



Life And Building  
Safety Initiative

# Annual Report

2023





## From Management Board



**Daan Wensing**  
CEO - IDH  
Management Board Representative  
- LABS

“ LABS is spearheading and testing a transformative and much-needed shift at the sector level to ensure safer working conditions in textile factories. It is one of IDH's flagship programs, and I'm proud of the change LABS is triggering in the garment industry.

The program stimulates faster improvement and deepens sector impact by increasingly focusing on collaboration, stakeholder engagement, technical assistance, establishing greater accountability through public reporting, and creating higher levels of business ownership. LABS works in partnership with national and international constituents to create sustainable and scalable impact to generate more and better jobs in the textile and apparel industry.

As we look ahead, we recognize that there is still much work to be done. I am confident that with our collective efforts, we will continue to contribute to making a tangible difference in the lives of workers. I thank our partners for their trust and collaboration. Together, we have already made remarkable strides, and I am excited about the opportunities that lie ahead, while also knowing that the most difficult changes are still to be faced. ”

*LABS stimulates faster improvement and deepens sector impact in the textiles, apparel, footwear and accessories industry by enhancing safety through collaboration, accountability, and sustainable practices.*



# Message from the Global Director



**Pramit Chanda**  
Global Director  
Textile & Manufacturing, IDH

*Recognizing the importance of gender equality in promoting safety outcomes, we prioritized efforts to mainstream gender considerations along with our stakeholders.*

Dear Stakeholders,

As we reflect on the accomplishments and challenges of the past year, I am proud to present our Annual Report for 2023. This year has been pivotal for our program, marked by significant strides forward.

In 2023, we launched LABS in Indonesia, marking a crucial step in our journey towards the program's ambition to mitigate safety risks in key apparel production countries in the sector.

Moreover, 2023 witnessed extensive sector convening efforts aimed at promoting transformative change across industries. Through strategic dialogues, collaborative workshops, and cross-sector partnerships, we fostered a culture of shared responsibility and collective action towards enhancing safety standards and practices. These engagements have not only facilitated knowledge exchange but have also laid the groundwork for sustainable, sector-wide transformations that prioritize worker and building safety.

Furthermore, we moved towards making the program more gender intentional and also facilitated discussions on gender empowerment in the sector. Recognizing the importance of gender equality in promoting safety outcomes, we prioritized efforts to mainstream gender considerations along with our stakeholders.

As we look back on the achievements and milestones of 2023, I am inspired by the collective efforts demonstrated by our stakeholders. In our journey ahead, we remain committed towards promoting safety, fostering collaboration, and driving positive change.

With your continued support and engagement, I am confident that we will build on the momentum of 2023 and continue to make meaningful strides towards a safer and a more resilient sector.

Thank you for your dedication and partnership.



*In 2023, we focused on building long-term commitment to workplace safety through knowledge-sharing workshops, seminars, and public-private partnerships.*



**Sarobindo Malhotra**  
Program Lead - LABS

“ To ensure a safe working environment, retailers, suppliers, factory owners, industry associations, and the government play crucial roles. Through our targeted collaborative efforts spanning multiple sectors, we have persistently brought together stakeholders to promote sustainable safety practices in the textiles, apparel, footwear and accessories industry. Throughout 2023, our focus expanded to involve key organizations in operational countries, fostering collective industry dedication to safety.

We aimed to instill long-term local and national commitment while creating diverse channels for sharing knowledge and fostering ideas for safer workplaces. We did this by executing and facilitating knowledge sharing workshops, good practice sharing seminars and PPP platforms. Through the year, we had multiple impactful engagements with various ministries across operational countries to explore ways of potential collaboration and accelerate adaptation of LABS Standards incorporated in the local and national safety guidelines. Our ongoing initiatives draw on the insights gained from our work in India, Vietnam, Cambodia, and Indonesia. ”

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# Executive summary

The Life And Building Safety (LABS) Initiative works towards ensuring better jobs for workers in textiles, apparel, footwear and accessories sectors by promoting a safe and secure working environment. The program helps organizations identify serious structural, fire and electrical safety risks, and providing them with sustainable solutions and improvements to address those risks.

## Impact on the ground...

The program strives for a coordinated approach, addressing systemic life and building safety issues in the textiles, apparel, footwear and accessories value chain in key producing countries including India, Vietnam, Cambodia and Indonesia (launched in May, 2023).

By 2023, we collaborated with over 500 factories in these countries to address pressing safety issues, driving positive impact for over **a million** workers. By the end of the year, we had successfully **remediated approximately 80% issues** (in India & Vietnam), out of which 85% were high-priority issues that were potentially life-threatening.



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Depiction of boundaries is not authoritative and official government maps may differ.

## And at sector level...

LABS continued to engage with key organizations and deepen engagement in operational countries with LABS National Stakeholders' Committees (NSC), industry associations, government agencies and international institutions such as ILO's Better Work, Better Factories, etc., to have a joint industry commitment towards safety and embedding long-term local/national ownership.

The National Stakeholder Committees established in each country supported LABS by guiding the program's development, identifying & addressing challenges and providing a roadmap for working with local government partners to enable adaptation of harmonized standards and their enforcement in Local and National Government framework. To enable this, we shared insights and learnings through various knowledge sharing workshops, good practice sharing seminars and PPP platforms, leading to new and/or improved policies/standards and enforcement.

- **In India**, a highlight for the program was convening a 'Platform for Safety in Apparel and Footwear Industry in India' (PSAFI) to drive the sector governance in the apparel, footwear, and accessories industry towards worker safety. The key objective of the PSAFI is to identify opportunities to scale interventions and to improve management of building safety risks, transparency in reporting, promoting gender empowerment and driving positive changes in safe working conditions in factories and industrial parks across the country and the manufacturing sector.
  - o LABS Standards in India were also updated to cover textile factories besides apparel, footwear, and accessories factories. The updated standards for textiles additionally cover factories manufacturing bedsheets, pillows, bath towels and linens, kitchen linen, blankets, carpets etc.
  - o LABS has also reached out to India's National Building Code (NBC) Committee to be added as an expert on the committee that is currently heading the amendments in the NBC.
- **In Vietnam**, multiple joint knowledge & learning sessions and field visits were conducted with representatives of Better Work Vietnam to understand life and building safety issues and discuss adoption of LABS Standards. LABS also engaged with the Ministry of Construction (MOC), and presented key learnings and best practices with various stakeholders, including industry, government, public, and private organizations over multiple sessions.
- **In Cambodia**, LABS engaged with the Ministry of Land Management, Urban Planning and Construction to propose adoption of the LABS Cambodia Methodology and Standard as a guideline for the apparel, footwear, and accessories sectors in the country.
  - o Taking forward the discussions on gender from last year, LABS conducted a second Annual Gender Workshop in Cambodia in September 2023. The event brought gender diaspora leaders, professionals and partners to discuss the issues being faced in Cambodia on gender and coordinate their initiatives and strategies through this platform.
- **In Indonesia**, multiple engagements were done with Ministries including Ministry of State Secretariat, Ministry of Public Works & Public Housing, DKI Jakarta Regional Disaster Management Agency and Ministry of Manpower, to explore ways of potential collaboration and accelerate adaptation of LABS Standards incorporated in the local and national safety guidelines.

# The Year That Was

## Highlights - 2023

### March

- Good practice sharing webinar conducted in all countries (400+ participants)
- Pilot assessments and Multi-Stakeholder Consultation Workshop (Indonesia) completed



### April

- LABS Chat platform deployed across all countries
- Methodology and Standards (India) reviewed and updated to cover home textile factories.
- Methodology and Standards (Indonesia) finalized
- Platform for Safety in Apparel and Footwear Industry (India) convened
- NSC meeting (Vietnam)

### May

- LABS launched in Indonesia
- LABS National Stakeholder Committee meeting (India)



### August

NSC meeting (Cambodia)

### July

Platform for Safety in Apparel and Footwear Industry (India) white paper published

### October

- Gender integration completed in LABS processes
- Knowledge and learning sharing session conducted with 07 country offices of ILO



### September

- Letter of consideration shared with Ministry of Land Management, Urban Planning and Construction, Cambodia to collaborate for utilizing the LABS Cambodia Methodology and Standard as a guideline for the textiles, apparel, footwear, and accessories sectors
- LABS 2<sup>nd</sup> Annual Gender Workshop in Cambodia conducted



### November

- Engagement with DKI Jakarta Disaster Management Agency Initiated to align on the scope that LABS will support to further update the building assessment module
- NSC meeting (India)

