



Monthly Report

October 2024

RMG Sustainability Council (RSC)

Empowering all our customers with a comprehensive safety and compliance system driven by a customer-centric and solution-oriented approach, remaining relevant in an ever-evolving landscape through continuous improvement, transparency, and integrity.

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We value your feedback on this document.

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RSC in brief

The RMG Sustainability Council (RSC) is a safety monitoring body in the RMG sector of Bangladesh. It is a private initiative of the Bangladesh Industry, global brands, and global and local trade unions. The operations of the Bangladesh Accord were transitioned to the RSC. Our vision is to empower all our customers with a comprehensive safety and compliance system driven by a customer-centric and solution-oriented approach, remaining relevant in an ever-evolving landscape through continuous improvement, transparency, and integrity.

Our expertise lies in:

- Fire, Electrical, Structural, and Boiler associated hazards identification by local & international standards.
- Advise remediation plans to mitigate safety risks.
- Communication & follow-up on the identified issues and implement a firm warning procedure to ensure the production facilities do not fall behind on remediation.
- Ensuring enough training and capacity development of the safety committee members in the production facilities to identify and manage workplace safety risks.
- Ensure an independent complaints mechanism that ensures the anonymity of the complainant and follows up on their right to a safe workplace. Going forward we will also have a wing where environmental sustainability will be monitored and assessed.

MONTHLY UPDATE ON THE INSPECTION PROGRAMME

STATUS OF INSPECTION PROGRAMME (As of October 2024)

The RSC inspection programme consists of Structural, Electrical, Fire, and Boiler safety inspections. This section of the report represents the total number of inspections conducted by RSC since its inception¹. The RSC carried out **19,419** inspections from June 2020 to October 2024 (among a total of **65,246** inspections by the safety initiative since 2014).

- RSC engineers conducted **1,823 (covered and non-covered factory)** initial inspections in the RSC period among the total of **8,219** initial inspections.
- RSC engineers conducted **17,596** follow-ups and other safety inspections in the RSC period, among the **57,027** follow-ups and other safety inspections.

Following the initial inspections, the factory and the brands are tasked to develop a Corrective Action Plan (CAP) that details the time-bound remedial action(s) for completion which is based on the severity of the findings. RSC regularly coordinates with the factories to ensure that the outstanding CAPs are being completed and conducts follow-up inspections to monitor that the remediation processes are duly implemented. Other safety inspections include post-incident inspections, OSH complaints initial inspections, fire safety inspections, OSH complaints verification inspections, unannounced OSH complaint inspections, and inspections based on the Safety Committee Walkthrough. Factories are now being inspected within 4 – 5 months' interval which was 8 months before.

¹ RSC commenced its inspection and remediation programme in June 2020.

FACTORY COVERAGE (As of October 2024)

- Covered factory account number: **1,830**
- **4** new “Independent factories” were listed through the industry (BGMEA, BKMEA) for participating in the RSC’s inspection and remediation programme.
- As of October 2024, **78** factories were waiting for initial inspection.

The following graph shows the total factories being covered by RSC from February 2024 to October 2024.

