

The background of the entire page is a photograph of a woman in a yellow t-shirt and a blue face mask working at a sewing machine in a factory. She is focused on her work, and the background shows other workers and sewing machines, slightly out of focus. A large, semi-transparent circular graphic is overlaid on the left side of the image.

Life And Building Safety Initiative
Annual Report
2025



Foreword



LABS has also demonstrated the power of partnership – between brands, factories, governments, and local organizations – to translate ambition into measurable, sustained progress.

At IDH, our mission is to accelerate the transition toward sustainable and inclusive markets by catalyzing collaboration between business, government, and civil society. The Life and Building Safety (LABS) Initiative represents this mission in action – bringing diverse stakeholders together to drive systemic change at the sector level.

Over the past few years, LABS has worked with partners to build a shared understanding of worker safety and how it is embedded within global value chains. Its strength lies not only in the hundreds of factories that now meet higher safety standards, but in the collective mindset shift it has inspired: moving from reactive compliance toward proactive responsibility and continuous improvement.

LABS has also demonstrated the power of partnership – between brands, factories, governments, and local organizations – to translate ambition into measurable, sustained progress. As the initiative consolidates its work across countries in 2025, it is increasingly evident that safer workplaces are not only a moral imperative, but a critical driver of long-term sustainability, business continuity, and resilience.

Looking ahead, LABS continues to play a crucial role in embedding safety as a cornerstone of responsible manufacturing. By strengthening local ownership, supporting alignment with national policy frameworks, and building long-term institutional capacity, LABS is helping shape a safer, more equitable, and more sustainable future for the people and businesses that power global industries.

Daan Wensing
CEO - IDH
Executive Board Representative - LABS

Message from the Global Director



**LABS' approach
– grounded in
practical standard,
transparent
processes, and
capacity building
– has translated
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operate in safer,
better-prepared
workplaces.**

The Life and Building Safety (LABS) Initiative has continued to make meaningful strides in improving safety standards across the apparel, footwear, accessories, and home textiles industries. In 2025, we strengthened our presence across India, Vietnam, Cambodia, and Indonesia – deepening partnerships, expanding our reach, and demonstrating that safer workplaces are not only a moral imperative but a cornerstone of business resilience, brand integrity, and long-term sustainability.

This year has been about scale, collaboration, and consolidation. With more factories completing their remediation journey, brands aligning with the LABS Standard, and national institutions joining hands to institutionalize safety practices, LABS continues to shape an ecosystem where safety becomes the norm. We are proud of the momentum built through our growing network of stakeholders – brands committed to responsible sourcing, factories investing in sustainable improvements, and technical partners ensuring robust implementation. Beyond numbers and milestones, 2025 has reaffirmed the power of collaboration.

LABS' approach – grounded in practical standard, transparent processes, and capacity building – has translated into real impact for thousands of workers who now operate in safer, better-prepared workplaces. Each assessment completed and each safety drill conducted moves us closer to our goal of embedding safety as a foundational element of industrial excellence across the industry. As we look to the future, LABS remains committed to scaling its impact, fostering industry alignment, and supporting national safety frameworks.

We will continue to evolve our operational standards, enhance systems for transparency, and strengthen local capacity – ensuring that every factory engaged in LABS becomes a catalyst for positive change. We extend our sincere gratitude to all our partners – brands, factories, technical experts, and government institutions – whose commitment and trust make this collective progress possible. Together, we are setting new benchmarks for responsible sourcing and worker well-being, creating industries where safety is not an obligation but a shared value.

Warm regards,

Pramit Chanda

Global Director, Life and Building Safety Initiative



Contents

1. About LABS	7
Overview	8
Our Approach	9
● Field-level intervention	10
● Improving sector governance	12
● Changing business practices	14
Partners & Stakeholders	15
2. Progress & Impact	19
Summary - Overall Performance	20
Country-level progress	22
● Vietnam	23
● India	28
● Cambodia	34
● Indonesia	40
3. Looking ahead	44



01

About
LABS

Overview

Unsafe working conditions in factories continue to pose a serious risk to workers and threaten the long-term sustainability of global supply chains. Recognizing that safe workplaces are fundamental to both human dignity and business continuity, the Life and Building Safety (LABS) Initiative, convened by IDH, was established to address this challenge through an industry-led, collaborative model that advances safety, accountability, and systemic improvement.

Operating across India, Vietnam, Cambodia, and Indonesia, LABS works with brands, factories, industry associations, and local stakeholders to identify, mitigate, and prevent safety risks related to structural integrity, fire hazards, and electrical safety. Through this, LABS has emerged as a trusted framework that supports both compliance and continuous improvement across key sourcing countries.

By aligning with national regulations and integrating international best practices, LABS provides a unified, credible, and locally adaptable framework that simplifies safety management for factories while ensuring credibility for brands. The initiative enables factories to avoid multiple overlapping assessments and helps them focus resources on meaningful improvements rather than fragmented audits. In doing so, LABS embeds safety as a cornerstone of responsible and sustainable manufacturing.



Our Approach

The LABS approach is built on three interconnected pillars that collectively strengthen safety culture, institutional accountability, and business transformation within the manufacturing sector.



I. Field-Level Interventions

At the core of LABS' impact are its on-the-ground interventions that translate safety principles into tangible improvements inside factories. Through these activities, LABS ensures that safety improvements are practical, measurable, and sustained over time – transforming factories into safer workplaces.

- **Safety Assessments:** LABS, through associate inspection firms, conducts comprehensive and independent assessments that cover structural, electrical, and fire safety. Each assessment is performed using standardized methodologies designed to identify both immediate and potential hazards. The results form the foundation for targeted corrective actions, ensuring that factories can prioritize their efforts and allocate resources effectively.
- **Remediation Support:** Post-assessment, LABS provides tailored technical guidance to help factories develop and execute Corrective Action Plans (CAPs). These plans outline step-by-step solutions for addressing identified risks and improving overall safety performance. LABS' technical teams and accredited partners regularly follow up with factories to track progress, validate improvements, and ensure long-term compliance.



- **Factory Graduations:** LABS supports factories throughout their remediation journey, from the initial assessment to full graduation. Graduation signifies that a factory has successfully implemented and sustained all required corrective actions in line with LABS standards –demonstrating measurable compliance, strong internal systems, and a culture of continuous improvement.
- **Capacity Building (Safety Training):** Through associated training firms, LABS Initiative delivers hands-on safety training sessions for factory managers, OHS committee members and workers. These sessions strengthen knowledge of safety protocols, emergency response, and preventive maintenance practices – helping embed safety as an integral part of daily operations.
- **Worker Helpline:** To ensure transparency and inclusivity, LABS facilitates direct communication channels – such as helplines and digital chat systems – through which workers can raise safety concerns confidentially. This enhances accountability and empowers the workers to play an active role in among the workforce, making safety a shared responsibility across all levels.



