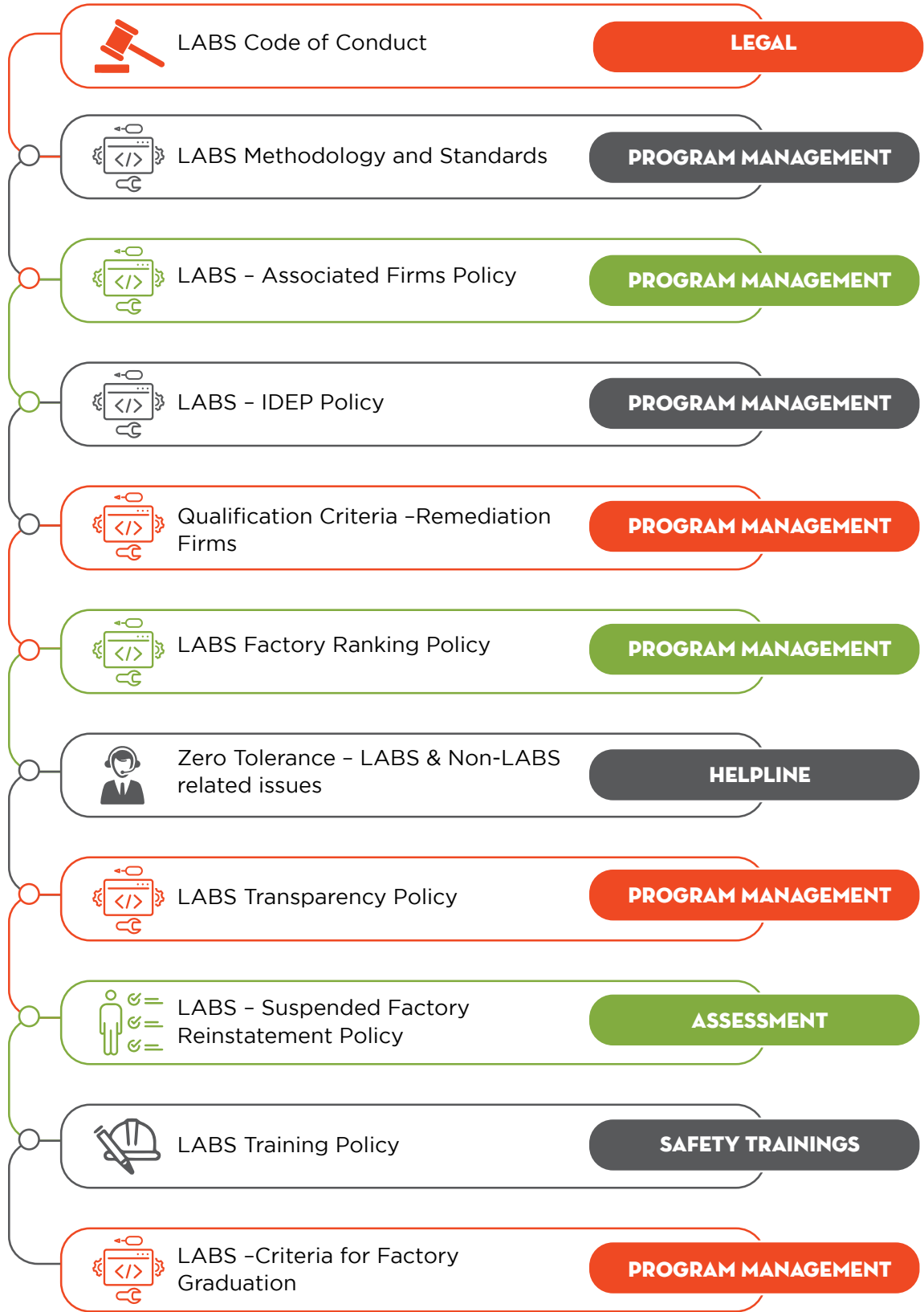
Safety Training



**LABS leads and coordinates processes with associated firms for the program to help factories become and remain safe.**



# LABS POLICIES





---

# ENGAGING STAKEHOLDERS

---

# ENGAGING STAKEHOLDERS

---

Our stakeholders perform many roles within and beyond steering the course of the program. By working collaboratively, the program can make an impact at governance, business, and field levels. Genuine collaboration requires us to listen, to challenge and be challenged, and to openly share experiences and learnings.

## NATIONAL STAKEHOLDER COMMITTEES

The National Stakeholder Committee (NSC) guides monitoring and institutionalizing the program at the country level. The NSC helps identify and address challenges and opportunities while promoting the importance of safety for workers and guides LABS towards working with the local government towards a harmonized, standard adaptation and incorporation into legislative policy and framework.

Ensuring key government support in NSCs is vital. In India, for example, one committee member is the

Director General of the National Safety Council, constituted in 1966 by the Ministry of Labour and Employment, Government of India (GOI), with a mission to be a national leader for providing guidance and services to make workplaces safer, healthier, and environmentally friendly. In Vietnam, the NSC supported a collaboration to form with the Ministry of Construction (MOC) in creating the “Technical Guideline for Inspection and Assessment of Fire Safety Conditions of Garment and Footwear Industrial Factories”, based on the LABS Standard.

---

**LABS will continue to convene key industry stakeholders, decision makers and civil society actors through the National Stakeholder Committees in the countries we operate in to ensure joint industry commitments towards safety and long-term local/ national ownership.**

---



### EXPERTS

LABS engages with local stakeholders like ILO, multi-stakeholder initiatives, industry associations, CSOs, governments, and institutes to create better safety policies and provisions. These partnerships focus on raising standards, developing ideas, and tackling challenges.

### BRAND PARTICIPANTS

LABS Brand Participants are a group of global apparel brands and retailers who work towards creating safer working conditions in the industry in a collaborative way; they accelerate and monitor remediation by supporting and collaborating with the sourcing factories.

BESTSELLER

Gap Inc.



Walmart 

### INSPECTION FIRMS

Inspection Firms (IFs) conduct structural, fire, and electrical safety assessments for the factories. IFs validate corrective action plans (CAPs), designs, and CAP closure as per the LABS Standards and Methodology.

ELEVATE

intertek  
Total Quality. Assured.