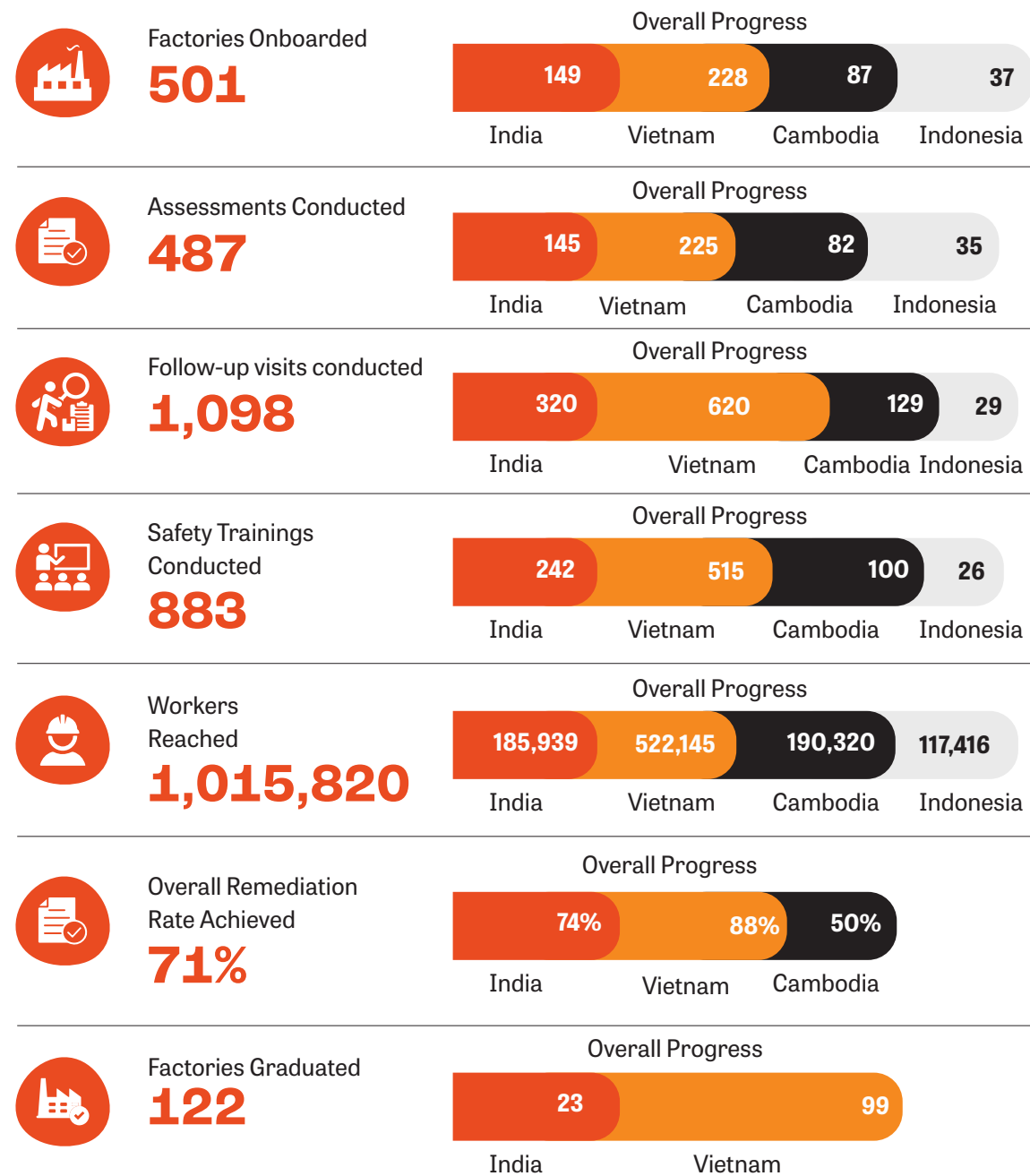


### December

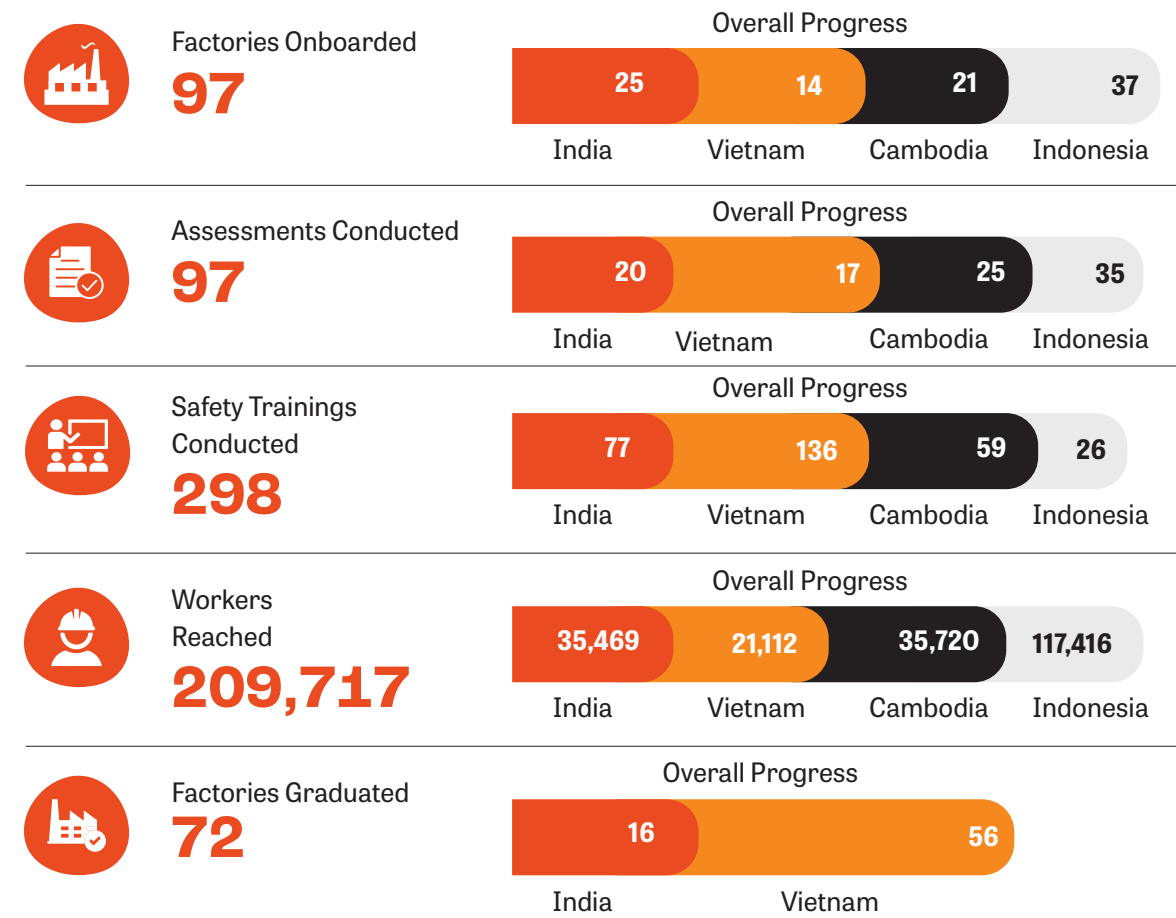
- New Brand (Nike) onboarded 
- **1 million+ workers reached globally**
- **500+ factories reached**
- NSC meeting (Indonesia)
- NSC meeting (Vietnam)

# Summary - Overall Performance

## Field Level Impact Overall (Sep 2019 – Dec 2023)



## In 2023:




**Note:** Remediation rate % is directly proportionate to the follow-up visits carried out by LABS Factory Coordinator at factories. Due to low number of follow-ups conducted in Indonesia in 2023, the remediation percentage of Indonesia has not been considered in the overall average.



# Key events

## Public launch - Indonesia

 **10<sup>th</sup> May 2023**  
LABS publicly launched in Indonesia

 **200+**  
Participants attended the launch event



### Participants included:

- Ministry of State Secretariat, Ministry of Foreign Affairs, Ministry of Manpower, Ministry of Industry, Ministry of Public Works and Public Housing Ministry of Cooperatives and MSMEs, DKI Jakarta Provincial Fire and Rescue Service, West Java Province Fire and Disaster Management Service, Swiss Embassy, US Embassy, Belgium Embassy, etc.
- Brands such as H&M, PUMA, Fruit of Loom, Amazon & Tom Tailor joined besides representatives from coalition partners including senior global and regional functions
- Associated firms (such as Inspection Firms, Safety Training firms, etc.) and representatives from factories



Our expansion into Indonesia is aligned with our strategy to scale the programs in key apparel and footwear hubs. As a voluntary and private sector led program, we look forward to fostering collaborations of engagement with the Government stakeholders, suppliers, and local partners. Our goal is to develop and create a safe working environment for workers – putting Indonesia at the forefront of life and building safety.

**Mr. Pramit Chanda**

Global Director, Textiles & Manufacturing, IDH



With the launch of the LABS Initiative in Indonesia, we hope that we can collaborate and develop standard procedures to help provide safer working conditions for the workers that is also aligned to basic laws and regulations that apply in Indonesia.

**Mr. Ir. Kimron Manik, M.Sc.**

Director of Construction Sustainability,  
Directorate General of Construction,  
Ministry of Public Works and Public Housing of the Republic of Indonesia



We are glad that LABS has initiated the platform for safety in taking care of human and physical resources which present an opportunity to make improvements in all fields. In this regard, we look forward to LABS Initiative helping stakeholders in Indonesia in a collaborative manner and addressing issues together in a steadfast way, for providing a safe and healthy environment to workers in all sectors.

**Mr. Lukman Hakim**

Deputy Assistant of Policy Support for Government and  
National Values of the Vice President's Office, Republic of Indonesia







Every person working in a factory must make it safely at the end of everyday. LABS helps to identify structural, fire, and electrical safety risks at factories and provides sustainable solutions to remediate these risks. LABS also helps in reducing the duplication of work and audit fatigue

**Ms. Sara Stefanski**

Vice President, Global Responsible Sourcing, VF Corporation



As a founding member of LABS, Walmart proudly supports the great work LABS is doing to improve worker safety in apparel, footwear accessories, and home-textiles factories. Unsafe working conditions are systematic issues that require collective actions to bring about significant, positive, and lasting change for the well being of the workers.

**Ms. Sridevi Kalavakolanu**

Senior Director - Ethics & Compliance, Walmart



# PSAFI

## Platform for Safety in Apparel and Footwear Industry

PSAFI is a collaborative platform that brings together key stakeholders to engage on worker safety and contribute towards improved safety in the textiles, apparel, footwear and accessories industry in India.

### Objectives

01

Promote fire, electrical, and building safety in the Apparel, Textile, Footwear and Accessories industry in India

02

Focused approach to drive the preventive safety culture through interventions through collaboration.

### Launch Summary

In April 2023, LABS launched 'Platform for Safety in Apparel and Footwear Industry (PSAFI)' with around 30 participants including representatives from Ministry of Textiles, Confederation of Indian Textiles Institute (CITI), LABS National Stakeholder Committee, GAP Inc, VFC, Target, Amazon, Nike, H&M, JAK group Pvt. Ltd., Shahi Group, Gokaldas exports along with members of IDH and LABS.

### Key Outcomes

- Ms. Prajakta Verma, Joint Secretary, Ministry of Textiles and Ms. Chandrima Chatterjee, CITI has expressed the need to have a larger collaboration involving all the stakeholders to drive the effective intervention on driving safety culture.
- Retailers and Brands emphasised the need for collective partnership of brands being part of such efforts and also government to work towards the policy enhancement.
- Behavioural changes and training implementation were agreed as one of the key challenges in the industry.
- A whitepaper was unveiled to highlight the PSAFI initiative, offering insights from the April 2023 roundtable, detailing current discussions, and outlining actionable outcomes.