II. Improving Sector Governance

Systemic change requires robust governance mechanisms that promote consistency, collaboration, and continuous learning. LABS strengthens this enabling environment by engaging with national and regional institutions to embed safety into the foundation of industrial operations.

- **LABS Standard:** The LABS Standard serves as a comprehensive benchmark that brings together local building codes, fire safety regulations, and international best practices. It provides factories and brands with a single, credible reference point for assessing and managing safety risks. Access the LABS Standard here: https://labsinitiative.com/labs_resources/labs-standards-and-methodology/
- **Institutional Partnerships:** LABS actively collaborates with government agencies, national safety councils, and technical institutions to harmonize safety frameworks and promote shared accountability. These partnerships enhance policy alignment, build local ownership, and help institutionalize the LABS approach at the national level.



- National Stakeholder Committees (NSCs):** In each operating country, LABS has established a National Stakeholder Committee – a platform comprising government representatives, industry associations, civil society organizations, and international bodies. These committees foster local ownership of safety initiatives, support governments in integrating LABS standards into national codes and policies, enhance coordination among sector actors, and enable sharing of best practices. By institutionalizing collaboration, the NSCs ensure that the progress achieved through LABS translates into long-term, systemic change.



- Knowledge and Dialogue Platforms:** LABS fosters collaboration through industry dialogues, workshops, and technical roundtables. These platforms enable brands, factory representatives, and regulators to share insights, discuss emerging risks, and co-create solutions. By convening diverse stakeholders, LABS promotes transparency, accelerates learning, and helps scale good practices across borders. Through these efforts, LABS contributes to the development of an ecosystem where safety governance is robust, coordinated, and embedded at the sector level.





III. Changing Business Practices

Long-term improvement in factory safety depends on how businesses perceive and integrate safety into their operations and sourcing models. LABS works with global brands, buyers, and industry leaders to embed safety into the core of their business strategies.

- **Standard Adoption:** LABS encourages brands and suppliers to adopt its safety standard as a common benchmark across sourcing regions. This reduces audit fatigue, eliminates duplication, and ensures consistency in expectations. The harmonized approach also helps suppliers channel their efforts toward continuous improvement rather than repetitive compliance checks.
- **Shared Responsibility:** LABS promotes a model where both brands and suppliers share ownership of safety outcomes. The collaborative approach fosters trust, accountability, and collective progress across the supply chain.
- **Data-Driven Insights:** LABS leverages assessment data and performance analytics to demonstrate how safety improvements translate into measurable business benefits. These include reduced downtime, lower accident-related losses, higher worker satisfaction, and improved operational efficiency. By quantifying the value of safety, LABS makes a case for companies to see safety as a driver of competitiveness and sustainability.

Partners & Stakeholders

LABS is built on strong collaboration across the supply chain. Our partners play distinct and complementary roles in advancing factory safety and embedding it as a core element of responsible manufacturing.

Brand Participants

Brand participants are central to the LABS Initiative. By aligning with the LABS Standard and integrating it into their sourcing and compliance frameworks, brands help create consistent safety expectations across factories and countries. Their participation reduces audit duplication, supports remediation efforts, and reinforces shared responsibility for worker safety. Through active engagement, brand partners help scale LABS' impact and signal that safety is a business priority, not just a compliance requirement.





Safety is—and will remain—non-negotiable for VF, and we view it as a baseline expectation for all of our suppliers. The LABS program has elevated our internal focus on Critical Life Safety by bringing strong teams and deep expertise to the work. Together with industry peers, we’ve been able to leverage our collective influence to drive sustainable change in key sourcing regions, and we’re proud to support LABS’ continued progress and shared goals.

Kyle Bogler
Senior Director Responsible Sourcing Operations , VF Corporation



Collaboration is at the heart of the Life and Building Safety (LABS) program and fundamental to its success across every country where they operate. As we continue our engagement, we remain focused on working with others to foster a culture of safety and high safety standards throughout supply chains. Our work through LABS goes beyond compliance; it builds skills, strengthens systems, and strives to continuously improve worker safety. Impacting more than 1.3 million workers to date underscores what is possible when collaboration is paired with sustained engagement.

Jeff Rice
Senior Vice President, Supply Chain & Sourcing Compliance, Walmart

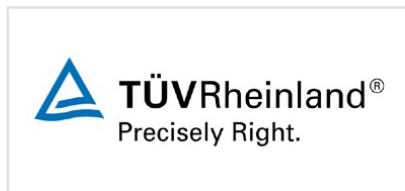


We Strengthened our commitment to safe, fair, and responsible supply chain practices by deepening our engagement with the Life & Building Safety (LABS) Initiative, enrolling 120 factories across key sourcing regions. This initiative supports our efforts to strengthen safety management systems and contributes to improved working conditions across our supply chain. We also expanded our engagement into the soft home category in India, helping extend LABS’ internationally aligned safety framework to additional product categories. Our partnership with LABS continues to reinforce Target’s broader responsible sourcing goals as we work collaboratively to elevate safety, strengthen resilience, and support the wellbeing of workers across our global supply chain.

Zameer Pasha
Director Responsible Sourcing and Sustainable Capabilities, Target

Technical Partners

Technical partners – including inspection firms and safety training firms – play a critical role in translating standards into action on the ground. They conduct independent safety assessments, support factories in developing and implementing corrective action plans, and deliver targeted training to factory management and workers. Their technical expertise, local presence, and practical guidance ensure that LABS interventions are credible, consistent, and effective, helping factories sustain improvements over time.



As an Associated Firm supporting the Life and Building Safety Initiative (LABS), PHD has had the opportunity to work closely with factories on structural, fire, and electrical safety improvements. Through this process, we have seen positive changes not only in technical compliance, but also in how factories approach safety more proactively and responsibly. What stands out most to us is the growing awareness among management teams, with safety becoming part of everyday operations rather than just a requirement to meet.”

Ms. Thao Le, Phap Duyen Construction Design Company Limited





02

**Progress
& Impact**

Since its inception, LABS Initiative has been at the forefront of driving safety transformation in the apparel, footwear, accessories, and home textiles sectors. 2025 was a year of consolidation and expansion for the Initiative. Building on the strong foundation of previous years, LABS deepened its country programs, broadened engagement with brands and factories, and strengthened partnerships that will shape the future of safety governance in the manufacturing sector.