QIMA  
YOUR EYES IN THE SUPPLY CHAIN



### QUALITY ASSURANCE FIRMS

Quality Assurance Firms perform re-assessments in 10% of the factories to ensure quality and consistency of assessments and reporting.

Bureau Veritas is the quality assurance firm for the program in India and Vietnam.



### SAFETY TRAINING FIRMS

Safety Training Firms educate factory staff members and key safety personnel to enhance their skills on flagging safety issues, evacuating, and creating additional awareness regarding structural, electrical, and fire safety.



### HELPLINE PARTNERS

Workers' Helpline acts as a centralized, toll-free number where factory workers can anonymously report safety issues related to structural, fire, and electrical safety.

Helpline access is provided through independent third parties, Cyfuture in India and Relia in Vietnam. Helpline access would also be provided to the factories in Cambodia after the program is launched in the country in 2022.







---

**GOVERNANCE**

---



# GOVERNANCE

## STEERING COMMITTEE, TECHNICAL SUB-COMMITTEE, FINANCE SUB-COMMITTEE AND COMMUNICATION SUB-COMMITTEE

Brand representatives and IDH form the **LABS Steering Committee (SC)**, the executive decision-making body of the program. It exercises all powers for program execution, including but not limited to selecting, contracting, compensating, and reviewing the program’s performance operations, the oversight and approval of the budget, and all operational policies. The sub-committees steer and guide the technical, financial, and communication aspects of the program.

**Ultimately local governments and authorities need to take ownership of assuring safe buildings for their people**

### National Stakeholder Committees



LABS works to create a sustainable model building local capacity, shared responsibilities and optimizing leverage to drive and sustain progress around safety.



The LABS program has been supporting many textile and footwear factories to meet the safety requirements of international brands and Vietnam government, and all together, it contributes to the country's sustainable development goals and brings benefits to workers, factories, as well as brands.

**Ms. Nguyen Thi Tuyet Mai,**  
Vice General Secretary cum Chief Representative Office in HCMC  
Vietnam Textile and Apparel Association (VITAS)



It gives me immense pleasure to be associated with the LABS, it has inculcated the culture of health environment and safety in different Fabrication/Manufacturing units for export purposes. The LABS has been doing commendable job in Implementing the local bylaws and safety standards within India as well as internationally.

**S. K. Dheri,** Ex-Chief, Department of Delhi Fire Services,  
Government of India, Member of LABS National Stakeholders  
Committee, India





---

**LABS PROCESS  
UPDATE**

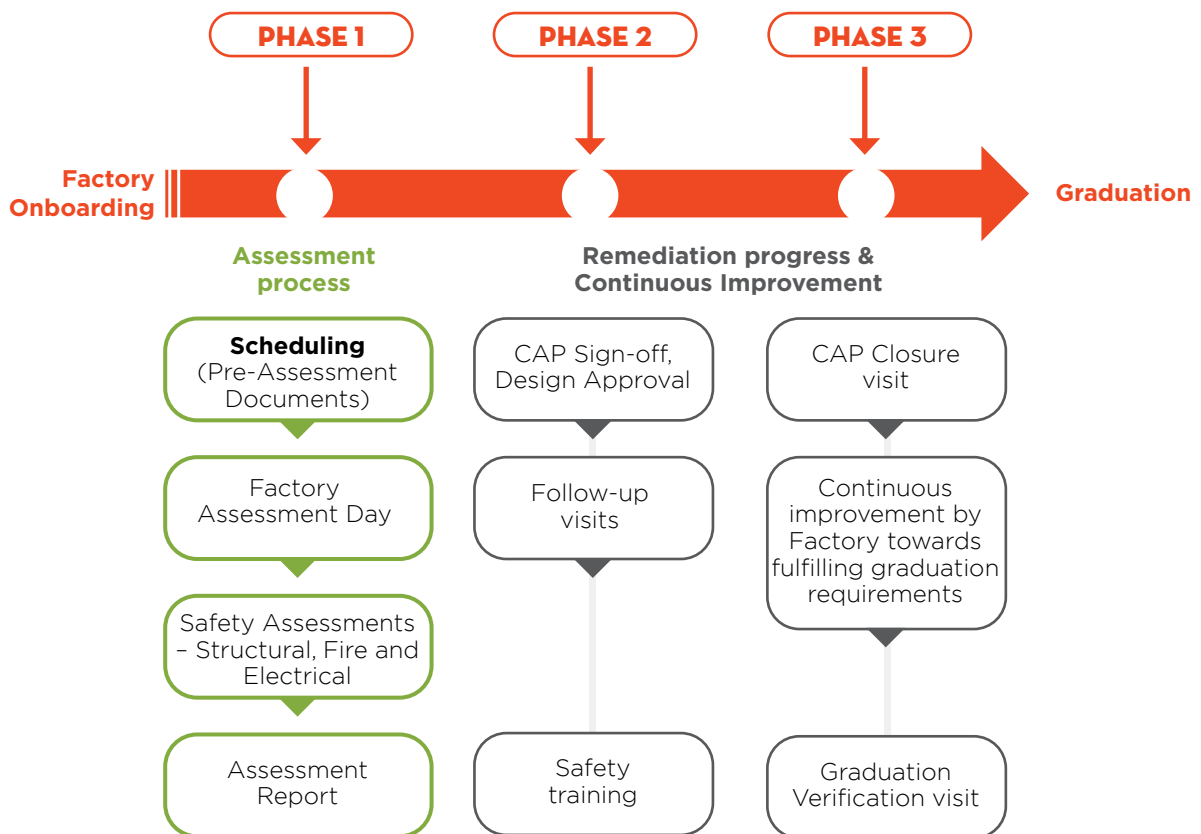
---



# LABS PROCESS UPDATE

**LABS coordinates activities to identify and solve risks** related to fire and electrical hazards, structural building safety, and evacuation to improve worker safety. LABS leads and coordinates the process with associated firms for the program to help factories become and stay safe.