**Read more about PSAFI here:** <https://labsinitiative.com/labs-initiative-launches-psafi-a-joint-platform-for-safety-in-the-apparel-and-footwear-industry-in-india/>

**Download the whitepaper here:** <https://labsinitiative.com/platform-for-safety-in-apparel-and-footwear-industry-psafi-white-paper/>





# Improved field level impact

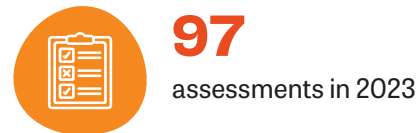
Promoting safer working conditions for factory workers



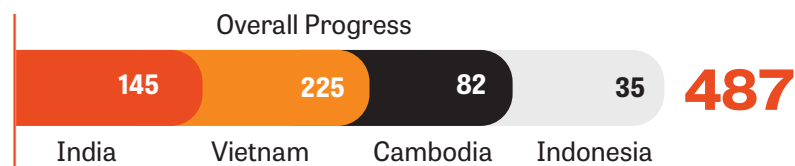


# Assessments

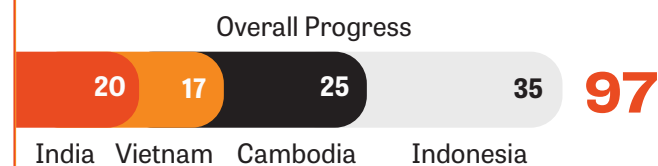
Based on the LABS Methodology and Standards, Inspection Firms conduct assessments at the factories to provide insight into the safety issues in a factory.



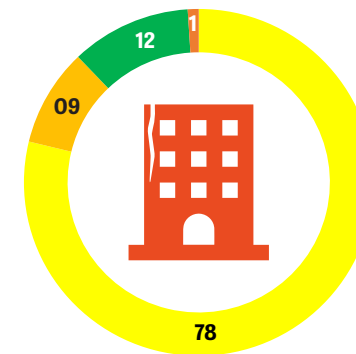
## Assessments Conducted (Since Program's launch)



## Assessments Conducted (Specifically in 2023)

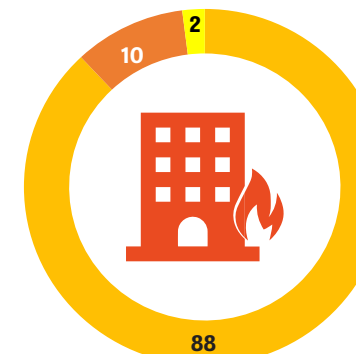


# Assessment Ratings and Common Findings in 2023



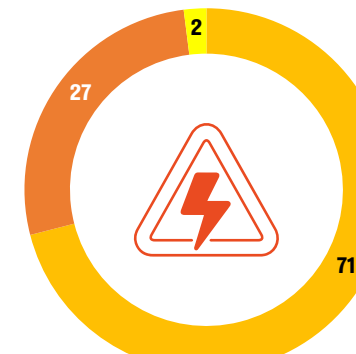
### Structural Safety

- Uneven floor load distribution on suspended floors without load plans
- Severe corrosion on steel structures
- Exposed reinforcement on floor slabs, beams, and columns
- Cracks and dampness in structural and non-structural components such as walls, columns, floor slabs etc.
- Missing documentation, such as - structural diagrams, geotechnical report, floor load plans, soil reports, etc.



### Fire Safety

- Rolling shutters installed on the exit doors
- Fire-rated doors and Fire-rated enclosure not provided at staircases
- Combustible goods stacked near electrical sources
- Lockable devices/mechanisms found on exit doors
- Fire hose with no connection to the water source
- Insufficient emergency lights and overhead signages on escape pathways
- Handrails not provided on both sides of the staircase



### Electrical Safety

- Inadequate back-up for emergency lights
- Heavy lint and dust inside switchboards/distribution boards
- Earthing to distribution boards, MS roof truss, transformer fencing, and battery bank racks not provided
- Lightning protection system not installed
- Insulated rubber mats not provided for electrical panels and distribution boards
- High number of hotspots with temperatures between 73°C - 300°C



I extend my sincere gratitude to the LABS team for their invaluable collaboration with us over the past five years, contributing significantly to the enhancement of safety standards across our facilities. After undergoing initial LABS audits at some of our facilities, our team proactively implemented internal audits incorporating the LABS checklist. This approach allowed us to address structural, electrical, and fire safety gaps, aligning our practices with LABS standards. Our foresight in forecasting investments played a crucial role in obtaining timely financial approvals, facilitating swift renovations, and implementing fire safety measures. Throughout this journey, engaging in discussions with the LABS team and various Verification Bodies has enriched our team's knowledge, providing valuable insights into probabilities and opportunities for further improvement in safety standards. Furthermore, when establishing new facilities, we have prioritized incorporating LABS standards from the inception phase. This proactive approach ensures comprehensive safety measures, ultimately saving both time and costs, as opposed to addressing these aspects intermittently post the initiation of the production process.

**Sireesh Kumar**  
Senior General Manager,  
Compliance, Gokaldas Exports Ltd.



LABS provides assessment and supports with basic to advanced training programs on Electrical, Fire, and Structural Safety. The program helps raise awareness of factory teams directly related to safety. There were processes before joining LABS that the factory had not implemented correctly and fully, such as periodic checking and controlling of the temperature of electrical cabinets. After being onboarded on LABS program, the factory officials understood its importance and is now committed to regular inspections, controls, and timely repairs. Overall, through the LABS program, factories have opportunities to improve safety systems and have better practices to maintain the system and contribute to building a safe working environment.

**Ms. Nguyen Thi Khanh Van**  
Compliance Officer  
VINA KYUNG SEUNG TRADING CO., LTD - Vietnam

# Remediations

Post identification of issues the factories worked towards the corrective action plan and remediated the issues in line with the LABS Standards. In 2023, LABS worked towards increasing the remediation rate at factories in operational countries.

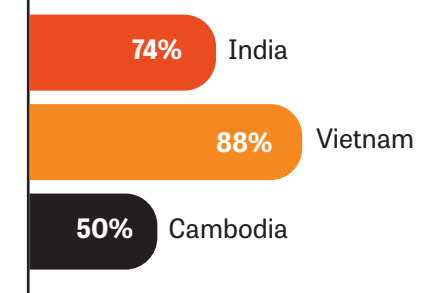
**71%**

Overall remediation rate (India, Vietnam, and Cambodia)

**81%**

Issues remediated in India and Vietnam

**Total issues identified during assessments remediated till end of 2023:**



Before remediation

Escape pathways not indicated clearly



After remediation

Escape pathways provided with 915mm width



### Overall issues observed and remediated till end of December 2023

#### Fire Safety

Total Issues Identified	Issues Remediated	Issues Remained
<b>5156</b>	<b>4004</b>	<b>1152</b>




#### Electrical Safety

Total Issues Identified	Issues Remediated	Issues Remained
<b>4071</b>	<b>3229</b>	<b>842</b>

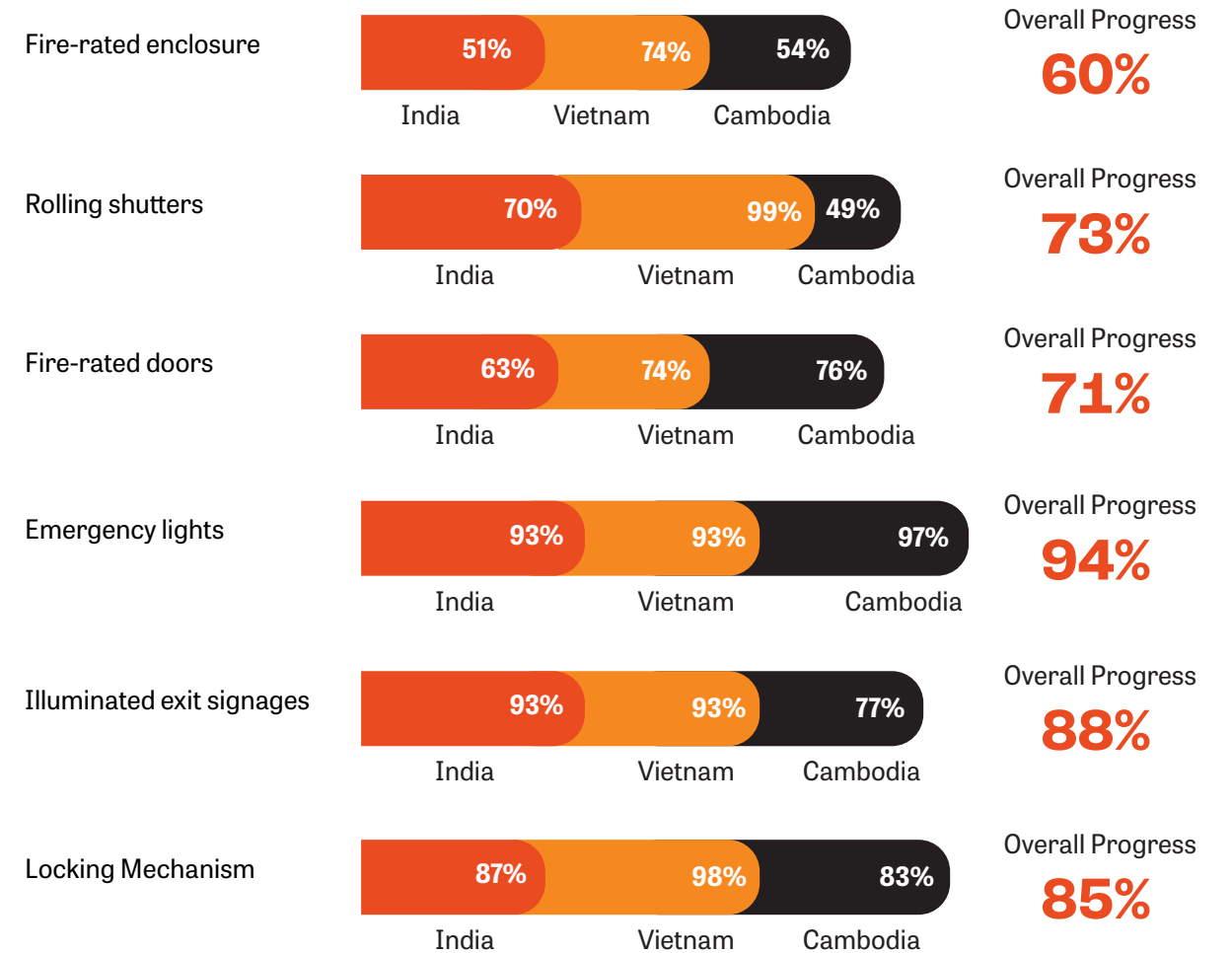
#### Structural Safety

Total Issues Identified	Issues Remediated	Issues Remained
<b>2899</b>	<b>2121</b>	<b>778</b>

### In past 02 years, overall remediation percentage increased by...

	India (since 2021)	Vietnam (since 2021)	Cambodia (launched in May 2022)*
 Fire Safety	↑ 22%	↑ 27%	↑ 10%
 Electrical Safety	↑ 5%	↑ 16%	↑ 20%
 Structural Safety	↑ 36%	↑ 25%	↑ 23%

### Remediation of key issues achieved till end of 2023 for the overall program



**Note:** Data provided above is from 367 factories where 1,098 follow-up visits have been conducted.



Before remediation

After remediation

Fire-rated door not provided

Fire-rated door provided to separate storage and production area



I have been given the training on safety awareness under LABS program. I now pay attention to small things at my workplace to see if there are any passage blocks, or loose wires, or if any items placed under the electrical appliances could cause a fire. At home too, I am more aware of loose electrical wires and ensure there is no material under the wires that can cause a fire. If a fire occurs, I understand how it can be controlled. I also inspire my fellow employees to keep in mind small things related to safety and not ignore them.