Through consistent collaboration between global and local stakeholders, the program demonstrated how collective commitment can lead to measurable impact – from improved compliance rates and worker safety to stronger institutional partnerships and increased visibility at the policy level.

Summary - Overall Performance

Field-Level Impact Overview (Program launch until December 31, 2025)

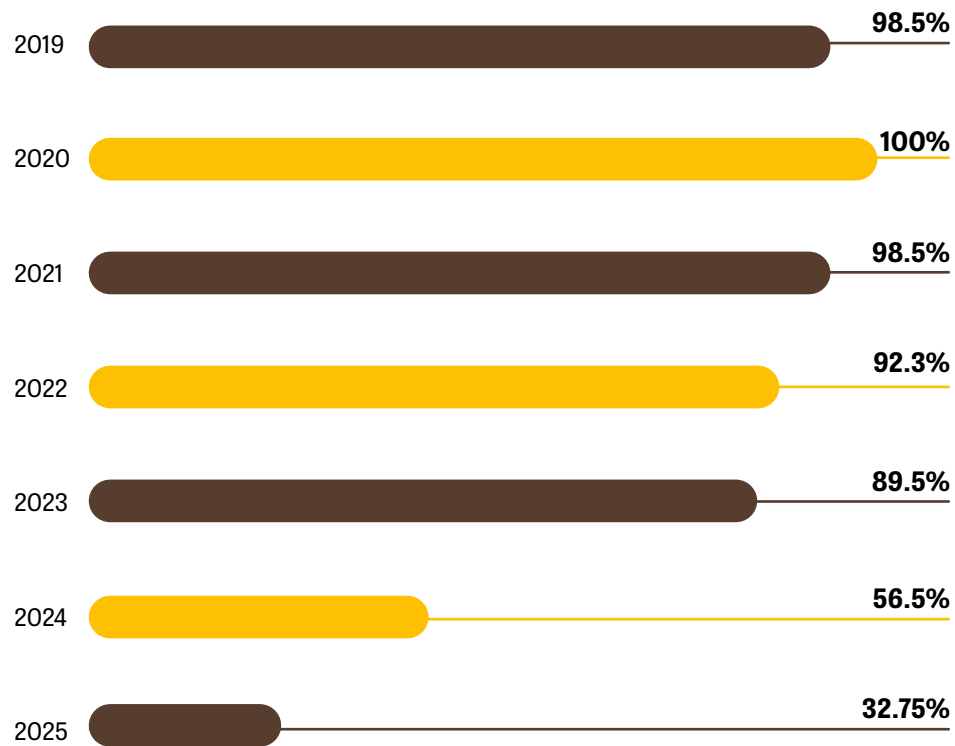
674 Factories onboarded 		1,309,476 Workers reached 	
India	195	Vietnam	273
Cambodia	131	Indonesia	75
665 Assessments conducted 		1,493 Safety Trainings conducted 	
India	192	Vietnam	269
Cambodia	129	Indonesia	75
2,321 Follow-up visits conducted 		229 Factories Graduated 	
India	570	Vietnam	1,046
Cambodia	434	Indonesia	271
India	79	Vietnam	126
Cambodia	14	Indonesia	10

*Overall Remediation Rate percentage is directly proportional to the Follow-up visits conducted at factories by LABS' Factory Coordinator. India and Vietnam launched in 2019, Cambodia in 2022, and Indonesia in 2023.

Remediation Progress

After identifying issues, the factories work towards a corrective action plan (CAP) and remediate the issues in line with LABS Standards.

Cumulative Remediation Progress



Overall Remediation Rate percentage is directly proportional to the Follow-up visits conducted at factories by LABS' Factory Coordinator.

India and Vietnam launched in 2019, Cambodia in 2022, and Indonesia in 2023.



Country-Level Progress

LABS publicly shares information regarding its standards, **activities, progress, remediation status of factory partners, and training material** for the greater benefit of the sector.



Vietnam

Vietnam's garment and textile industry is a key pillar of the national economy and a critical component of global apparel supply chains, with exports reaching approximately US\$44 billion in 2024 and exceeding US\$17.58 billion in the first five months of 2025, according to the International Labour Organization and the Vietnam Textile and Apparel Association. Employment has expanded significantly, growing from 1.8 million workers in 2012 to 3.4 million in 2023, with women accounting for 75 percent of the workforce. The scale of the sector underscores the importance of strong workplace safety systems and sustainable operational practices.

LABS has been active in Vietnam since 2019, working with factories, brands, and national stakeholders to strengthen factory-level safety systems and align with national occupational health and safety (OHS) frameworks.

Indicator	2025	Cumulative
Factories onboarded	22	273
Factories graduated	14	129
Safety trainings conducted	90	710
Assessments conducted	21	269
Workers reached	23,237	551,638

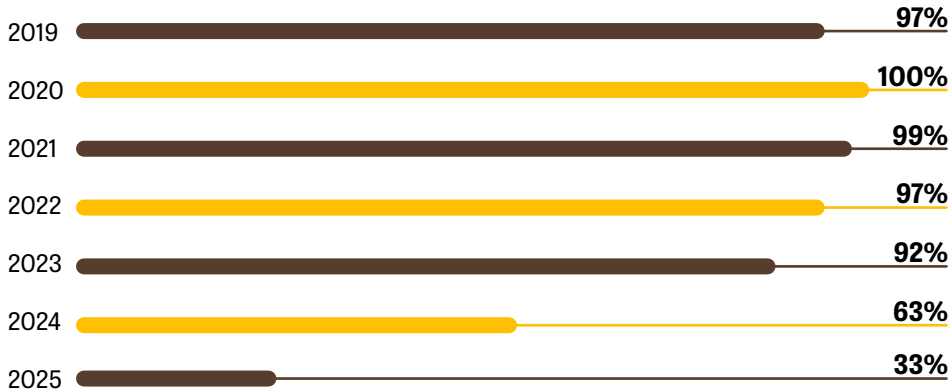


“After participating in the LABS program, our factory significantly improved both awareness and practical safety measures. Fire, electrical, and structural systems were upgraded to international standards, and training strengthened both management and worker capacity. The working environment is now noticeably safer, reinforcing trust with our international partners.”

Tran Thi My Duyen, HSE Official/Compliance Staff, Hansae TG Co., Ltd.