## ASSESSMENT & REMEDIATION PHASES



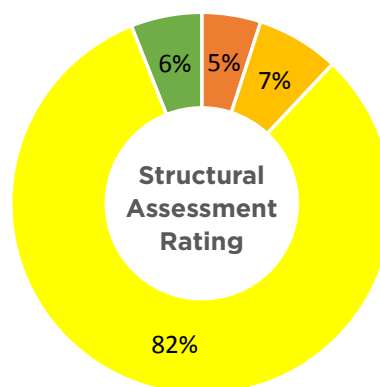
# ASSESSMENT

Assessments are conducted at factories based on the Standard; they provide insight on the safety issues in the factory. The IF submits a detailed assessment report, including recommended actions, priority levels, and timelines for issue remediation. Until the end of 2021, LABS conducted 251 assessments in India and Vietnam. Reports are accessible on the LABS website.

## ASSESSMENT RATINGS & MOST COMMON FINDINGS (INDIA)

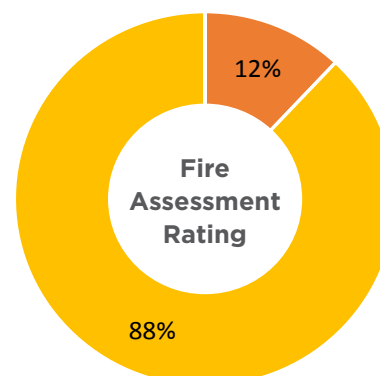
### Structural Safety

- Reinforcements exposed in projected roof slabs
- Cracks in non-structural wall – perhaps a foundation settlement
- Seismic bracing not provided for storage racks
- Uncontrolled storage on various floors without load plans
- Missing documents such as structural diagrams and floor-load plans



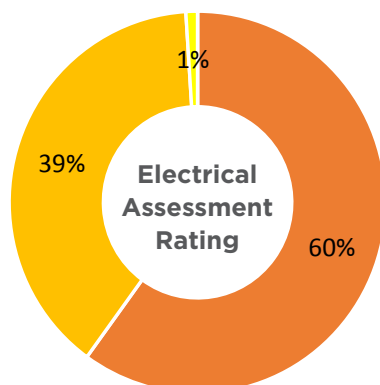
### Fire Safety

- Rolling shutters installed on exit doors
- Fire-rated doors and fire-rated enclosures not provided at staircases
- Inadequate smoke detectors
- Combustible goods stacked near electrical sources
- Non-illuminated exit signs
- Water-storage capacity inadequate for firefighting purposes



### Electrical Safety

- Lighting protection system not installed
- Internal components of switchboards not properly concealed
- Heavy lint and dust inside switchboards/ distribution boards
- High number of hotspots with temperatures between 60°C and 194°C



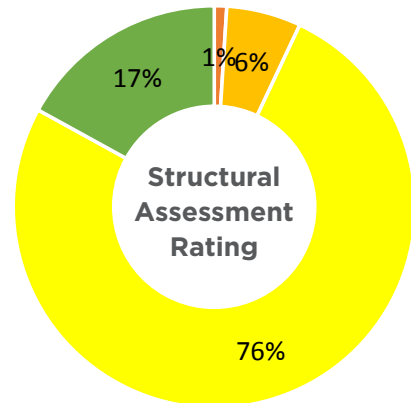
Total Assessments conducted in India from program inception: 101

Total Assessments conducted in India in 2021: 65

**ASSESSMENT RATINGS & MOST COMMON FINDINGS (VIETNAM)**

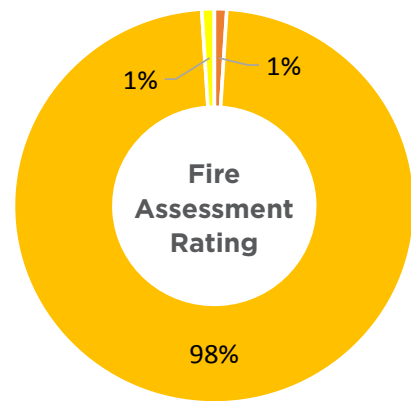
**Structural Safety**

- Uncontrolled storage in factory areas
- Cracks on structural members in the factory
- Missing lateral column bracing in the workshop
- Corrosion on steel frame structure on building roof



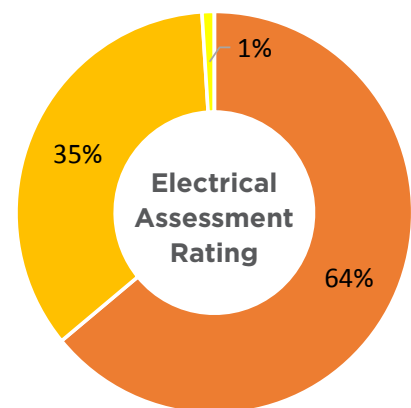
**Fire Safety**

- Locking mechanisms on many exit doors
- Side-hinged, swinging doors not used at exits
- Missing overhead signage indicating directional changes
- Separations between hazards lacking fire-resistive rated construction barriers. The storage lacked fire-rated separation from production floor
- Inadequate enclosures in generator, boiler, or chemical areas



**Electrical Safety**

- Temperatures over 70°C at several electrical panels
- Inadequate Protective Earth (PE) connections
- Improper protection coordination between cables and protection devices
- Single line diagrams (SLDs) not available or updated