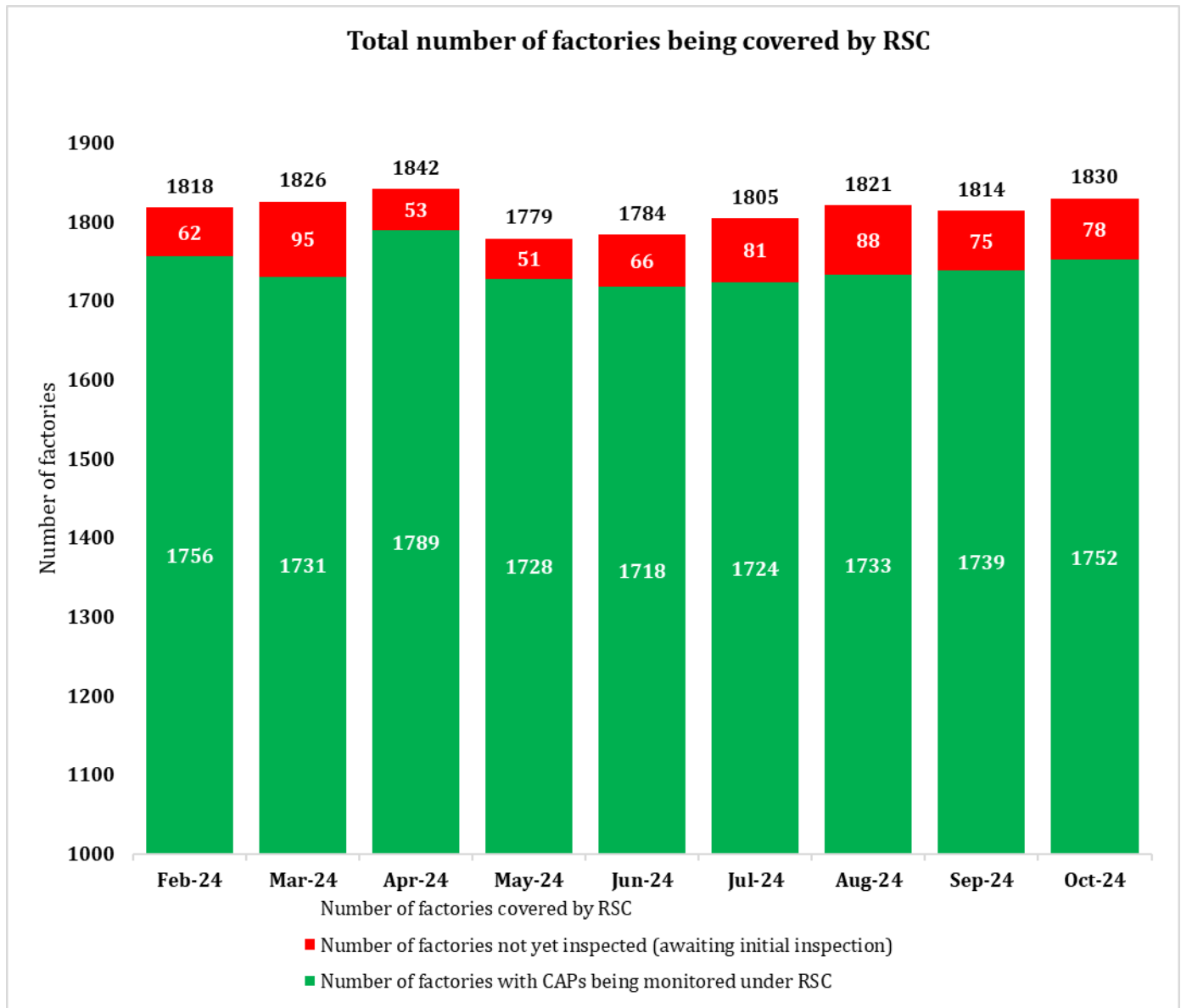


Figure 1: Number of factories covered by RSC

INSPECTIONS HIGHLIGHTS

- Total number of inspections: **562** in October.
- Number of unique factories inspected: **391** in October.
- The total inspection number is **1.43** more than the number of unique factories covered, indicating multiple inspections conducted simultaneously.