Remediation progress through the years

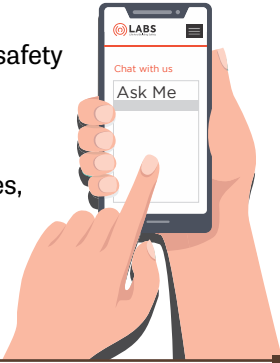


Cases Reported on LABS Helpline in 2025

Total Cases Received: 287

Of the total cases received through LABS reporting channels in Vietnam, 11 cases were directly related to LABS safety areas, including occupational accidents, sewing machine malfunctions, fire safety obstructions, unsafe work assignments, and structural safety concerns.

The remaining 276 cases were non-LABS related and primarily concerned broader labor and workplace issues, including salary and bonus payments, allowances and insurance, forced overtime, supervisor behavior, working environment conditions, and termination-related grievances.



Key Events and Engagements

National Stakeholder Committee (NSC) Meetings

The National Stakeholder Committee (NSC) convened twice in 2025 (on 27 May and 23 December) to advance sector-wide safety priorities. Discussions focused on strengthening occupational health and safety (OHS) systems in graduated factories, aligning LABS with national OHS frameworks, scaling the adoption of Safety Management Systems (SMS), strengthening post-graduation monitoring approaches, and reinforcing senior management commitment to sustained safety improvements.




Industry Engagements

Throughout 2025, LABS actively participated in national and regional platforms to advance dialogue on safety and responsible sourcing, including:

- **ASEAN Footwear Summit (March 18, 2025)** – Panel discussion on sustainability and responsible sourcing
- **SaigonTex 2025 (April 11, 2025)** – Presentation on safety findings and collaborative remediation
- **Cascade Forum 2025 (May 15, 2025)** – Panel on building trust and collaboration in the workplace
- **Knowledge Sharing Session with VITAS Members (June 24, 2025)**
- **UN Responsible Business and Human Rights Forum, Asia-Pacific (Bangkok) (September 18, 2025)** – Session on strengthening worker resilience through collaborative safety action
- **The Future of Fashion: A Conversation on Sustainability (October 19, 2025)**
- **Working the Nordic Way (November 20, 2025)**
- **Multi-stakeholder dialogue on sustainable textile development** with WWF, GIZ, Fair Wear Foundation, Better Work, VITAS, LEFASO, VCOSA, and the Ministry of Industry and Trade (November 21, 2025)

CASE STUDY

Winga Vietnam

1,300 
Number of Workers

Date Joined LABS: June 20, 2023

Assessment Date: August 17, 2023

Graduation Date: January 13, 2026

“LABS strengthened our understanding of structural, fire, and electrical safety and helped us move from overlooked risks to a more proactive approach. We have improved our internal safety assessments and built a more robust Safety Management System, enabling us to create a safer and more reliable working environment.”

Ms. Nguyen Thuy Van
HSE official/Compliance staff

Summary of the Remediation Journey

Winga Vietnam successfully graduated from the LABS program following a structured remediation journey supported by strong leadership commitment and cross-functional collaboration. From the outset, the factory focused on strengthening fire safety systems, improving electrical reliability, and addressing structural integrity issues while embedding preventive safety practices into daily operations.

Initial assessments identified key gaps in fire separation, electrical protection systems, and structural stability. Through targeted remediation and consistent follow-up, the factory implemented critical upgrades and strengthened internal safety processes, enabling timely closure of corrective actions and sustained improvements.

Key Remediation Achieved

Fire Safety

- Constructed fire-rated separation between storage and adjacent areas
- Installed overhead directional egress signage

Electrical Safety

- Replaced circuit breaker (CB) ratings to ensure proper overcurrent protection
- Improved earthing and bonding for electrical panels and equipment
- Updated the Single Line Diagram (SLD) to reflect actual site conditions

Structural Safety

- Installed a lateral bracing system on the building roof
- Remediated corrosion in roof steel frames

Safety Management System Implementation

The factory strengthened its internal safety systems through:

- Completion of LABS Level 1, Level 2, and refresher training
- Development of internal safety monitoring and assessment practices

These efforts improved technical capacity and reinforced a more structured and preventive approach to safety management.

Graduation Milestone

Following successful remediation and sustained implementation of safety improvements, WINGA Vietnam met all LABS program requirements and graduated in January 2026. This milestone reflects enhanced system reliability, improved workplace conditions, and a strong commitment to continuous safety improvement.

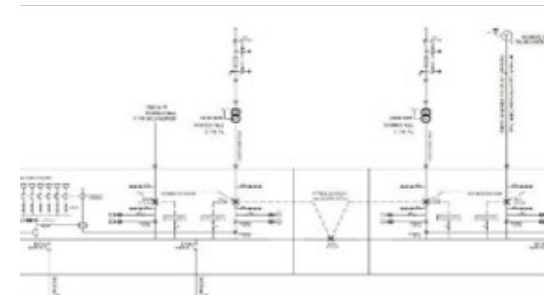
Before



Allowable load limits were not posted on the floors



No overhead signage indicating direction changes in the factory



Single Line Diagram was not updated to reflect actual electrical system conditions

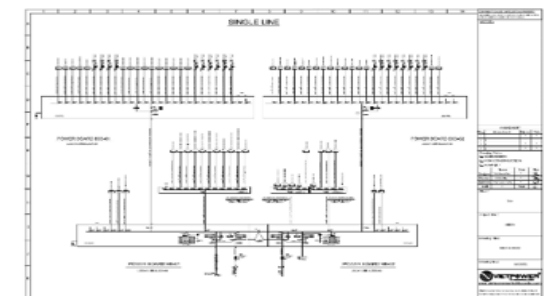
After



Allowable load limits were posted on the floors



Overhead signage indicating direction changes has been installed in the factory



Single Line Diagram updated to reflect actual electrical system conditions



India

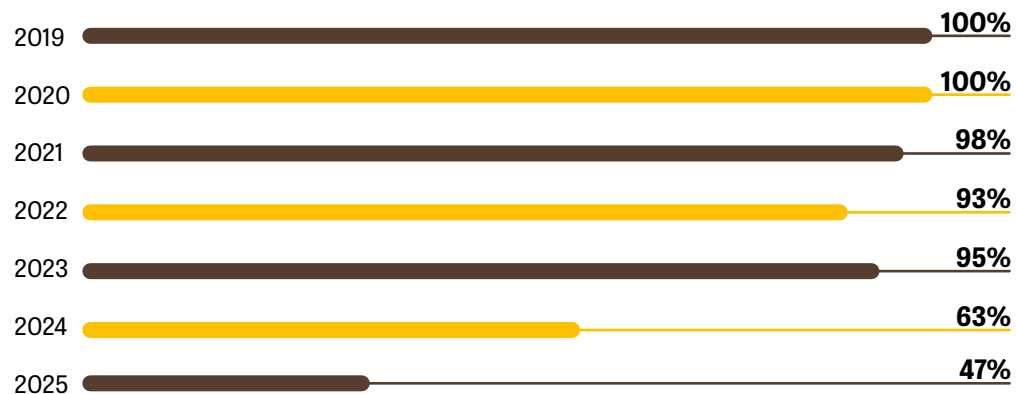
India's textile and apparel sector remains a cornerstone of the national economy and an integral link in global supply chains. As of FY2025, the sector accounts for approximately 2.3 percent of India's GDP and 12-13 percent of total industrial production.