**Suneel Kumar**

Checker, Matrix Clothing Pvt. Ltd (India)



Participating in the LABS program has helped the factory improve and maintain safety standards. It has also helped prevent and minimize risks and accidents related to electrical, fire, and structural safety. The LABS program supports with in-depth assessments of electrical, fire, and structural safety and provides recommendations to correct non-safety and non-compliance issues. Participating in the LABS program allows our company to review safety conditions at the factory, helping the company improve safety systems more systematically and sustainably and contributes to protecting partners' reputations and assets. LABS also partly creates business advantages for the factories based on the criteria of ensuring a safe working environment for workers. I realize that LABS not only brings benefits to businesses, but also raises awareness about safety for workers and helps them apply it in work and life.

**Ms. Bui Thi Phuong Lan**

Compliance manager  
Poong In Vina Co. Ltd- Vietnam



Orderly management of worker safety in our factory improved after adoption of the Life And Building Safety (LABS) Standard, with regards to the Electrical, Fire and Structural safety criteria. Implementation of LABS presents a systematic approach to providing a safe and healthy workplace for all employees, preventing work-related hazards and injuries, and pursuing safety performance improvements in the factory.

**Ms. Lorien Henson**

Compliance Manager,  
Horizon Outdoor (Cambodia) Co. Ltd. & Vicmark Fashions (Cambodia) Co. Ltd.

## Monitoring remediation progress

The remediation progress is monitored via an IT platform (FFC Platform) for consistent follow-up. LABS Factory coordinators also visit the factories to review the progress made and actively monitor the factories' progress in order to facilitate their efforts to implement CAPs.

### Support provided by LABS Team

Following highlights the support provided by LABS Team to factories through their lifecycle with LABS Program:

#### Phase 1: Onboarding & Orientation

- Detailed orientation on LABS Program and associated processes
- Onboarding factory in program, including coordination and FFC training

#### Phase 2: Assessment

- Provide assessment report clarification and suggest Remediation Firms
- Support to connect with technical resources
- Support on writing Corrective Action Plans (CAP)
- Moderate CAP sign off meeting between the Inspection Firm and factory

#### Phase 3: Follow up visit until CAP Closure

- Conduct follow-up visits at factories to monitor overall remediation progress
- Reclarifies CAP requirements ~ Discuss and provide clarity on challenges in implementation of remedial actions
- Share details of good practices, remediation done by graduated factories, tool-box and repertoire available on the LABS Website
- Guide factory on working their way towards completing CAP, move towards graduation, giving them pathway for building capacity of their Safety Management Systems

#### Phase 4: Graduation support

- Review of documents, policies and procedures required for graduation
- After graduation, continue sharing resources that helps to keep factory updated on international practice, local legislations, accidents in industry, LABS newsletters, etc.



### Challenges in Remediation

- Delays in timely submission of CAPs that are critical in remediating issues, led to prolonged resolution processes.
- Slow onboarding of credible Remediation Firm/Technical Consultant.
- Delays and inaccuracies in submission of designs and drawings for approval, hindered the approval process and remedial actions.
- Deviations from agreed-upon CAPs during remedial measure execution led to inefficiencies and potential risks.
- Financial constraints added a layer of complexity concerning the cost of investment required for implementing remedial measures.
- Structural challenges due to space constraints and rented premises, limited the ability to address certain issues.
- The need for remedial measures and peak production seasons sometimes conflicted, further delaying remediation progress.

### Actions initiated by LABS

To overcome challenges and ensure remediation uptake, the LABS team initiated the following strategic steps:

- Set clear expectations with factory management and Inspection Firms on the criticality of a comprehensive Corrective Action Plan (CAP) document.
- Guaranteed the attendance of essential factory personnel during CAP sign-off meetings to streamline approvals.
- Set a process for the Inspection Firm to request additional information from factories, eliminating ambiguity during the CAP closure phase.
- Expanded the network of Remediation Firms in crucial locations to offer factories more options and improve efficiency.
- Finding win-win solutions for old and retrofitted factories by exploring alternative solutions within the scope of LABS Standards.
- Developed the LABS Toolbox to equip factories with essential resources on electrical, fire, and structural safety, enhancing awareness and supporting risk mitigation and remediation efforts.



## Safety training

Through Safety Training Firms, LABS enhances the proficiency of OSH committees, staff, and key safety personnel in identifying safety issues, evacuating safely, and raising awareness about structural, electrical, and fire safety.

Four safety-training levels are available to the factory (Basic / Level 1 / Level 2 / Refresher), based on the safety proficiency check conducted at the factories after LABS assessment is completed.

In September 2023, the safety training modules were updated to include section “Mainstreaming Gender Equality in Safety Procedure”, which focuses on providing women with better access to information and a role in decision-making.

By the end of 2023, LABS program conducted overall 883 safety trainings while specifically in 2023, LABS program conducted over 298 Safety Trainings in India, Vietnam, Cambodia and Indonesia.

Process	Overall Progress	India	Vietnam	Cambodia	Indonesia
Safety Trainings Conducted (Since Program Inception)	883	242	515	100	26
Safety Trainings Conducted (Specifically, in 2023)	298	77	136	59	26
Total people trained (Since Program Inception)	19,075 [Men: 10,765 (56%); Women: 8,310 (44%)]	5,862 (Men: 3,793; Women: 2,069)	10,175 (Men: 5,617; Women: 4,558)	2,374 (Men: 992; Women: 1,382)	664 (Men: 363; Women: 301)
Total people trained (Specifically in 2023)	6,971 [Men: 3,505 (50%); Women: 3,466 (50%)]	1,980 (Men: 1,125; Women: 855)	2,983 (Men: 1,423; Women: 1,560)	1,344 (Men: 594; Women: 750)	664 (Men: 363; Women: 301)

In 2023, overall 50% of the participants in safety trainings were women.



This training was very helpful, and so easy to understand. The training concept was not based on just the material/module but the participants were also invited to analyze non-conformities, enabling them to identify problems around them, and explained how to immediately follow up with the relevant officers.

**Herman Pernando S**

Compliance Dept  
PT. Yongjin Javasuka Garment  
Sukabumi, West Java, Indonesia



The safety training has been incredibly beneficial, not just for worker safety, but also in significantly enhancing trust and assurance in our daily operations. The factory has also made changes to address the safety issues identified. For example there was no signage indicating direction changes in case of fire safety evacuation, which has now been addressed. We've also changed the locks on doors to a new mechanism that allows easy opening from the inside without needing a key. The key factors are proper regulation and enforcement to mitigate preventable risks related to fire, electrical, and building safety.

**So Chanthy**

Maintenance Worker  
Taieasy International Co. Ltd



LABS training courses help me supplement my knowledge of electrical safety and fire prevention in the textile industry. I always pay special attention to safety, and protect against risks to the company's assets as well as the health and lives of workers.

**Mr. Hoang Anh Thuc**

Electrical Maintenance Officer  
Vina Kyung Seung Trading Co. Ltd – Vietnam



# Quality Assurance

The program's quality is ensured through a comprehensive approach across four phases covering operations: capacity building of internal and external stakeholders, adherence to policies and procedures, implementation of processes according to SOPs, and monitoring and evaluation of associated firms. This approach focuses on rigorous monitoring, evaluation, and training to uphold high standards in processes and adherence to procedures.

In 2023, quality assurance of the program was ensured through the following parameters:

## Program Governance

- Dedicated 'Program Manager (Quality)' was appointed to monitor the program's quality and to ensure accurate implementation of LABS processes.
- Quality assurance visits were conducted across operational countries to assess robustness of operations, execution of processes and reporting by the LABS team and associated firms. Subsequently, calibration sessions were held to implement necessary corrective measures.
- All reports were thoroughly reviewed, and feedback was disseminated to internal teams and associated firms for continuous improvement.
- Internal policies and procedures were reviewed and updated to support the implementation of best practices.

## Monitoring & Evaluation

- Associated Firms' performance was monitored and evaluated bi-annually on criteria such as assessment skills, reporting quality, and on-site testing capabilities. Areas of improvement identified were promptly addressed with the firms, and strategies were implemented for future course correction.
- Robust data monitoring strategy was implemented to review the data reported across external/internal platforms for quality and accuracy.

## Training & Development

- Internal training sessions were conducted for LABS team to ensure alignment to SOPs for follow-up visits, Safety Management Systems (SMS), and implementation of LABS policies & procedures.
- Regular training sessions were conducted for factories and associated firms, to reinforce best practices and update knowledge on SMS. Subsequently, efficacy of the training was monitored through surveys and training approach was refined based on feedback received.

## Assessment & Remediation

- Guidelines were implemented for factories to navigate assessment outcomes, complete remediation as per Corrective Action Plan (CAP), build capacities on safety management systems and progress towards graduation.
- Calibration sessions were conducted for Remediation Firms across countries to ensure adherence to LABS Standards and accelerate CAP related activities in factories.



# LABS Helpline

LABS is dedicated to creating a safe environment where every worker can voice concerns. In alignment with this mission, LABS introduced a toll-free helpline in Vietnam, India, and Cambodia, along with the LABS-Chat platform, which was expanded to include Indonesia in April 2023. These initiatives are designed for factories within the program, offering workers a direct line to report any concerns related to fire, electrical, and structural safety at their workplace.

When safety issues are reported on the helpline, the case is shared with the factory, which then comes back to LABS with its remedial actions. LABS Factory Coordinators check the remediation action during upcoming visits. If the action is deemed sufficient the issue is marked 'Resolved' by LABS. 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 marked 'Closed' as per LABS procedure.