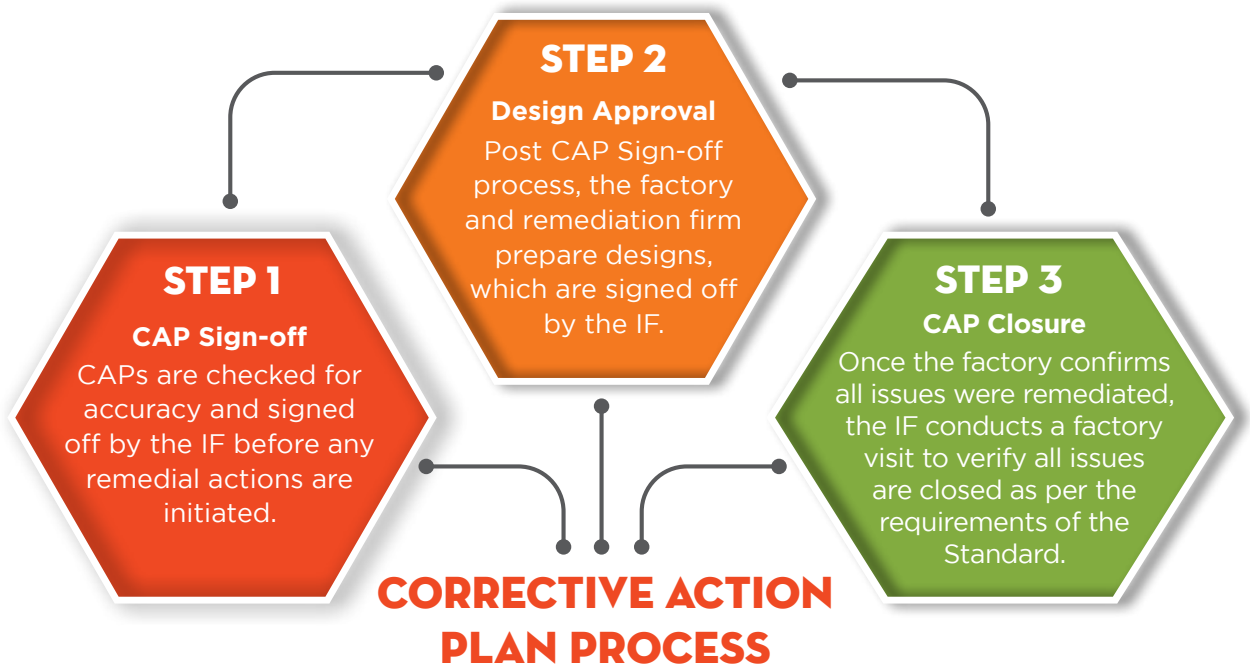


Total Assessments conducted in Vietnam from program inception: 150

Total Assessments conducted in Vietnam in 2021: 73

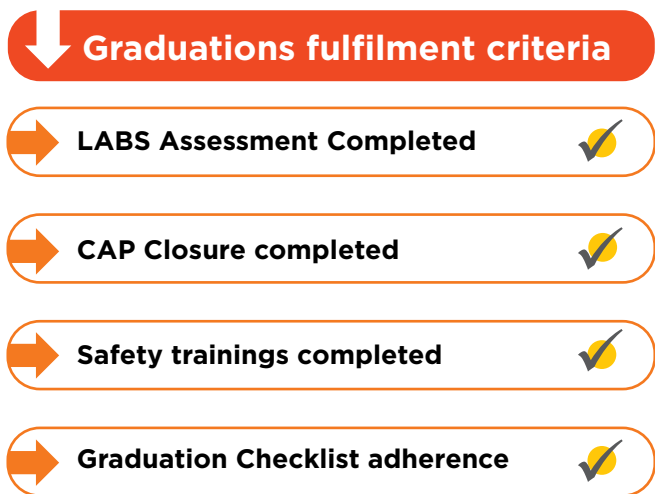






## FACTORY GRADUATIONS

- The LABS FC monitors the factory's progress on fulfilling the criteria for graduation
- Factory triggers the graduation by confirming the completion of all elements
- LABS FC reviews the checklist and schedules a "Graduation Verification Visit" for the factory with the IF that conducted the CAP closure visit
- Graduation verification checklist adherence is conclusive for issuing graduation letter to the factory



### SUCCESS STORY

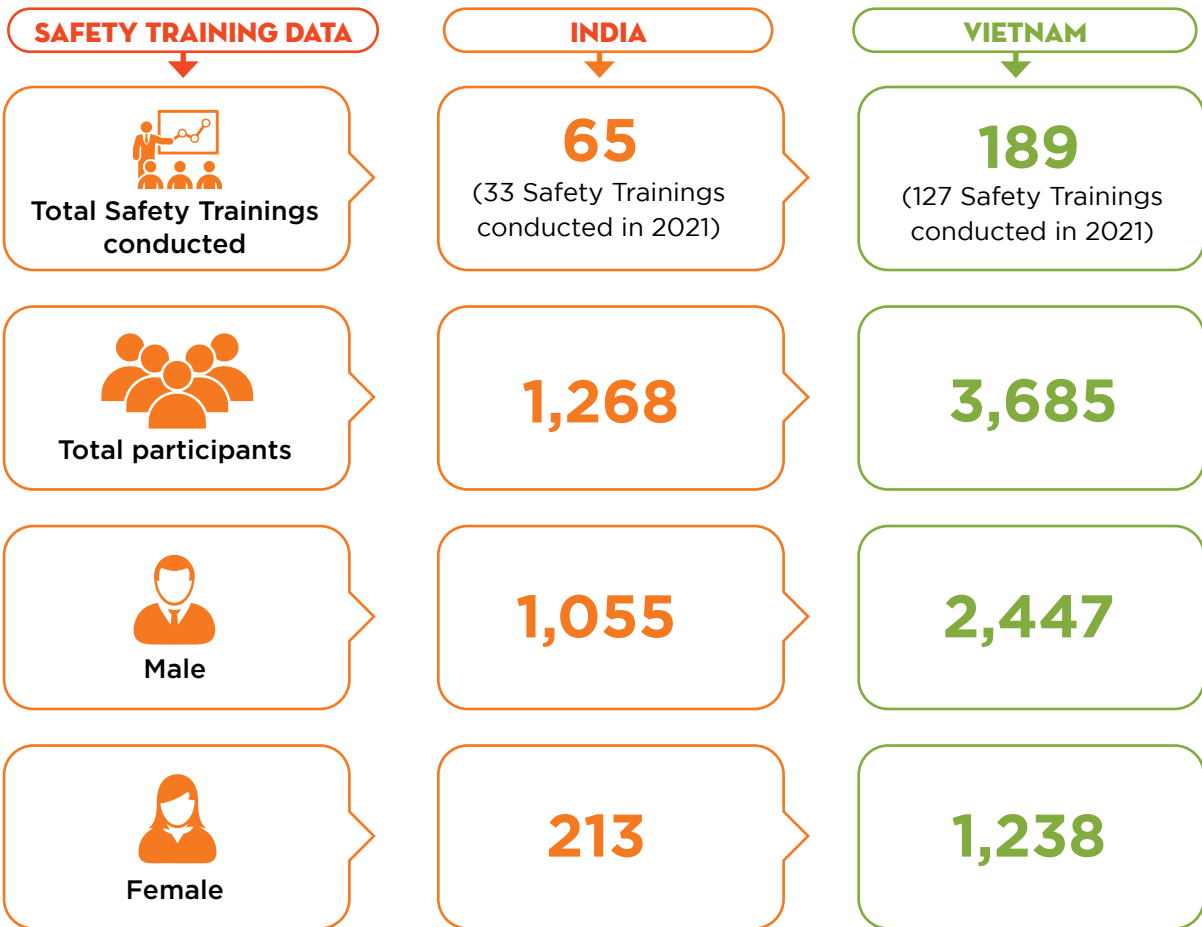
**Appareltech Vinh Loc Co., Ltd.** joined the LABS program in 2019. The factory supplies to several brands. Through LABS assessments, the factory realized the importance of regular maintenance work. During the assessment, a fire-protection water pump was tested; water slowly came out of the faucet and it took additional minutes to increase pressure. The factory remediated the issue and re-checked the entire fire water-pump system to ensure the water pump worked well and the water pressure was adequate to fulfil the fire-prevention requirements. The factory graduated in November 2021 after fulfilling all the criteria in the graduation checklist.