Given its highly decentralized structure – dominated by MSMEs across multiple production clusters – and a workforce exceeding 45 million, strengthening workplace safety, occupational health, and labor compliance remains a strategic priority across value chains. These efforts are critical to safeguarding worker well-being, improving production efficiency, and ensuring alignment with domestic regulations and global buyer standards.

To support safety improvements across this scale and diversity, LABS has been active in India since 2019, working closely with factories, brands, industry bodies, and government stakeholders.

Indicator	2025	Cumulative
Factories onboarded	27	196
Factories graduated	29	79
Safety trainings conducted	63	381
Assessments conducted	32	196
Workers reached	34,045	256,428

Remediation progress through the years



Key Partnerships

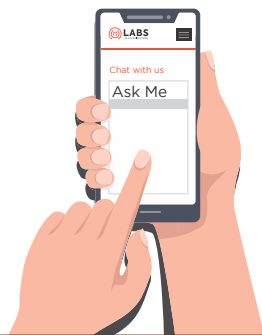
Bureau of Indian Standards (BIS): LABS was included in the Fire Safety Sectional Committee (CED 36) of the Bureau of Indian Standards, strengthening alignment between LABS standards and national fire safety frameworks.

Cases Reported on LABS Helpline in 2025

Total Cases Received: 70

In India, one case was identified as LABS-related, involving exposed electrical wiring that posed a safety risk within the facility. The issue was addressed through appropriate remediation measures.

The remaining 69 cases were non-LABS related, covering issues such as LABS program inquiries, salary and bonus concerns, overtime-related grievances, and general workplace environment conditions.



“LABS’ structured approach to strengthening fire, electrical, and structural safety across the apparel and textile value chain is both timely and essential for India’s apparel and textile industrial landscape. Drawing from decades of fire service and safety governance experience, I see this program as a strong enabler in institutionalizing preventive safety culture at factory level. Its collaborative platform brings together technical expertise and industry commitment, creating a sustainable pathway to reduce risks and safeguard workers.”

Mr. Satish K Dheri

Chairperson
National Building Code (CED 36) Fire Chief
(Rtd), Department of Delhi Fire Service



Key Events and Engagements

LABS National Stakeholder Committee Meeting

May 21, 2025

The National Stakeholder Committee (NSC) India convened twice in 2025 (on 21 May and 16 December) to discuss sector-wide safety priorities. Key focus areas included factory preparedness in light of recurring fire incidents, strengthening factory ownership of worker safety, and accelerating the adoption of Safety Management Systems (SMSs).

Discussions also explored leveraging the Occupational Health and Safety Code (OHSWC 2020) to drive compliance, government schemes to support remediation investments, and the role of the PM MITRA initiative in advancing integrated and safer manufacturing ecosystems.



Fire and Building Safety Workshop - Tiruppur

Dec 18, 2025

LABS organized a Fire and Building Safety Workshop in partnership with the Tiruppur Exporters Association (TEA), bringing together over 60 factory representatives for an interactive, hands-on learning session. The workshop focused on identifying key fire and building safety risks, reviewing real-world case studies, and understanding practical, step-by-step compliance measures.

The workshop emerged from discussions under the Platform for Safety in the Apparel and Footwear Industry (PSAFI), a neutral forum promoting safer and more resilient supply chains across apparel, footwear, and textiles.



Industry Engagements

- 34th Meeting of the Committee of the National Building Code (NBC), Bureau of Indian Standards (BIS), Government of India (March 11, 2025).
- 39th APOSHO Conference & Expo on Safety, Health & Environment - LABS Initiative was presented as a case study under the theme of Occupational Health & Safety (OHS) in MSMEs at the APOSHO-39 International Conference. (November 28-29, 2025)



CASE STUDY

Vamani Overseas Pvt. Ltd.

Date of Joining LABS: September 5, 2023

1,528 

Number of Workers

Assessment Date: December 19, 2023

Graduation Date: September 12, 2025

“The LABS program helped us move beyond one-time corrective actions to a systematic and preventive approach to workplace safety. It strengthened not only our infrastructure, but also our safety culture – building stronger accountability, improving daily practices, and making safety a shared responsibility across all levels of the factory.”

Anju Nainwal, Manager
Compliance, Vamani Overseas Pvt. Ltd.

Summary of the Remediation Journey

At Vamani Overseas Pvt. Ltd.'s facility at 6F, Bata Chowk, Faridabad, the journey toward a safer workplace has been one of learning, sustained effort, and shared responsibility. With a large workforce and complex daily operations, the factory recognized that safety extends beyond infrastructure to include systems, behaviors, and collective accountability.

The initial assessment identified gaps in fire safety infrastructure, emergency preparedness, and building protection systems. Addressing these issues required careful planning and close collaboration. Key improvements included fire compartmentation of staircases, installation of fire doors and protective walls, lightning protection systems, and structural enhancements.

In parallel, the factory introduced a Safety Management System (SMS), supported by regular training and a worker helpline to strengthen awareness, trust, and reporting. The facility successfully achieved corrective action plan (CAP) closure and graduated within the planned timeline – demonstrating that lasting safety improvements are built through consistency and commitment.

Key Remediation Achieved

The factory addressed critical safety gaps identified during the assessment process. Priority remediation actions improved hazard identification, corrective action tracking, and workplace safety practices, significantly reducing risk and strengthening compliance with safety standards.