Cases received on the helpline till the end of 2023

Total

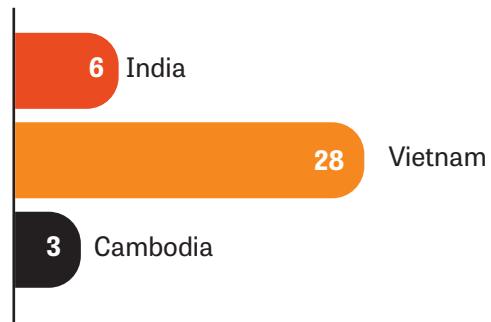
**331 cases**



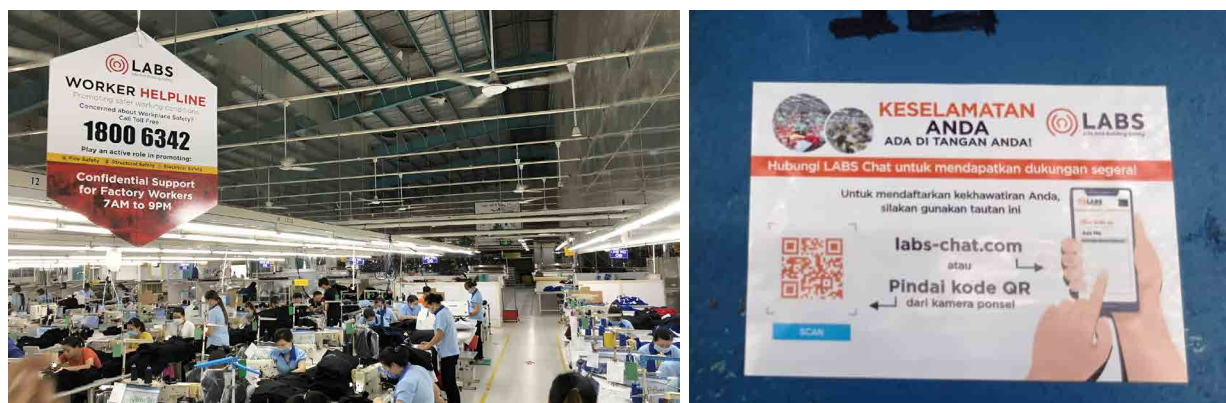
Cases received on the helpline in 2023

Total

**37 Non-LABS cases**



All cases received were marked "Resolved" or "Closed" as per LABS procedure.



The LABS Helpline has made it easier for us workers to report potential hazards, from fires to facility issues. The introduction of the QR system further simplifies this process, allowing us to report issues quickly and efficiently using just a mobile phone.

**Gilang Bagus Pamungkas**

Worker – General Affairs Department  
PT Kanaan Global Indonesia, Solo, Central Java, Indonesia



LABS Helpline Material has been installed on all notice boards in all buildings and at several evacuation route doors. We can easily connect directly with LABS to ask about workplace safety issues. Moreover, I am a mechanic who needs safety first when working. Through the LABS Helpline, we can raise safety issues that we don't know about or help as internal auditors so that dangers can be minimized.

**Enggi Riyadi**

Workshop Mechanic, PT. Yakjin Jaya Indonesia,  
Sumedang, West Java, Indonesia



I feel very happy working here because I understand that the LABS program is helping to minimize the risk of fire and explosion, reduce electrical hazards, and prevent building collapse. A safer factory always receives more orders, ensuring jobs and security for workers. Through LABS's training session, we learned about the worker Helpline. When the factory has incidents, hazards, and risks regarding electrical, fire, and structural safety directly affects the lives and working environment of workers. When the direct management or related parties do not handle it promptly, we can report it to the helpline via the support phone number or report it via the chatbox tool by scanning the QR code for assistance from LABS. I feel this helps to promote and maintain a safer environment for workers.

**Ms. Tran Thi Nhan**

Worker, Sewing area  
Poong In Vina Co. Ltd- Vietnam



# Improved sector governance

## Driving change through collaborations

## Sector - level change through National Stakeholders Committees

LABS has set up National Stakeholder Committees (NSC) in each country of operation. The NSC guides the monitoring and institutionalizing of the program at country level. It helps identify and address challenges and opportunities while promoting the importance of safety for workers, and works with the government towards a harmonized, standard adaptation and incorporation of LABS into legislative and policy framework.

**Ensuring key government support in NSCs is vital. In 2023, 06 NSC meetings (02 India; 02 Vietnam; 01 Cambodia; 01 Indonesia) were conducted to strengthen policy/regulation as per program mandate and to ensure joint industry commitments towards safety & long-term local/national ownership.**





## India

## Key Committee Members

- Ex-Secretary, Ministry of Textiles, Government of India
- Ex-Chief, Department of Delhi Fire Services, Government of India and Expert member, CED 22-Fire Fighting Sectional Committee, Bureau of Indian Standards (BIS)
- Director General, National Safety Council of India
- Chief Executive Officer, Change Alliance Pvt Ltd

With NSC's support, LABS requested to join the National Building Code (NBC) Technical Committee in India as an expert for the ongoing amendments. LABS also established the 'Platform for Safety in Apparel and Footwear Industry in India' (PSAFI) to improve governance and worker safety in the apparel, footwear, accessories, and home-textiles sectors, hosting its first event in April 2023.

## Vietnam

## Key Committee Members

- Deputy Director, Institute of Building Structures, Vietnam Institute for Building Science and Technology (IBST)/Ministry of Construction
- Vice-chairman of Vietnam Textile and Apparel Association (VITAS)
- Chairwoman of Trade Union of Hai Phong Economic Zone in Hai Phong City (VGCL)
- Chairman of The Young Enterprise Association of Bac Giang province (YEA), etc.



The LABS program has introduced standards and approaches to improve safety in general, and structural, fire, and electrical safety in particular. They make a significant impact when put into practice since they are meant to ensure the safety and protection of workers' rights.

**Dr. Hoang Anh Giang**

Vice Director  
Institute of Building Structures (IBS),  
Vietnam Institute for Building Science and Technology (IBST)

## Cambodia

## Key Committee Members

- Director General, Dept. of Construction (DOC), Ministry of Land Management, Urban Planning & Construction (MLMUPC)
- Director General, Dept. of Occupational Safety & Health (DOSH), Ministry of Labour & Vocational Training (MoLVT)
- Director General, Institute of Standards of Cambodia (ISC), Ministry of Industry, Science, Technology & Innovation (MISTI)
- Program Manager, ILO's Better Factories Cambodia (BFC)
- Center Director, Cambodian Garment Training Institute (CGTI)
- Secretary General, Cambodia Footwear Association (CFA)
- Secretary General, Textile, Apparel, Footwear and Travel Goods Association in Cambodia (TAFTAC)

With the support from NSC, in October, LABS reached out to the Ministry of Land Management, Urban Planning and Construction of the Royal Government of Cambodia to collaborate on sharing the LABS Cambodia Methodology and Standard as a Guideline for the apparel, footwear, and accessories sectors in the country. A representative from Better Work Cambodia also joined the LABS NSC during the year.



Safety is not just a practice; it's a culture. In the LABS NSC, we build our future on the foundation of caution, ensuring that every brick laid and every idea crafted is fortified with the strength of responsibility and a commitment to the well-being of all.

**Andrew Tey**

Center Director, Cambodian Garment Training Institute and  
Chair of the Royal Government of Cambodia's Working Group  
on the Garment & Manufacturing Committee



Safety in factories is paramount to protect workers from accidents and ensure a secure working environment. Being on the Life And Building Safety NSC is crucial for manufacturing factories as it promotes adherence to safety standards, reduces risks, and fosters a culture of well-being among workers.

For the industry, prioritizing safety through participation in the Life And Building Safety NSC brings several benefits. It enhances overall workplace efficiency, reduces downtime caused by accidents, improves employee morale and retention, and can lead to long-term cost savings by preventing potential legal and financial liabilities associated with workplace injuries.

**Ben Kao**

Secretary General, Cambodia Footwear Association (CFA)

Indonesia

Key Committee Members

- Deputy for Government Policy Support, Secretariat of the Vice President
- Head of Prevention Affairs, DKI Jakarta Regional Disaster Management Agency
- Head of Trainer (Widyaswara) of Government Officials, Secretariat of the Vice President
- DKI Jakarta Province Fire and Rescue Agency
- Deputy Chairman of the Indonesian Textile Association



As a proud member of the textile association, I am deeply grateful to be included in the LABS NSC. In Indonesia, the apparel and footwear industries are significant employers, providing livelihoods to thousands of men and women involved in manufacturing processes. The safety of these workers is of utmost importance. LABS has been instrumental in fostering a culture of safety within the industry, a commendable effort that deserves recognition. The initiatives undertaken by LABS will undoubtedly enhance the safety standards of the Indonesian industry. This improvement, in turn, will boost the productivity of our workers, leading to increased market competitiveness. We look forward to the positive impact this will have on our industry and our economy.

**David Leonardi**

Deputy Chairman of the Indonesian Textile Association  
NSC Indonesia



LABS has been a beacon of innovation, leading us through breakthrough steps in enhancing the Structural, Electrical, and Fire safety standards in Indonesia. With its comprehensive methodology and high standards, LABS stands unrivaled in its field. Its potential for adoption by regional disaster management agencies is a testament to its effectiveness. The knowledge and ideas shared in the NSC meetings are invaluable assets in our pursuit of elevating safety standards in Indonesia.

**Rian Sarsono, S.STP**

Head of Prevention Affairs,  
DKI Jakarta Regional Disaster Management Agency  
NSC Indonesia



The LABS initiative has united Indonesia in a common pursuit - the enhancement of safety standards at our workplaces. In the realm of manufacturing, LABS has been instrumental in safeguarding our workers and boosting productivity. This aligns seamlessly with our national program, the production down streaming. LABS is not just an initiative, it's a movement that is shaping the future of safety standards in Indonesia.

**Sandra Erawanto**

Ministry of State Secretariat of the Republic of Indonesia  
NSC Indonesia





# Working with Brand Participants to strengthen the program

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. LABS worked together with the Brand Participants to further accelerate the remediation and implementation of Safety Management Systems in sourcing factories with strong collaboration.

This collaborative effort led to an increase in the remediation percentage of high-priority issues, timely execution of LABS processes at the factories and overall **122 factories** graduating from the program by end of 2023 (India – 23; Vietnam - 99) by adopted Life & Building Safety standards into their operational processes.

**In 2023, LABS successfully established a transformative partnership with Nike, a leading athletic footwear, apparel, and accessories manufacturer. This collaboration is a significant step forward in the ongoing commitment to fostering safer working conditions and sustainable practices within the global supply chain.**

## Brand participants



Gap Inc.