# SAFETY TRAININGS

Through associated safety-training firms, LABS trains OHS committees, staff members, and key safety factory personnel to enhance their proficiency regarding flagging safety issues, evacuating, and creating additional awareness of structural, electrical, and fire safety.

Three safety-training levels are available to the factory, based on the Safety Proficiency Check conducted at the factories after LABS assessment is completed.

By the end of 2021, LABS program conducted 254 trainings in India and Vietnam.



Female representation in the Safety Trainings especially in India is very low and the program aims to create a better balance going forward.



# MONITORING PROGRESS

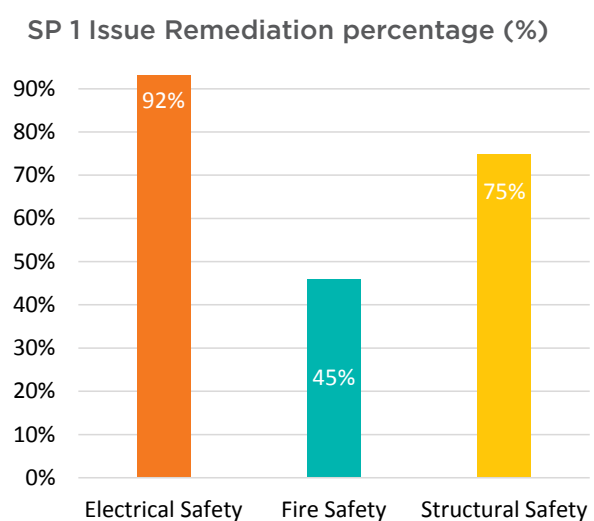
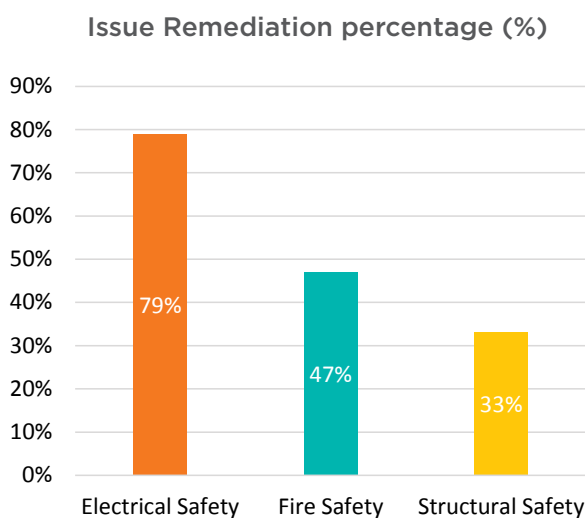
Monitoring is an important aspect of the LABS Initiative. Robust remediation plans need to be carried out successfully with periodic interventions to check progress as well as deviations for needful corrections, if necessary.

LABS' Factory Coordinators (FCs) track and record the progress of remediations by conducting follow-up visits at the factory units. The following steps are taken by the FCs during a typical follow-up visit:

- Factory walkthrough with relevant electrical, fire, and structurally responsible personnel at the factory (e.g., maintenance engineers and safety and compliance-responsible personnel)
- Check completion status of every observation listed
- Assess if a system was set up to ensure the issue does not recur
- Technical checks for the completion of observations (e.g., installing fire-safety doors and fire separations) by collecting documentary evidence pertaining to conforming to the Standard
- After the field visit, observations are filed in a detailed follow-up visit report to be shared with brand representatives and factory management
- LABS' FCs, in alignment with brand representatives, monitor and check the remediation action(s) taken by the factories on complaints reported by workers on the Helpline

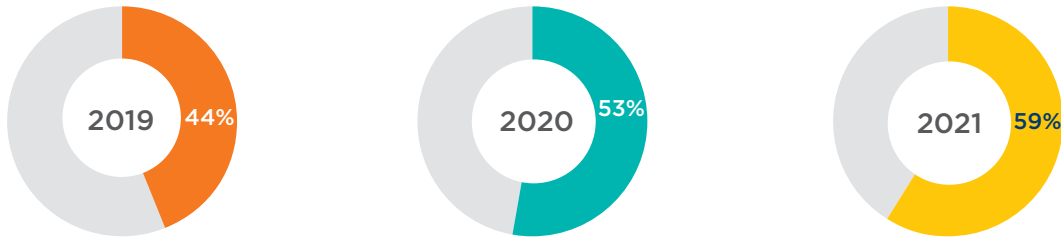
Since early 2020, LABS steadily increased the overall remediation rate. However, due to pandemic-related closures and subsequent operational challenges, there was a delay in completing remediations within a stipulated time. Brands and the LABS team extended timelines on a case-by-case basis for issues requiring greater interventions. The current remediation progress stands at 59%.