Safety Management System Implementation

A comprehensive Safety Management System (SMS) was implemented to ensure sustainability of safety improvements, including:

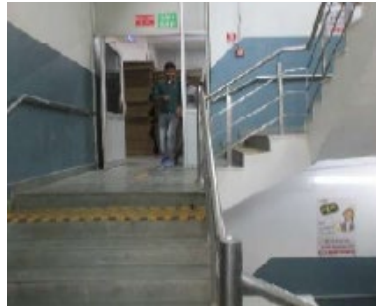
- Development and rollout of safety policies and procedures
- Regular safety training for management and workers
- Establishment of a confidential worker safety helpline

These measures enhanced worker awareness, accountability, and communication around safety issues.

Graduation Milestone

Following successful remediation and sustained SMS implementation, the factory met all LABS program requirements and graduated. This milestone reflects a strong commitment to continuous improvement and responsible safety management.

Before



Staircase without compartmentation

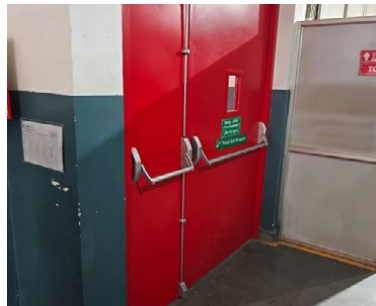


LPS system not installed in factory



Dampness over building wall

After



Fire door and wall constructed on staircase



LPS installed over factory building



Dampness has been repaired



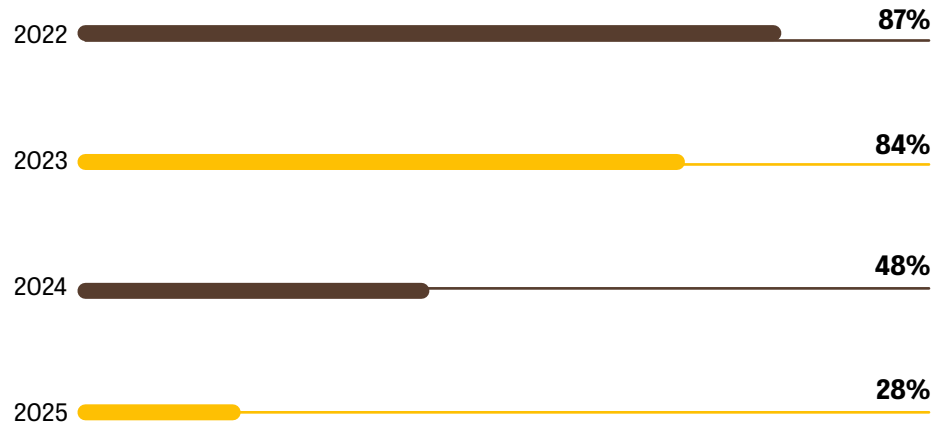
Cambodia

Cambodia's garment, footwear, and travel goods (GFT) sector is a cornerstone of the national economy, generating approximately US\$13.72 billion in export revenue in 2024 and employing over 900,000 workers across more than 1,500 factories. The sector plays a critical role in employment and livelihoods, particularly for women, who constitute the majority of the workforce.

To address persistent electrical, fire, and structural safety risks, LABS has been active in Cambodia since May 2022, working with factories, brands, industry associations, and government stakeholders. LABS drives on-the-ground impact through standardized factory assessments, targeted remediation support, and practical safety training, strengthening factory-level safety management systems and enabling sustained improvements.

Indicator	2025	Cumulative
Factories onboarded	17	131
Factories graduated	12	14
Safety trainings conducted	75	260
Assessments conducted	17	129
Workers reached	20,272	254,123

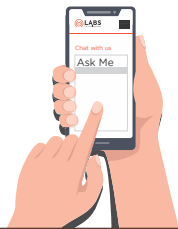
Remediation progress through the years



Cases Reported on LABS Helpline in 2025

Total Cases Received: 27

All reported cases in Cambodia were non-LABS related. These cases primarily concerned broader labor and workplace matters, including salary and bonus payments, forced overtime, supervisor behavior, working environment conditions, and vaccination-related complaints.



Key Partnerships

MoU with GIZ FABRIC Cambodia

The GIZ project FABRIC Cambodia and the Life and Building Safety (LABS) Initiative signed a Memorandum of Understanding to strengthen collaboration on advancing gender equality and workplace safety in Cambodia's garment sector. As part of this partnership, the organizations will co-host the Annual Gender Platform from 2025 to 2027, supporting coordinated action to prevent and address gender-based violence and harassment (GBVH) across the garment, footwear, and travel goods sector.



“LABS plays a critical role in strengthening safety in Cambodia’s garment, footwear, and travel goods sector by introducing higher and more consistent standards for electrical, fire, and structural risk management. Its technical approach supports factories in aligning with national regulations and international expectations, while reinforcing preventive safety practices that protect workers, assets, and the long-term competitiveness of the industry.”

H.E. Dr. Chhann Sorphal, Director General, General Department of Construction, Ministry of Land Management, Urban Planning & Construction, and Chair, LABS Cambodia NSC



Key Events and Engagements

4th Annual Gender Platform

The 4th Annual Gender Platform convened over 100 representatives from government, industry, civil society, brands, and trade unions to advance action on gender-based violence and harassment (GBVH) in Cambodia’s GFT sector. The platform underscored the urgency of addressing GBVH as both a human rights issue and a critical factor in sustainable industry growth.

Co-organized by GIZ-FABRIC Cambodia, the LABS Initiative, CARE Cambodia, the Responsible Business Hub Cambodia, and EuroCham’s Garment & Manufacturing Committee, the event reinforced the need for coordinated public–private action. Senior officials from the Ministry of Labour and Vocational Training (MLVT) and the Ministry of Women’s Affairs (MoWA) joined factory leaders, worker representatives, and development partners to discuss policy reforms, survivor-centered approaches, and the role of international brands in shaping safer workplaces.

Read more: https://labsinitiative.com/news_article/4th-annual-gender-platform-calls-for-stronger-action-to-end-gender-based-violence-and-harassment-in-cambodias-garment-sector/



Industry Engagements

- Ministry of Labour and Vocational Training (MLVT) Meeting on the Draft Law of Occupational Safety and Health (September 17, 2025)



- 3rd Cambodia–Europe Public–Private Sector Dialogue (October 22, 2025)



CASE STUDY

Starite (Cambodia) Co. Ltd.

Location: Kandal Province, Cambodia

2,868 

Number of Workers

Date of Joining LABS: November 16, 2022

Graduation Date: December 25, 2024

“Through the LABS Program, our factory has strengthened building and fire safety, improved emergency preparedness, and increased worker safety awareness. Regular training, inspections, and drills have helped build a strong safety culture, the most important parts is the SMS related were well implemented to ensure the facility safely. We learned that management commitment and worker participation are critical to maintaining sustainable safety improvements.”