Walmart



LABS enables VF's supplier partners to follow clear guidance and standardized approaches to improving the safety conditions within their factories. Raising awareness and improving safety knowledge for factory management and workers supports an ecosystem of safety that drives long-term sustainability of these practices. This is fully aligned with VF's objectives to keep every person in our supplying factories safe from harm.

**Sara Stefanski**

VP Global Responsible Sourcing  
VF Corporation



The Life And Building Safety Initiative stands as a foundational pillar within VF's comprehensive safety program and forward-looking vision. Our collaboration with external experts in fire, structural, and electrical safety, coupled with partnerships with global leaders in the apparel and footwear industry, empowers us with technical insights to address risks and instigate widespread transformation. Nurturing a better safety environment for our entire industry is a key commitment for VF. We look forward to the continued enrichment and value that the LABS program is poised to provide.

**Kyle Bogler**

Senior Director Safe and Sustainable Operations  
VF Corporation



Collaboration plays a key role in LABS' success, moving us forward in every country we touch," said Kristen Albertson, Vice President, Global Responsible Sourcing at Walmart. "As we acknowledge the milestone of training one million workers in the past year, we remain committed to expanding our efforts and shaping a future where unity continues to drive progress. Together, we are not just building skills; we are forging a global community and driving safe and secure working environments in our supply chains.

**Kristen Albertson**

Vice President,  
Global Responsible Sourcing at Walmart



Our partnership with LABS has allowed us to enroll more than 200 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 across the world.

**Kapil Mathur**

Director, Supplier Sustainability, Gap Inc.

# Working with Associated Firms in all countries to achieve operational excellence

LABS associated firm consists of Inspection Firms, Quality Assurance Firms & Safety Training Firms that deliver LABS mandated processes in all operational countries.

In 2023, more firms were added to the program to support the operations in Indonesia and an enabling environment was created through robust trainings of **5 Firms** (3 Inspection Firm, 1 Quality Assurance Firm and 1 Safety Training Firm) including **12 engineers & 03 safety trainers**.

## Inspection Firms



## Safety Training Firms



## Quality Assurance Firm



# Changing business practice

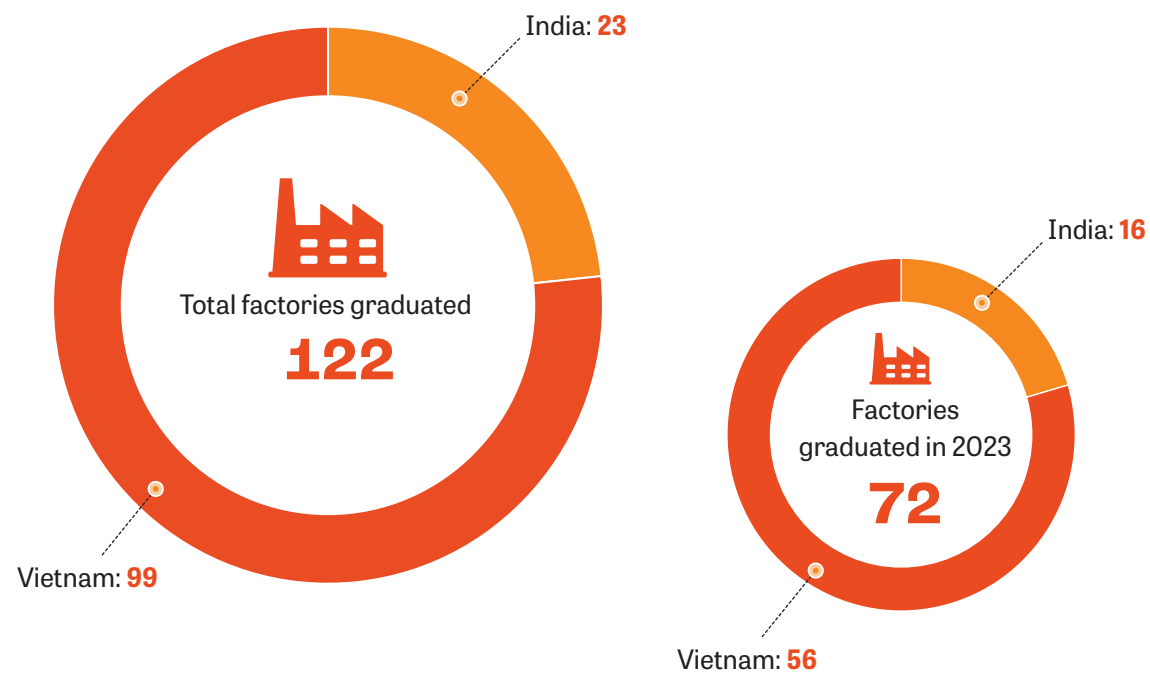






## Factory graduations

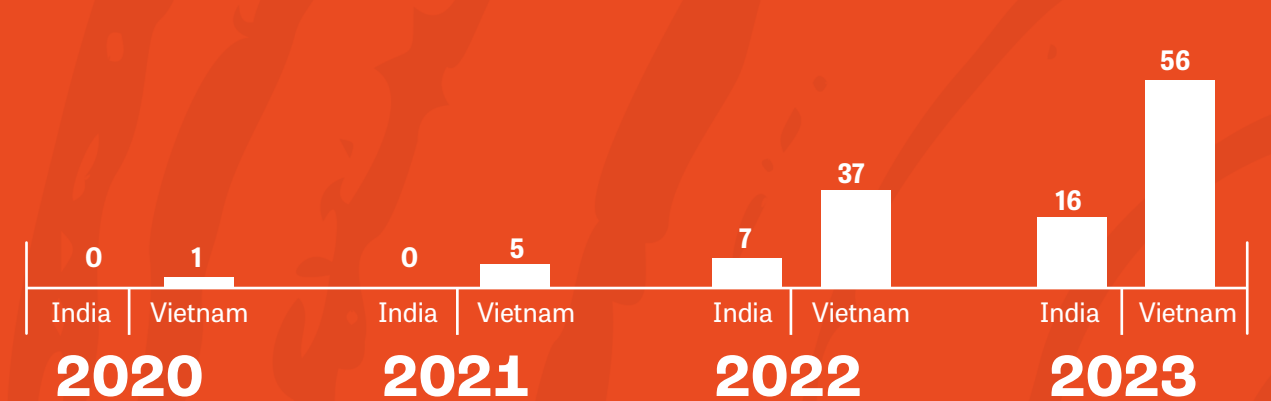
Graduation of factories from the program entails the successful establishment of a resilient safety management system and fulfillment of the required criteria set forth by the LABS Initiative for graduation. The LABS graduation represents a significant milestone in the safety journey of factories. The program's effectiveness hinges upon the factories' ability to independently implement & sustain the safety management systems after graduation and commitment to continuous improvement and worker safety as per LABS Standards.



### Ensuring continued implementation of safety measures at graduated factories:

- Self-evaluation:**  
 In 2023, it was mandated for all graduated factories to undergo self-assessment twice a year by filing a self-assessment checklist developed by LABS. As per the process, once the factory fills and submits the self-assessment checklist, LABS team reviews the checklist and in case of any deviations identified, the information is communicated to the respective brand participants along with the recommendations for factory to take further corrective measures and/or to enrol back into the LABS Program respective brands, recommending corrective actions or re-enrollment in the LABS Program.
- Besides the self-assessment evaluation by graduated factories, following key steps have also been undertaken to ensure a continued engagement:**
  - Updates on LABS Methodology & Standards, local codes & regulations pertaining to Structural, Fire & Electrical Safety are shared with the factories.
  - Quarterly newsletters, annual program reports, quarterly information on accidents, Safety Training modules are shared with factories.
- Safety Webinars:**  
 Factories are invited to "Good practice sharing webinars" conducted across operational countries.
- Access to LABS resources:**  
 Factories have continued access to LABS Helpline and the resources available on the LABS Website (such as: LABS Toolbox, updated Standards, etc.)

### Year-wise Factory Graduation Progress



Data reflects the number of factories graduated from LABS in a particular year.

## Factories that have successfully graduated India

### Matrix Clothing Pvt. Ltd.

Matrix Clothing Pvt. Ltd., located in Gurgaon, India, with 830 workers, joined the LABS program on 18 February 2019, aiming to enhance safety standards within its facility. An assessment conducted on 19 March 2019 revealed significant safety concerns encompassing electrical, fire, and structural hazards.

**Key Issues Identified:** The assessment highlighted 58 safety issues, including 27 electrical safety concerns, 20 fire safety issues, and 11 structural safety issues. These issues ranged from inadequate protective measures in electrical panels to the absence of fire compartmentation and structural vulnerabilities such as exposed and corroded steel bars.

**Remediation Journey:** Following the assessment, collaborative efforts were undertaken involving the factory, remediation firm, inspection firm, LABS team, and relevant brands. Quarterly meetings were held to devise and review the remediation plan. Immediate action was taken to address severe Priority 1 issues, such as high temperatures in electrical panels, with regular thermographic scans implemented for ongoing monitoring.

Remediation efforts included:

- Installation of lightning protection systems.
- Construction of fire compartmentation and installation of fire curtain systems.
- Implementation of fire hydrant and sprinkler systems with adequate water storage.
- Enhancement of locking mechanisms on exit doors.
- Provision of illuminated fire exit signage and emergency evacuation plans.
- Installation of smoke detectors and structural drawings.

Structural corrections were made based on recommendations from structural engineers, including the provision of seismic bracings and addressing steel bar vulnerabilities. All remedial actions were completed by November 2022, verified through onsite CAP Closure Visits by the inspection firm.

#### Safety Training:

The factory underwent all three LABS Safety Levels, with 90 participants. Matrix Clothing Pvt. Ltd.'s commitment to addressing safety deficiencies through collaborative remediation efforts and comprehensive training underscores its dedication to ensuring a secure working environment for its employees. By systematically addressing identified hazards and investing in safety education, the factory successfully graduated from the LABS program in November 2023, marking a significant milestone in its safety journey.