## REMEDIATION PROGRESS - INDIA

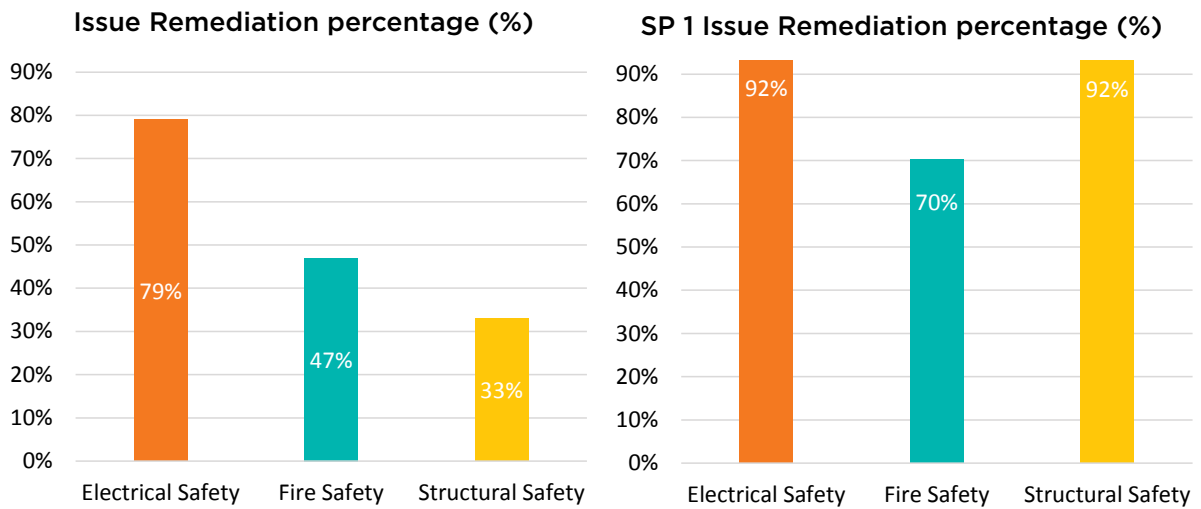




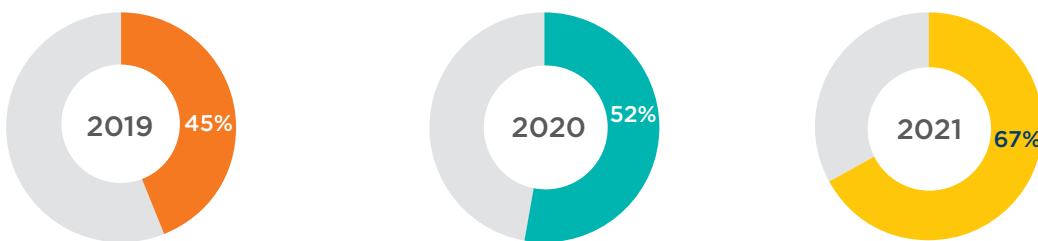
**PROGRESSIVE YEARLY REMEDIATION PERCENTAGE DATA (INDIA)**



**REMIATION PROGRESS - VIETNAM**



**PROGRESSIVE YEARLY REMEDIATION PERCENTAGE DATA (VIETNAM)**



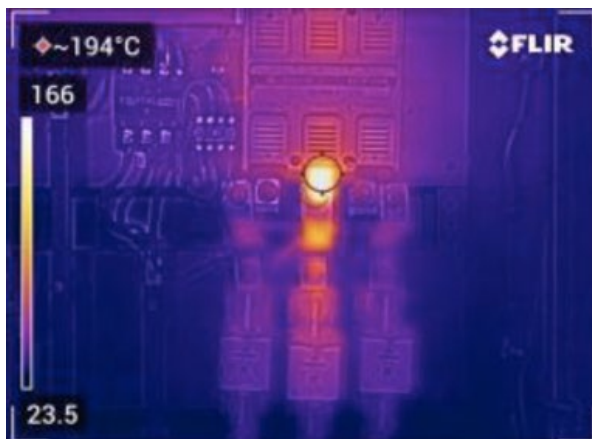
## Some successful interventions of LABS assessments:

# CASE STUDY 1

### RISK DUE TO HIGH TEMPERATURES MITIGATED

**Location:** South India; Building type: RCC + Steel Structure (Basement + Ground); No. of workers: 1400; Building age: 11 years (approximately); Transformer: 500 kVA (O2) & 250 kVA (O2); Assessment date: August 27th, 2021

- High temperature of 194°C identified during assessment at 380 kVA, AMF Panel, Y Phase
  - Cause - Severely corroded fastener at the connection that was also partially burned due to prolonged exposure to high temperature
  - Sustained high temperature posed threat of total electrical failure causing fire/explosion
- Action**
- Inspection Firm's Assessor communicated the issue to LABS Factory Coordinator
  - LABS Factory Coordinator immediately coordinated a call between factory management and Assessors to discuss the next steps to be initiated by factory management
  - Owing to the severity of issue, factory management was advised by Assessor to take immediate action for remediation of the issue prior to the closing meeting
  - Factory management took steps under the supervision of their in-house Electrical Engineer and replaced the corroded fasteners and with adequately cleaned the terminal
  - After corrective action by factory management, the Assessor conducted another round of thermographic scans; the temperature was within permissible limits (49.2°C)



Before - Temperature noted - 194°C



After - Temperature noted - 49.2°C

# CASE STUDY 2

## RISK DUE TO LOCKING MECHANISM ON EXIT DOORS MITIGATED

**Location:** North Vietnam; Building type: Single-story, steel-framed structure; No. of workers: 1,927; Building age: 10 years; Assessment date: October 23rd, 2020

Issue: Risk of fire and explosion in an emergency – workers do not get out in time due to the locking mechanism on exit doors

### Observation

- Locking mechanisms on exit doors existed on numerous exit doors in the factory during the assessment (e.g., buildings 1, 2, 3, 4, and 5, material warehouse, cutting building)
- Walls around the factory and exit doors are made of glass. This is special as the utilization of the push rod is more difficult in areas with 50 or more people

### Action

- During the closing meeting, the Inspection Firm recommended that factory management remove the

locking mechanisms on the exit doors so workers can exit safely in the event of an emergency

- Inspection Firm shared a detailed Severe Priority 1 issue report with LABS Factory Coordinator and the Brand team
- LABS Factory Coordinator followed up with the factory management on remediation progress
- The factory installed special panic bars which transmit the locking mechanism of the push rod upwards, unlike the usual position of the crossbar