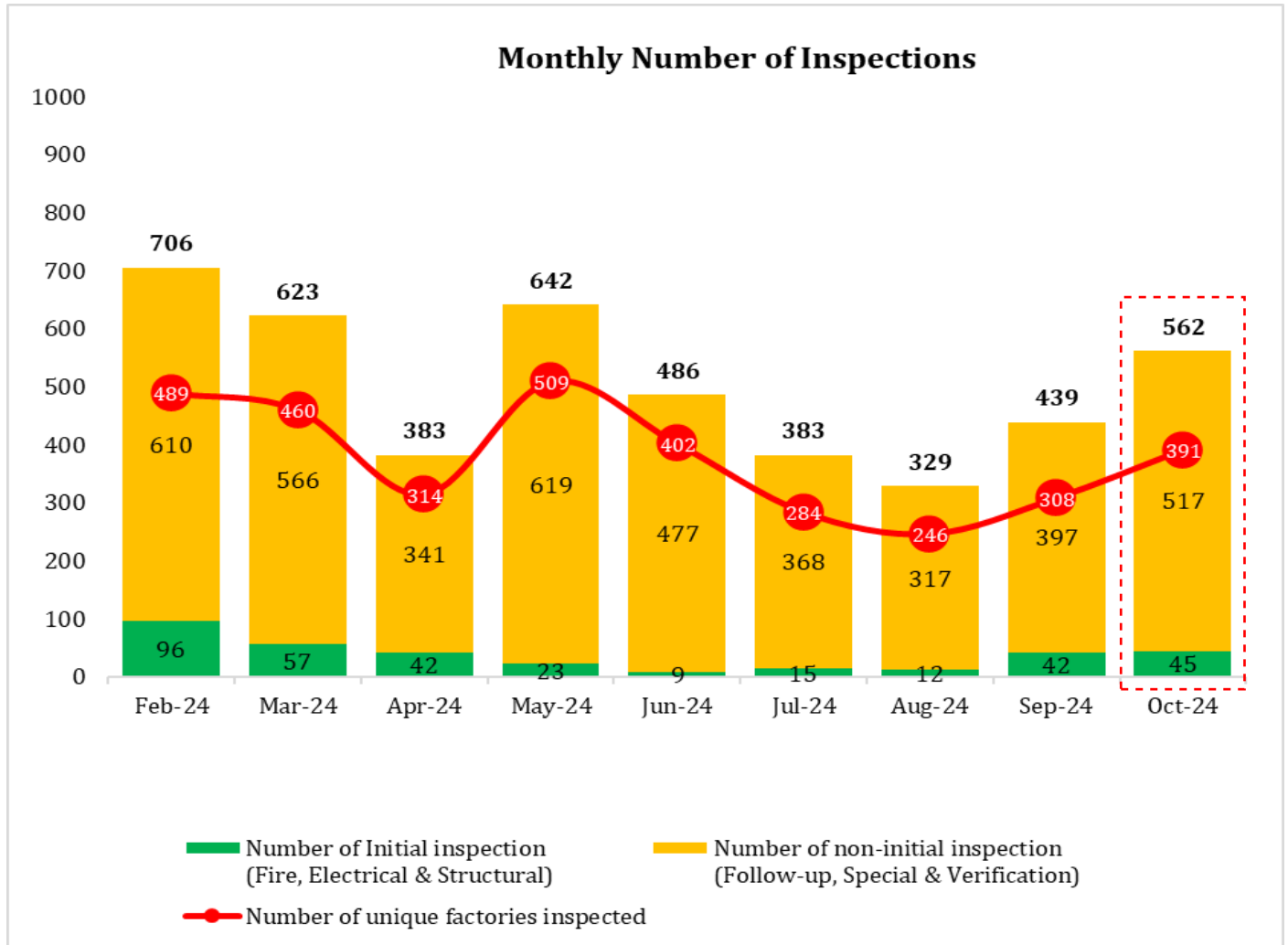


Figure 2: Number of Inspection conducted by the RSC

MONTHLY UPDATE ON SAFETY REMEDIATION

REMEDIATION PROGRESS ON INITIAL FINDINGS (As of October 2024)

- Out of 1,830 covered factories, 610 received a Letter of Recognition (LOR) for 100% completion of Initial findings).
- Complete remediation of CAP items by the factories (100% completion) is often slow because of the initial fire safety items (Fire Alarm and Detection System-FADS & Suppression System-SUPS) which is a challenge for the factories.
- To address this challenge, RSC updated the T&CVI² Process that includes a logical sequence of activities with the allocation of responsibilities at each stage.