-David Chen, Starite

Summary of the Remediation Journey

Starite (Cambodia) Co., Ltd. embarked on its LABS journey with a clear objective: to strengthen fire safety systems, improve emergency preparedness, and embed safety management practices across factory operations. Given the scale of the facility and the size of its workforce, the factory recognized that sustainable safety improvements required both infrastructure upgrades and stronger internal systems.

Initial assessments identified gaps related to emergency egress, fire detection and alarm integration, and the need for more structured safety management processes. Addressing these challenges required coordinated remediation planning and consistent follow-up. Through close collaboration with LABS and technical partners, the factory

implemented targeted interventions to address identified risks while strengthening day-to-day safety practices.

Alongside physical upgrades, Starite introduced a structured Safety Management System (SMS) to institutionalize safety responsibilities, improve monitoring, and strengthen worker engagement. These combined efforts enabled the factory to close all corrective actions and achieve graduation within the planned timeline.

Key Remediation Achieved

The factory successfully addressed critical safety gaps identified during the assessment process. Priority remediation actions included:

- Replacement of all exit doors with side-hinged, swing-type doors fitted with standard locking mechanisms

- Integration of exit doors with the fire alarm and fire detection systems, ensuring timely alerts and safe evacuation
- These measures significantly improved emergency response readiness and reduced life safety risks..

Safety Management System Implementation

A comprehensive Safety Management System (SMS) was implemented to ensure long-term sustainability of safety improvements. Key elements included:

- | | |
|---|----------------------------------|
| ● Monthly testing and inspection of fire protection systems | ● Regular internal safety audits |
| ● New Employee Orientation (NEO) training | ● LABS safety awareness sessions |
| ● Fire emergency training and evacuation drills | ● Lockout/Tagout (LOTO) training |

Together, these measures strengthened worker awareness, clarified responsibilities, and improved communication around safety across the facility.

Graduation Milestone

Following the successful completion of remediation actions and sustained implementation of the Safety Management System, Starite (Cambodia) Co., Ltd. met all LABS program requirements and graduated in December 2024. This milestone reflects the factory's commitment to continuous improvement and responsible safety management.





Indonesia

Indonesia's apparel, footwear, and textile sector is a major contributor to employment and industrial growth, employing nearly 4 million workers across a diverse manufacturing base.

LABS has been active in Indonesia since May 2023, working to address critical structural, fire, and electrical safety risks through standardized factory assessments, targeted remediation support, and capacity-building interventions. In 2025, 10 factories graduated from the LABS program, with 14 additional factories achieving over 70 percent remediation progress, demonstrating a scalable pathway to safer workplaces through direct partnership and strengthened safety management systems.

Indicator	2025	Cumulative
Factories onboarded	18	75
Factories graduated	10	10
Safety trainings conducted	73	155
Assessments conducted	18	75
Workers reached	42,781	231,547

Remediation progress through the years

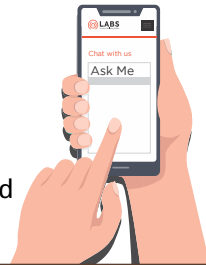


Cases Reported on LABS Helpline in 2025

Total Cases Received: 05

In Indonesia, three cases were identified as LABS-related, involving issues such as dampness on ceilings, leaking pipelines, and blocked emergency exits. These cases were addressed through corrective actions to ensure safety compliance.

The remaining two cases were non-LABS related, primarily related to general workplace environment concerns.



Key Events and Engagements

National Stakeholder Committee meetings:

The National Stakeholder Committee convened twice in 2025 (on 21 May and 9 December) to advance sector-level change, with discussions focused on strengthening a culture of safety, integrating LABS Standards into national frameworks, and embedding gender inclusion within workplace safety programs



“As a key collaborative forum, the NSC meetings bring together government, industry, and safety expertise. Through this alignment, we secure the widespread adoption of rigorous safety practices—protecting workers and fostering lasting industry sustainability.”

Sahat Silalahi, Vice Chairman
 AHKKI (Indonesian Occupational Health and Safety Association)



CASE STUDY

PT. Eagle Nice Indonesia

2,915



Number of Workers

Date of Joining LABS: September 22, 2023

Assessment Date: November 6, 2023

“The LABS program has fundamentally transformed our workplace culture from within. It goes far beyond simply passing an assessment; it has equipped us with the knowledge and confidence to prioritize each other’s safety every day. The resulting peace of mind is truly invaluable.”

Ayu Andira

Supervisor, PT. Eagle Nice Indonesia

Summary of the Remediation Journey

PT. Eagle Nice Indonesia reached a significant milestone in its operational safety journey by graduating from the LABS certification program in October 2025.

The remediation process led to substantial improvements across the facility, including strengthened operational standards, critical infrastructure upgrades, and the implementation of industry-aligned safety protocols. Together, these actions have reinforced the company’s commitment to maintaining high levels of workplace safety.

The factory reports that achieving LABS certification has strengthened trust with customers and other stakeholders,

increasing confidence in its operations. PT. Eagle Nice Indonesia views this achievement not as an endpoint, but as a commitment to continuous improvement and sustained safety excellence.

Key Remediation Achieved

- Installation of adequate earthing for the generator
- Removal of roller shutter doors and replacement with side-hinged doors
- Installation of emergency lighting along all designated escape routes.

Safety Training

The factory completed both LABS Safety Training Levels, with 98 participants trained across management and worker groups.

Key Issues Identified During Assessment

Fire Safety



- Internal and exit doors along escape routes were fitted with lockable devices or were not consistently easy to open
- Fire detectors consisted of battery-powered point-type devices

Electrical Safety



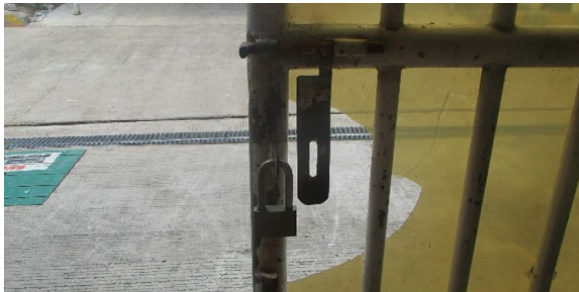
- Hot spots exceeding 70°C detected in the control panel
- Presence of exposed live conductors

Structural Safety



- Significant vertical and diagonal cracks observed in beams
- Cracks identified in walls and column pedestals

Before



Locking mechanisms on the exit doors

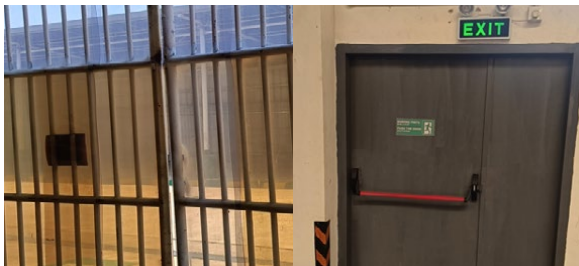


Cracks were observed in beam mezzanine



Only Battery Type Fire Detector Installed

After



Locking mechanisms were removed, and doors were fitted with push bars



Remediation firm reviewed cracks in the mezzanine beam; the factory then remediate the issue per the firm's recommendations



Centralized Fire Detector with Fire Alarm Installed

Looking Ahead

As LABS moves forward, our commitment remains rooted in one simple belief: every worker deserves a safe place to work, and every business thrives when safety is a shared value.