# CASE STUDY 3

## CRITICAL STRUCTURAL RISK OF BUILDING COLLAPSE PREVENTED

**Location:** South Vietnam; Building type: Reinforced concrete structure;

**No. of workers:** 1,492; Building age: 16 years (approximately)

**Issue:** Imminent threat of structural failure which could lead to building collapse

### Observation

- Vertical crack on the beam (DS2) in the electrical room & CAD room of the main production building
- There is the additional risk of a transformer explosion if the roof collapses, which can cause twice the damage and a main production-building fire

### Action

- LABS Factory Coordinator immediately coordinated a call between factory management and Assessors to discuss the next steps to be initiated by factory management

- Factory integrated a credible engineering firm to check the distressed beams and discuss remedial actions for the issue
- As per recommendations of Remediation Firm, the factory representative reported the installation of additional steel columns and beams to support the current concrete beam in the electrical room
- Factory's remediation progress was monitored periodically during follow-up visits conducted by LABS Factory Coordinator





---

# TRANSPARENCY

---



# TRANSPARENCY

Transparency is at the core of the **LABS program**. By **providing insights into the program and its partners, LABS strives to be as effective as possible**. Therefore, maintaining a high level of transparency based on recognized industry good practices, LABS publicly shares information of its standard, activities, progress, and remediation status of factory partners. Additionally, LABS regularly shares Helpline data.

LABS Initiative posts information on the platform regarding factories that are behind schedule in their remediation activities or are terminated from the program due to consistently missing remediation deadlines; brand's sourcing teams have access to this detailed data .

LABS monitors remedial actions and assessments, which are performed by vetted experts. LABS FCs function as facilitators between factories and LABS brands and retailers regarding monitoring, assessment, and remediation. Delays in factories' time-bound processes result in the enforcement of the Factory Ranking Policy, whereby warning/reminder letters are issued with a clear intent to accelerate implementations of due

processes. Approximately 80 letters were issued to factories in India and Vietnam regarding delayed remediation and delayed draft CAP submissions.

LABS is committed to monitor CAPs as per LABS Standards and Methodology. An account of each participating factory is created on the Fair Factories Clearinghouse (FFC) online platform to share reports, Assessment, training information, and CAPs with the participating brands. Inspections by LABS' vetted assessment firms is reported on the FFC platform. Summaries of the remediation data is shared with wider stakeholders on the LABS website, which shows which factories are committed to making a positive change.







---

**LABS HELPLINE**

---

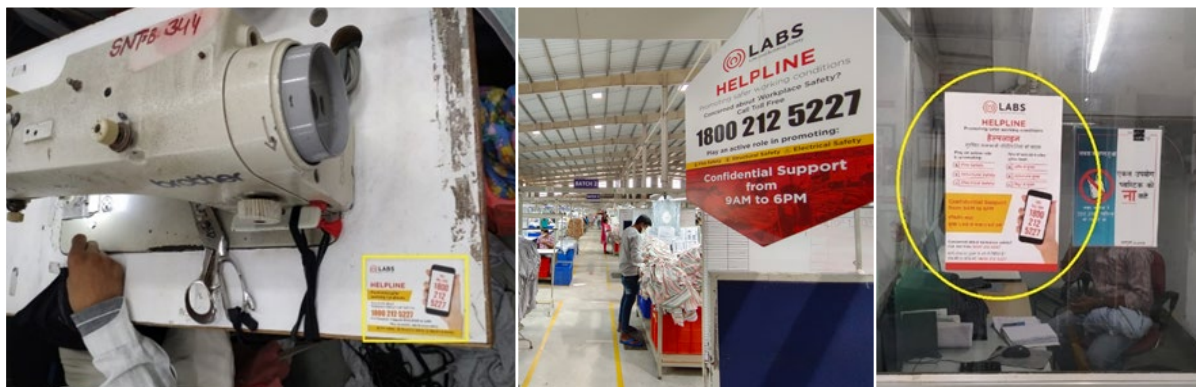
# LABS HELPLINE

As part of the LABS program, a toll-free workers’ Helpline for those factories associated with the program is provided. The Helpline acts as a centralized toll-free number where workers can anonymously report safety issues primarily related to structural, fire, and electrical safety.

## HELPLINE UPDATE

When safety issues are reported on the Helpline, the cases are shared with the factory; the factory responds to LABS with their remedial actions. LABS’ FCs check the remediation action in their upcoming visits, and if found appropriate, is marked “Resolved” from LABS’ side. Quite a few non-LABS calls (i.e., not related to safety issues) are also reported on the Helpline. These cases are shared with the factory or brand and are marked “Closed”.

A total of 35 calls were received in India and 198 calls were received in Vietnam. All calls received were marked “Resolved” or “Closed” as per LABS procedure.



## OPERATIONAL IT SUPPORT

LABS uses Salesforce for onboarding factories and FFC portal for capturing assessments. Assessments and CAP reports were made publicly available on the LABS website in 2020.

Reporting is simplified through the Platform. Every user has access to customized reports and can export different variations of data using Salesforce or FFC reporting module.





---

**WHAT ARE OUR  
STAKEHOLDER SAYING**

---



# WHAT ARE OUR STAKEHOLDER SAYING



This is very good program by support of which factory management focus on structural, fire, and electrical safety and especially the stability of building structure which mostly is not visible and sometimes goes unnoticed.

**Pravin Kumar**, AGM-HR/Compliance,  
Pee Empro Exports Pvt., Ltd. (Unit 12/2)



With the help of LABS Safety Training, I have learned about safety measures and now have clarity on why safety is important at the workplace in case of an emergency, how we will evacuate from the factory building and what are the necessary steps to be followed during an emergency situation.

**Riyanka Yadav**, Operator, Production Department,  
Pee Empro Exports Pvt., Ltd. (Unit 12/2)



I can approach management in case any issues are observed in terms of structural, fire, and electrical safety. I also have access to the LABS Helpline number and can raise an issue regarding the Structural, Fire & Electrical safety issue identified.

**Khushboo Kumari**, Stitching Operator,  
Pee Empro Exports Pvt., Ltd. (Unit 12/2)





By joining the LABS program, we have realized that LABS helped us to improve our safety system on electrical, fire, and structural. The Inspection Firm and LABS team have found out the safety issues in the factory and also supported us during the remediation process by technical advices. Beside that, the LABS safety training session helped us to improve our capacities related to the building safety as well.