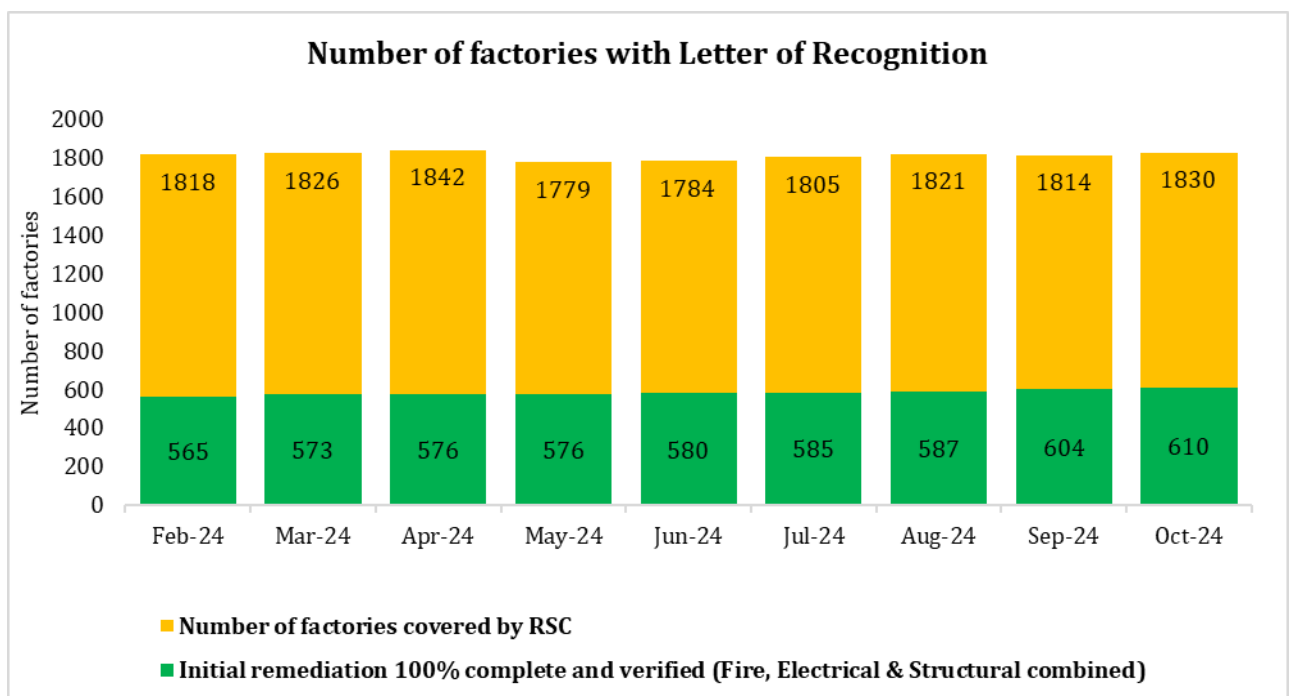


Figure 3: Number of Initial 100% remediate factories (combinedly recognized)