The coming year will be about deepening the foundations we have built –strengthening systems, empowering people, and ensuring that safety becomes inseparable from business excellence. We will continue working closely with brands, factories, and national partners to embed the LABS Standard into local frameworks, ensuring that the culture of safety extends beyond individual facilities to shape the way the sector operates.

By supporting governments and institutions to integrate safety principles into national policies, we aim to transform the gains of today into enduring norms of tomorrow. Our focus will also turn toward innovation and insight.

Harnessing the power of data and technology, LABS will strive to make safety more predictive and preventative – helping factories identify risks before they become hazards, and enabling brands to make sourcing decisions grounded in transparency and trust. At the heart of it all will be the worker.

The workers whose safety and well-being drives our purpose will remain central to every action we take. As we link building safety with broader aspects of worker welfare and empowerment, we reaffirm that safety is not just about infrastructure – it is about security, and shared prosperity.

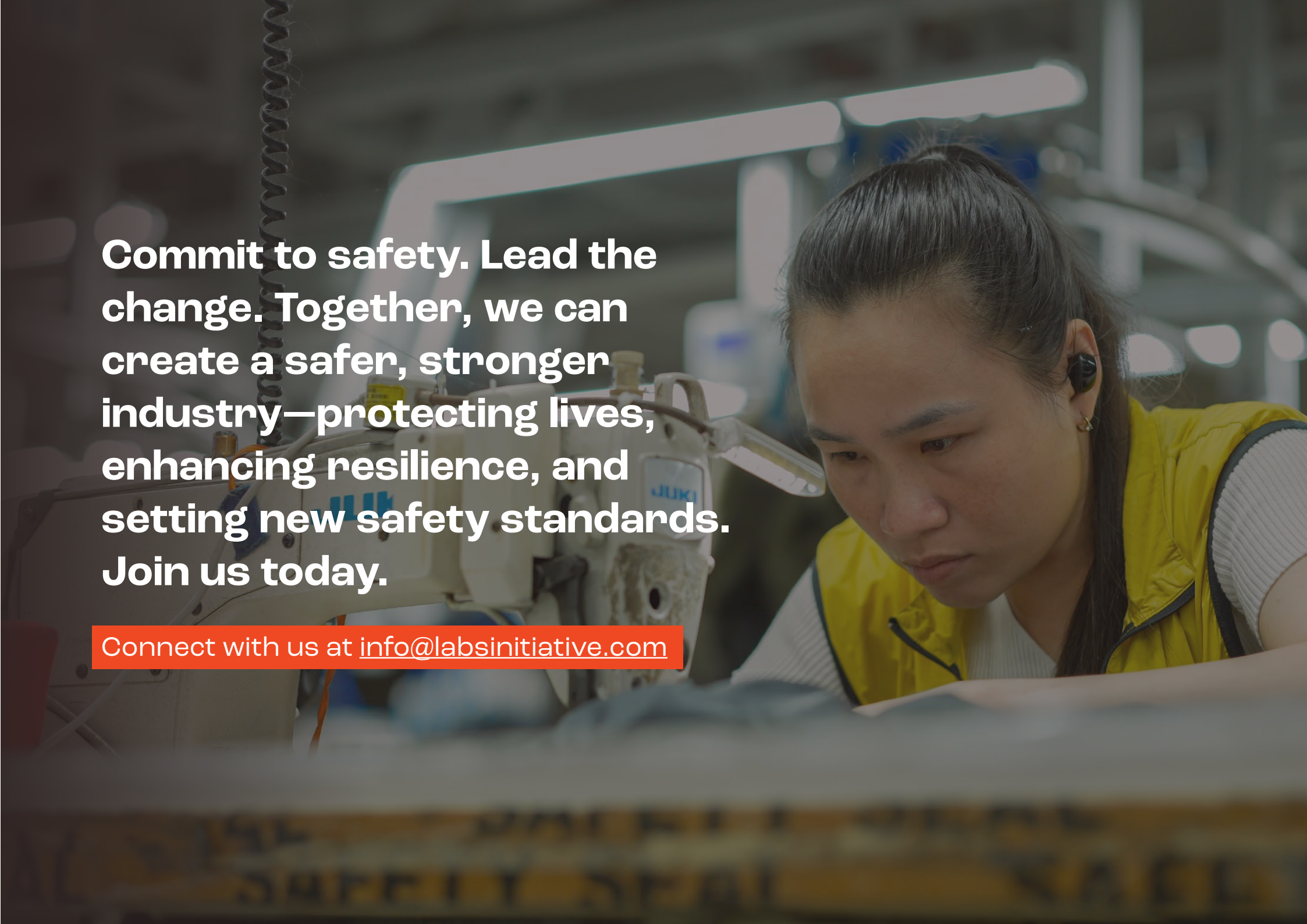
Together, with our partners and supporters, we look ahead with optimism. The journey toward safer workplaces is far from over, but every year brings us closer to a future where safety is not a privilege or a checklist – it is simply how responsible manufacturing is done.

Contact Information

Life and Building Safety (LABS) Initiative

Email: info@labsinitiative.com | Website: www.labsinitiative.com

LinkedIn: @LABSInitiative

A woman with dark hair tied back, wearing a yellow safety vest over a white shirt, is focused on operating a white JUKI sewing machine in a factory setting. The background shows industrial equipment and bright overhead lights. The text is overlaid on the left side of the image.

Commit to safety. Lead the change. Together, we can create a safer, stronger industry—protecting lives, enhancing resilience, and setting new safety standards. Join us today.

Connect with us at info@labsinitiative.com