Before remediation

Sprinkler system not provided in storage area



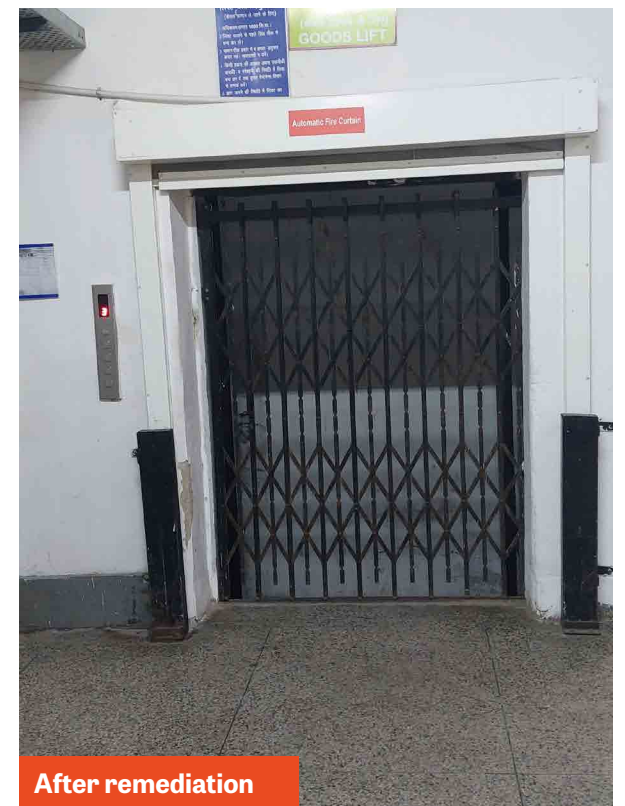
After remediation

Sprinklers installed in storage area



Before remediation

Fire-rated separation for lift not provided



After remediation

Fire-rated separation provided for lift using fire-rated curtain



# Vietnam

## Sun Jade Vietnam Footwear Ltd.

Sun Jade Vietnam Footwear Ltd, situated in Thanh Hoa City, Vietnam, with 9400 workers, enrolled in the LABS program on 12 March 2020. An assessment conducted on January 8, 2021 revealed 33 safety issues, encompassing electrical, fire, and structural hazards.

### Key Issues Identified

The assessment highlighted various safety concerns, including high temperatures within electrical panels, inadequate protective earthing connections, improper chemical storage proximity to production areas, absence of fire-rated separation for storage, and installation of sprinklers below recommended heights. Additionally, there was a lack of allowable loading plans for the building's second floor.

### Remediation Journey

Following the assessment, the factory embarked on a comprehensive remediation journey in collaboration with the factory, remediation firm, inspection firm, LABS team, and relevant brands. Immediate action was taken to address severe Priority 1 issues, such as high temperatures in electrical panels, with monthly thermographic scans implemented for ongoing monitoring.

Remediation efforts included:

- Relocating chemical storage to a separate building.
- Installing fire-rated separation between accessory storage and production areas.
- Renovating the sprinkler system across production buildings and main storage to align with standards.
- Implementing allowable loading plans for the building's second floor.

Throughout the remediation process, extensive discussions and meetings were held to develop and review the remediation plan, ensuring alignment with safety standards and best practices.

### Safety Training

The factory underwent all three LABS Safety Levels, with 29 trainees participating in sessions.

Through meticulous planning, execution, and collaborative engagement, Sun Jade Vietnam Footwear successfully completed all remedial actions by November 2022 and graduated from the LABS program on January 14, 2023.



Before remediation

Chemical storage area located beside the production area



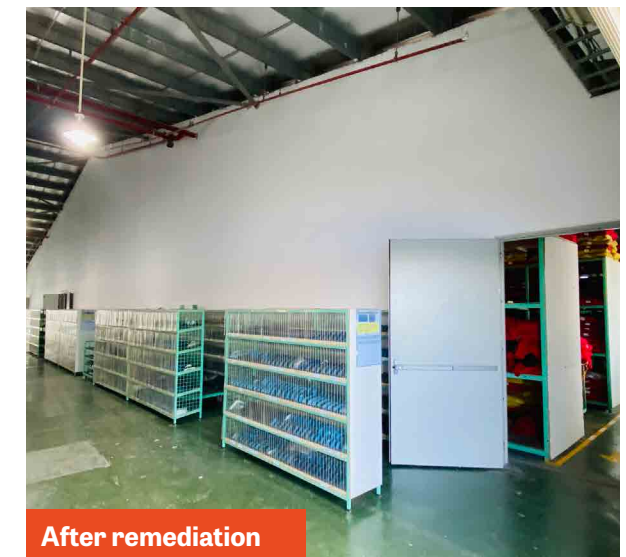
After remediation

Chemical storage area shifted far away from production area



Before remediation

In-process storage in production area without Fire-rated separation



After remediation

Fire-rated separation provided to separate storage and production area

# LABS Standards updated to include home- textile factories

In 2023, the LABS Program further expanded to cover textile factories besides apparel, footwear, and accessories factories. Based on the Brand's factory footprint per country, India was shortlisted as the priority country for expanding to textile sector.

The Standards were reviewed and finalized by an external 3rd party firm "QIMA Limited" in April 2023. The updated standards for textiles additionally cover factories manufacturing bedsheets, pillows, bath towels and linens, kitchen linen, blankets, carpets etc.



# Promoting gender empowerment

We recognize the need to catalyze progress through strategic initiatives. We integrate gender lenses and related issues into all our work, and are working towards promoting dialogues and joint action towards gender empowerment in the apparel and footwear sector.

## Gender Workshop - Platform for Gender Equality in Apparel & Footwear in Cambodia

On September 25, 2023, LABS hosted its 2nd Annual Gender Workshop in Cambodia, attracting 60 participants from a broad spectrum of organizations. The workshop saw representation from the Ministry of Women's Affairs, the Ministry of Labour and Vocational Training (MoLVT), the Australian Embassy, the US Embassy, Better Factories Cambodia, CFA, TAFTAC, American Chambers of Commerce, European Chamber of Commerce and global brands such as Amazon, Primark, H&M. Other participants included representatives from CGTI, UNFPA, factories, non-LABS brands, NGOs, CSOs, and both the government and private sectors.

The workshop featured H.E. NHEAN Sochetra, Director General of Social Development at the Ministry of Women's Affairs (MOWA), as the keynote speaker, and H.E. CHEA Sokny, Secretary of State at the Ministry of Labour & Vocational Training, as one of the key participants. Their presence highlighted the event's importance in promoting gender initiatives and collaboration among diverse stakeholders in Cambodia.

The workshop aimed to unite leaders, professionals, and partners from the gender diaspora in a collaborative forum to address Cambodia's gender issues. It sought to enhance coordination and alignment among initiatives, crafting strategies for increased diaspora engagement in Cambodian gender initiatives. Additionally, the event focused on exploring ways LABS could leverage this platform to expedite such efforts, fostering a more inclusive and proactive approach to gender equality.





## Outcome – Key Takeaways

- 01** Upskilling women workers on communication and leadership development, in order for them to succeed in supervisory/management roles
- 02** Create a network of women role models to mentor high potential women workers
- 03** Capacity building through education: Conduct more collaborative workshops to showcase data related to profitability and employee satisfaction with women leading organizations



## Integrating gender across all LABS processes

- LABS Policies and Procedures updated to integrate gender (such as - Selection Criteria- Safety Training Firm, Criteria for Factory Graduation, Code of Conduct, etc.)
- Internal training conducted for the complete LABS Team by an external consultant on “Mainstreaming Gender Equality in Safety Procedure”
- Training of all Associated Firms on gender conducted by an external consultant
- Safety training with gender modules commenced in all countries starting October 2023
- For all Associated Firms, it’s been mandated that the proposed team must consist of at least 1 female staff

The Gender Workshop will be held annually in Cambodia with private, government, and civil society organizations to continue dialogue over gender equality issues. This platform will provide a trusted, neutral space for the different stakeholders to discuss and exchange ideas and insights on addressing gender issues in the apparel & footwear sector in Cambodia.

# Stakeholder outreach





# In-Country discussions

## 5<sup>th</sup> December 2023

### Meeting with DKI Jakarta Management Agency

On 5th December, the LABS Team in Indonesia conducted a meeting with representatives of DKI Jakarta Management Agency to:

- Promote cross-learning about disaster management plans, risk mitigation, and identifying emergency responsible agencies in the country for imminent danger situations.
- Identify government stakeholders responsible for safety in provinces where LABS factories operate
- Discuss collaboration pathways to enhance safety in factories.

#### Key Outcomes

An MOU is set to be signed with DKI to develop and enhance the building assessment module by incorporating relevant sections of LABS Standards (Expected in early 2024).



## 20<sup>th</sup> November, 2023

### Workshop with Cambodia Footwear Association

LABS team conducted a joint workshop for CFA members with a key objective to ensure implementation of safe working conditions in LABS and Non-LABS Factories. The workshop was attended by 15 members from LABS & Non-LABS factories, along with 2 representatives of Cambodia Travel Goods and Leather Association (CTLA).

#### Discussion points

- Introduction session on the LABS Process
- Importance of a safety management system
- Severe priority issue findings – remediation and challenges

#### Key Outcomes

- Links of LABS resources shared with the participants (including Tool Kit, Methodology & Standards, etc.)
- CFA members appreciated the transparency of LABS Program.
- Follow-up joint workshops planned to be scheduled for members of CFA and CTLA in early 2024



## 19<sup>th</sup> September, 2023

### Meeting with Apparel Export Promotion Council (AEPC), India

LABS India team presented the program's overview to Apparel Export Promotion Council (AEPC) in addition to a discussion on potential areas of collaboration.

#### Discussion points

- Operational reach, impact & challenges.
- LABS learnings on implementation of the safety management system.
- Sharing the learnings with the apparel industry to drive the safety culture by collaboration with the industry association.

#### Next steps

The LABS Team will be sharing a proposal with AEPC for conducting a safety workshop for apparel factories in India



**25<sup>th</sup> August, 2023**

**Meeting with Brands Ethic Working Group (BEWG), India**

LABS India team presented the program to BEWG to share the overview of the Program & its impact. (Group has membership of 42 Sourcing Brands)

**Discussion points**

- Alignment of LABS standards to country standards
- Cost of remediation and acceptance of the program, etc.

**Key highlights**

Operational and field level impact of LABS program was appreciated by the BEWG Members.

**26<sup>th</sup> July, 2023**

**Joint Factory Walkthrough with ILO's Better Work Vietnam**

LABS Vietnam team conducted a joint factory walkthrough with ILO's Better Work Vietnam (BWV) to understand issues better and ensure collaborative remediation at factories. The LABS team presented the program's progress, challenges observed, overall remediation process, LABS Tool-Box, Severe Priority Issues (such as electrical short-circuit, fire-rated separation, smoke detector, etc.)