² T&C VI: Testing and Commissioning Verification Inspection

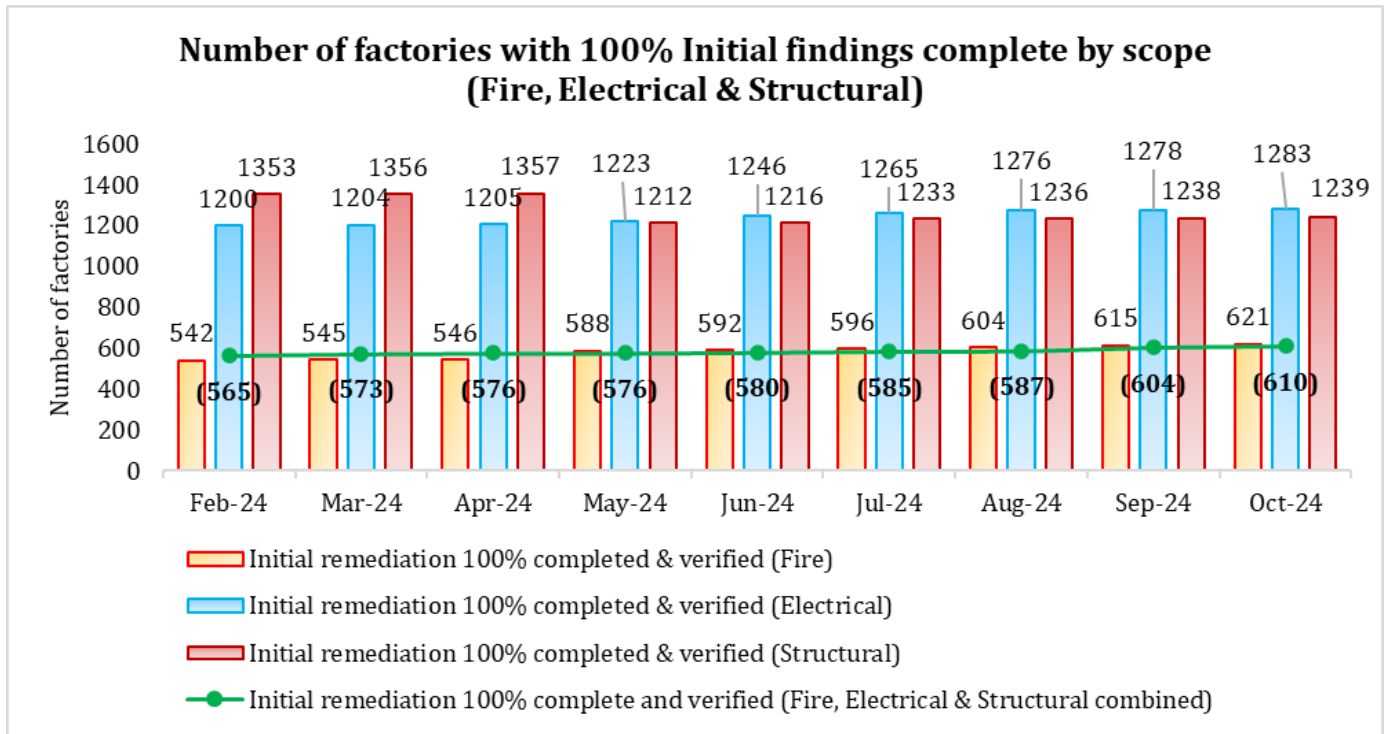


Figure 4: Number of Initial 100% remediate factories by scope (Fire, Electrical & Structural)

PROGRESS WITH REMEDIATION OF INITIAL FINDINGS (As of October 2024)

Progress with remediation is recorded following the three stages as mentioned below:

- **In progress:** This is the default status for an inspection finding. It means that remediation of the inspection finding is underway.
- **Pending verification:** The “Pending Verification” status refers to a process where a factory reports to RSC that the finding(s) is/are corrected but requires the RSC engineers’ verification through an inspection.
- **Corrected:** The RSC engineers verified the finding as ‘corrected’ through the follow-up verification inspection and/or testing visits.

The following graph shows the **736** factories that have recorded **100%** of initial findings completed (including Pending verification). Out of these factories, **610** have received the Letter of Recognition (LoRs) as shown in Figure 4.