**Ruby Nguyen**, Compliance Supervisor,  
G&G Fashion (Vietnam) Co., Ltd.



I know about LABS Initiative and the LABS Helpline number. In case of any problem observed in factory related to fire, electrical, and structural safety, I will report the issue on this number. The Helpline number is displayed in our shop floor as well.

**Satish KC**, Finishing Helper,  
Arvind Limited, Bengaluru



LABS program is focusing on the electrical, fire, and structural safety issues in our factory aligned with the international best practices and the local laws. They helped our maintenance team to improve the knowledge on the technical aspects, then we can support to improve the safety for our factory working condition as well.

**Nguyen Le Thinh**, Maintenance Team Manager,  
Delta Galil





---

# LEARNINGS OVERALL

---



# LEARNINGS OVERALL

---

LABS understands that learning and reflection are critical to help us understand if the program is moving in the proposed direction. Sector transformation is a dynamic and iterative process that requires a continuous assessment of progress and an adaptation to changes within both the system and its broader context. LABS is a data-driven program to enable real-time learning, and the program is committed to strengthen data analytics to track progress and to support the industry with strategic insights and recommendations.

Further, as a learning organization, LABS commissioned an external impact evaluation in its first two years of operation. This assessment explored the effectiveness, contribution, and attribution of program interventions through interconnected impact areas.

LABS worked with the government of Vietnam to improve policies for life and building safety in factories. The work done alongside the Ministry of Construction led to improved policies for life and building safety in factories in Vietnam. Overall, LABS' interventions led to an impact on the industry standards in Vietnam with the help of the PPP, NSC strengthened policies. The guidelines were disseminated to all participating factories.

Factories and their staff have generally reported higher awareness and knowledge in terms of safety, after participating in the LABS Initiative. Factories work on remediating the issues highlighted during the LABS assessment to the best of their abilities.

Overall, the assessment demonstrated a positive change in all impact areas where LABS' direct contribution was acknowledged.

Increased workers' awareness of electrical, fire, and structural safety was the culmination of: focused interventions; harmonized and replicable framework

---

**The assessment demonstrated positive change in all impact areas where LABS' direct contribution was proven.**

---



developed and adopted for electrical, fire and structural safety assessments; trainings; Helpline; and creating and enabling environment for creating pathways of change.

LABS provided a transparent platform to increase sector coordination and collaboration, enabling dialogue within key local stakeholders, and eventually moving from dialogue to action on safer factories. It oversaw an independent safety and quality assessment as well as a remediation program supported by worker-safety training and a national LABS Helpline for workers to address their concerns in India and Vietnam's significant apparel industry.

Through our engagement with the National Stakeholder Committee, LABS methodology was recognized by the Ministry of Construction in Vietnam and reflected in the adoption of the LABS Standards in the country's "Technical guideline for inspection and assessment of fire safety conditions of garment

and footwear industrial houses". The collaborative approach is reflected in the high remediation rates achieved by the program. The program ensures actions and resources are focused on delivering a more effective problem-solving approach.

At the same time, proactive recommendations stressed the need to be clearer on how we approach gender equality. In response, LABS is piloting a comprehensive Gender Tool to understand gender dynamics in our work with a goal to improve working conditions and strengthen our impact at all impact areas. We are committed to applying gender lenses in our all interventions.

Going forward, we will continue to reflect on the recommendations provided by our partners and strengthen our ability to abstract lessons learned.





---

# LOOKING AHEAD

---

# LOOKING AHEAD

In 2022, LABS Initiative will continue to aim for a coordinated system approach, addressing systemic life and building safety issues present in targeted countries of the apparel and footwear value chain, such as India, Vietnam and Cambodia.

We will continue to convene key industry stakeholders and decision-makers through the National Stakeholder Committees in the targeted regions, PPPs, and Advisory Boards for joint industry commitments towards safety and long-term local/ national ownership. These platforms will facilitate knowledge-sharing, collaboration, and coordination.

LABS will set a strong data-driven insights and learning strategy to collect and create actionable insights to ultimately support the strengthening of national institutions from a policy/ regulation and capability perspective as per the program mandate.

Global brands, retailers, and its suppliers are increasingly aligning their business practices with LABS Methodology and Standard. The program will continue to focus on scaling responsible sourcing for impact, engaging businesses for commitments to improve LABS performance, and value-chain transparency.

In parallel, LABS will focus on strengthening the program's National Stakeholder Committees in each country of operation. We will continue to convene key actors to find viable solutions and approaches to move

in the right direction to influence the Standards' bodies and government. In Vietnam, we planned two roundtable meetings with government leaders (Ministry of Construction, Ministry of Industry and Trade) and local authorities on technical guidelines framework

**The program will continue to focus on scaling responsible sourcing for impact, engaging businesses for commitments to improve LABS performance, and value-chain transparency.**



for Increased enforcement of LABS Standards for LABS program participant and non-participant factories. Our approach with the industry will focus on convening factories and suppliers. We will involve these stakeholders in an iterative process to support LABS in a continuous assessment of progress and adaptation to changes, thus supporting factories and suppliers' needs and their knowledge gaps in a data-driven approach.

At the field level, we will continue to provide a transparent platform for assessment, remediation, and monitoring of factories' safety conditions, supported by worker-safety training and a national LABS Helpline for workers to address their concerns.

In 2022, we plan to onboard an additional 200+ factories in India, Vietnam, and Cambodia while supporting Better Jobs of approximately 400,000, where workers understand the importance of risk mitigation and

are equipped to voice life and building safety concerns via access to the LABS Helpline and safer working conditions. We will focus our efforts on achieving a 70% remediation rate. Training will be imparted to 140 factories and 320,000 workers through the training of trainers' method.

The fashion industry employs roughly 80 million people globally, of which an estimated 80% are women between the ages of 18-35. Approximately 65% of the total workers in LABS factories onboarded in India and Vietnam are women. To drive sector-level change, it is important to create gender equality, impart technical (safety) skills, and empower women workers to find technical jobs and grow professionally.

LABS program will work with a gender lens and formulate a business case for integrating gender equality, resulting in better access to information and decision-making for safer factories.