**Key Objectives**

- Share best practices for tackling safety issues and provide insights into the LABS program's effectiveness at improving factory conditions.
- Continue engagement to foster collaboration for promoting safety and tackling challenges in the apparel industry

**Highlights**

- Conducted joint walkthrough with factory personnel to review remedial actions taken
- Evaluated the implementation of Safety Management Systems and fulfilment of graduation criteria by the factory
- BWV team shared insights on conducting worker interviews



**17<sup>th</sup> July & 16<sup>th</sup> February, 2023**

**Knowledge Sharing Session: Better Factories Cambodia – LABS Program**

LABS Cambodia team conducted sessions with over 30 ILO's Better Factories Cambodia representatives, focusing on enhancing life and building safety in apparel and footwear factories.

**Discussion points**

- Challenges from a practical point of view in the LABS/BFC remediation process.
- Sharing inputs and good implementation practices
- Critical safety issues, including the LABS Tool-Box and severe priority issues like electrical short-circuits and smoke detectors

**Outcomes**

- Explore collaborations for enhancing workplace safety
- Follow-up joint knowledge sharing sessions scheduled



**11<sup>th</sup> April, 2023**

**Multi-stakeholder consulting workshop, Indonesia**

LABS organized a multi-stakeholder consulting workshop to discuss the first draft of the standards with industry stakeholder groups. Inputs received were incorporated into the final version of the LABS Standard and Methodology for Indonesia. A total of 57 people from 14 organizations participated in the workshop.

**Key organizations included:** the Ministry of State Secretariat, Ministry of Manpower, DKI Jakarta Provincial Disaster Management Agency, Ministry of Public Works and Public Housing, and Ministry of Internal Affairs besides representatives from brand participants.

- **Mr. Velix V Wanggai, Deputy for Government Policy Support and National Insight at the Ministry of State Secretariat, Republic of Indonesia, Secretariat of the Vice President** shared a presentation on “The Significance of LABS in the Economic Transformation in Indonesia.” The presentation highlighted the role of LABS Methodology and Standards in strengthening the safety standards in the country and ensuring a safe working environment.
- **Mr. Sandra Erawanto, Widyaaiswara – Coach and Consultant of the Ministry of State Secretariat, Republic of Indonesia** emphasized the necessity of making building safety a mandatory criterion for investors, with safety standards integrated into national and local policies. He also underscored the importance of training workers to enhance awareness of safety standards and requirements.

**Outcome**

- Inputs received were incorporated into the final version of the LABS Standards and Methodology for Indonesia.
- Provincial DKI Jakarta Agency for Disaster Countermeasure requested for more detailed insights on LABS Standards to incorporate the same in the Building Resilience System program for all buildings in Jakarta, Indonesia.



**23<sup>rd</sup> and 24<sup>th</sup> March, 2023**

**VITAS sustainable days – Vietnam TEXFUTURE 2023**

LABS Vietnam team participated in the event “VITAS Sustainable days – Vietnam TEXFUTURE 2023”.

LABS team presented “Building Safety within the Apparel and Footwear industries”, intending to establish a channel to share good practices, knowledge, learning, and technical viewpoints and to promote partnerships for the sustainable development of Vietnam’s textile and garment industry.

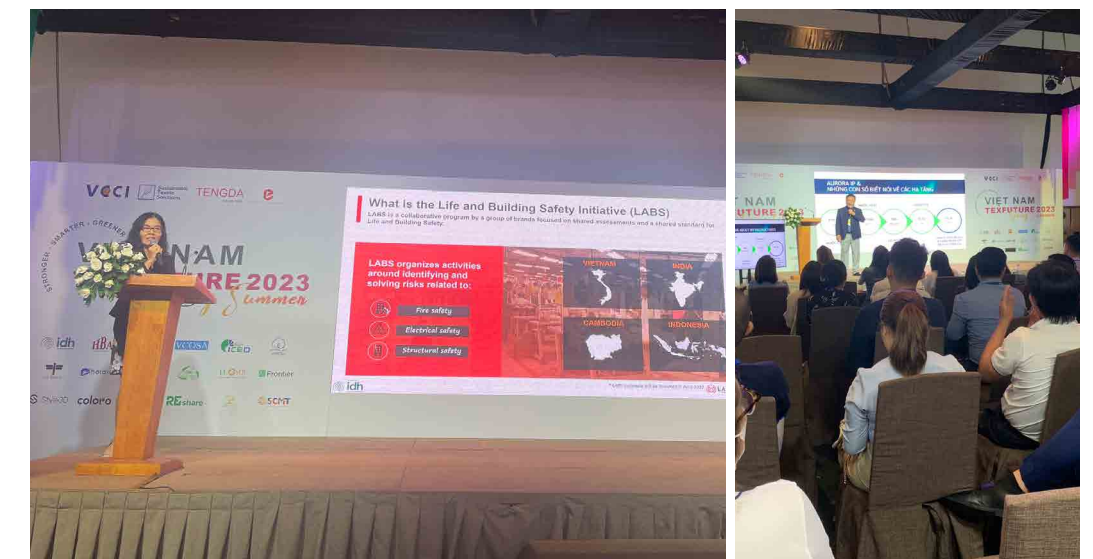
Representatives from various government organizations, international organizations, associations, brands, vendors, retailers, and VITAS members participated.

**Discussion points**

- LABS Program’s progress in Vietnam
- Common issues identified in LABS assessments and how transparency and public reporting are crucial for ensuring accountability and measuring progress
- Protection through prevention - How capacity-building and remedial action plans play an important role in improving a factory’s safety proficiency
- How collaboration between stakeholders is essential for improving safe working conditions in factories

**Outcomes**

Established a channel to share knowledge, learning, technical viewpoints, and ideas leading to increased industry transparency





# Collaborative work with ILO (Better Factories & Better Work)

In 2023, the LABS Secretariat enhanced collaboration with ILO's Better Work (Vietnam and Indonesia) and Better Factories (Cambodia) through various knowledge-sharing sessions, workshops, and joint factory visits. These activities fostered greater synergy and laid the groundwork for future cooperation.

**Vietnam:** Multiple knowledge sharing session conducted along with joint factory visits with representatives of BWV, with an objective **to further understand the issues in the field of life and building safety**, thus further promoting safety in apparel & footwear factories.

**Cambodia:** Multiple knowledge sharing sessions conducted with representatives of BFC **to share learnings & enable better understanding of safety and remediation requirements whilst also ensuring efficient dissemination of information for effective implementation of safety management systems.**

**Indonesia:** Meeting conducted with representatives of BWI **to better understand potential ways of collaboration and engagement with various key ministries.**

Also, global LABS Team was invited by the BFC to join and present in their monthly learning series session done for the Global Better Work Team in October 2023. Session focused **on enhancing collaboration between LABS & Better Work while offering valuable insights on good practices to BFC's auditors & trainers regarding technical risks associated with factories** (Approximately 40 people participated including Better Factories Team members from Jordan, Pakistan, Geneva, Cambodia, Vietnam, Indonesia and Thailand)



# IDH CFO's visit to India & Vietnam

IDH CFO Lizet Friesen-Leibbrandt visited LABS Factories India in September and Vietnam in December. She was accompanied by Brand Representatives, LABS and IDH team members. During the visit, she observed assessment processes conducted by Intertek, saw successful remediations by factories and engaged with factory teams to gain insights into improved working conditions and safety enhancements facilitated by LABS interventions. The visits showcased the transformative impact of LABS program on ground.



# Additional updates

## LABS outcome evaluation study 2023

As part of our ongoing commitment to measure impact, LABS conducted an Outcome Evaluation Study (from September – December 2023) to comprehensively assess the effectiveness of LABS in driving positive social, environmental, and economic outcomes within the apparel, footwear, accessories, and textile industry. This study will also complement the organization-wide Corporate Portfolio Midline Evaluation being conducted for IDH, ensuring a holistic assessment of our initiatives.

### Focus Areas

- To evaluate the LABS program's performance against the OECD DAC framework (i.e. to assess Relevance, Coherence, Effectiveness, Efficiency, Impact, and Sustainability) and issue recommendations for corrective action.
- To identify strengths and pitfalls in project design and implementation, and document good practices and lessons learned in the program.

## Data Integration - LABS Salesforce Platform

To ensure a strategic data driven approach, a new updated dashboard has been created over Salesforce platform. The Salesforce Dashboard provides a real-time overview of program status and has direct access to the real time data that is presented as infographics in a constant reporting format. It includes information on assessments, remediation status, follow up visits, overall CAP process (including CAP Sign-off, design approval, CAP Closures), etc.

# The road ahead

### Driving Systemic Changes

In 2024, the LABS Initiative will continue to aim for a coordinated system approach, addressing systemic life and building safety issues present in apparel, footwear, accessories, and textile value chain in all operational countries. We will continue to convene global brands and key stakeholders to invest and commit in pre-competitive strategies on life & building safety. We will strive to get their commitments to adopt LABS best practices.

To drive sector governance, we will leverage LABS to support and increase sector coordination and collaboration, enabling dialogue within key local stakeholders, and eventually, to move from dialogue into action on Better Jobs. Sector transformation requires strong sector governance, with key stakeholders' taking ownership. LABS fosters collaboration openly, using evidence-based data to inform policies and standards. On this front, in 2024 we will deepen our engagement in operational countries with the National Stakeholders' Committees (NSC), industry associations, government agencies and international institutions such as ILO's Better Work, Better Factories, etc. to have a joint industry commitment towards safety and embedding long-term local/national ownership. To enable, we will be sharing insights & learnings through various knowledge sharing workshops, good practice sharing seminars and PPP platforms, leading to new and/or improved policies/standards and enforcement.

Global brands, retailers, and its suppliers are increasingly aligning their business practices with LABS Methodology and Standard. We will work together with global apparel brands to steer and accelerate safer working conditions in their supply chain, hence increasing overall industry accountability and transparency.

At the field level, we will continue to provide a transparent platform for the assessment, remediation, and monitoring of factories' safety conditions, supported by safety training and helpline for workers to address their concerns. In 2024, we plan to onboard additional 130+ factories in India, Vietnam, Cambodia, and Indonesia, positively impacting lives of approximately 200,000+ workers, of which about 65% are women workers. We aim for these workers to have better understanding of the importance of risk mitigation and have access to voice building and life safety concerns through LABS helpline. We are also aiming to achieve 85% of overall remediation rate in the year.

We are also working towards making our interventions 100% gender intentional. We will continue to strengthen the integration of gender in our policies, and processes, and to provide women with better access to information and decision-making.





**LABS**

Life And Building Safety