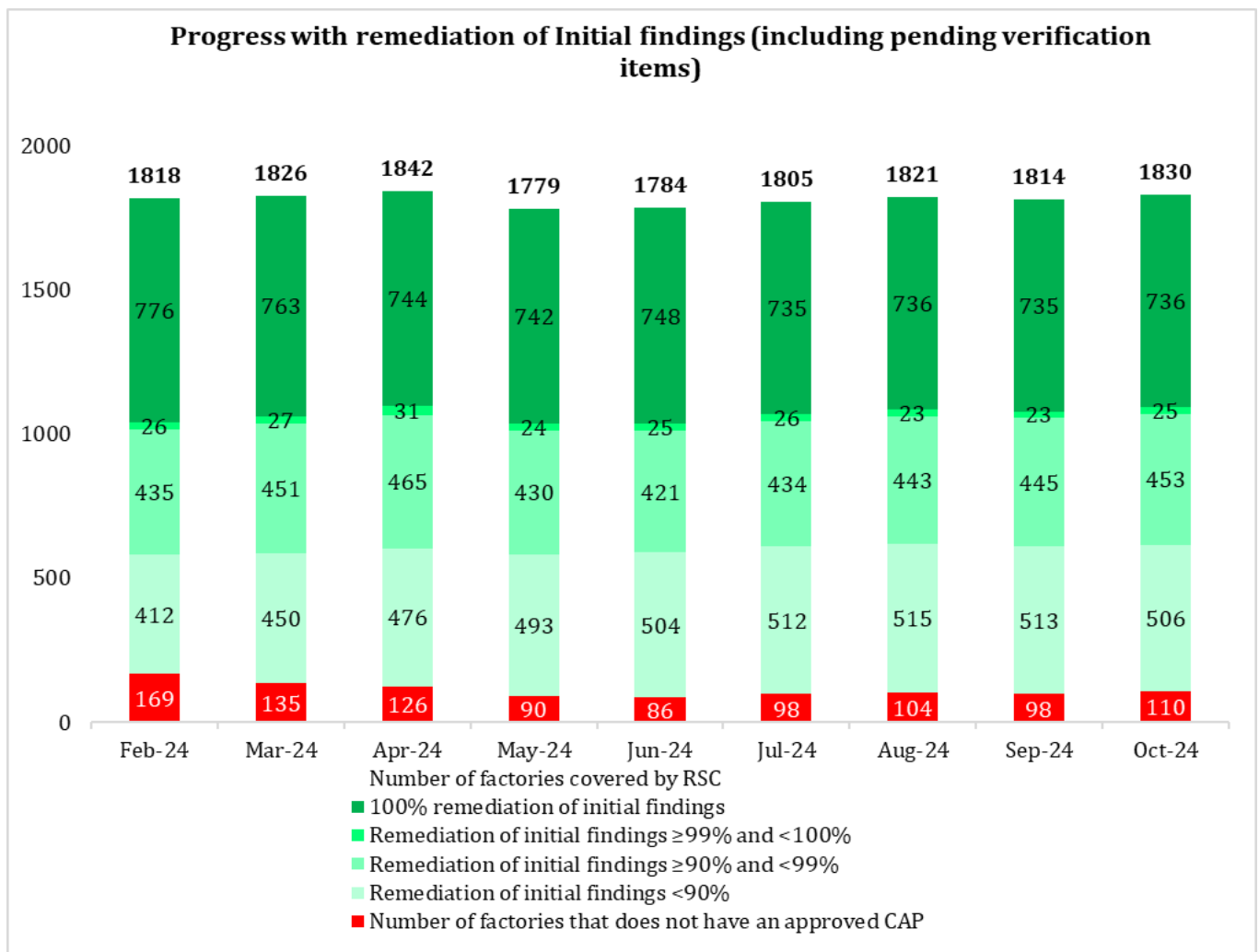


Figure 5: Initial remediation progress (%) considering pending verification

PROGRESS RATE ON MAJOR ITEMS BY DISCIPLINE

i. Remediation Status of Fire Alarm and Detection Systems (As of October 2024)

Figure 6 below demonstrates progress over the past 8 months with the three main stages for full testing and approvals of Fire Detection and Alarm Systems (FADS):

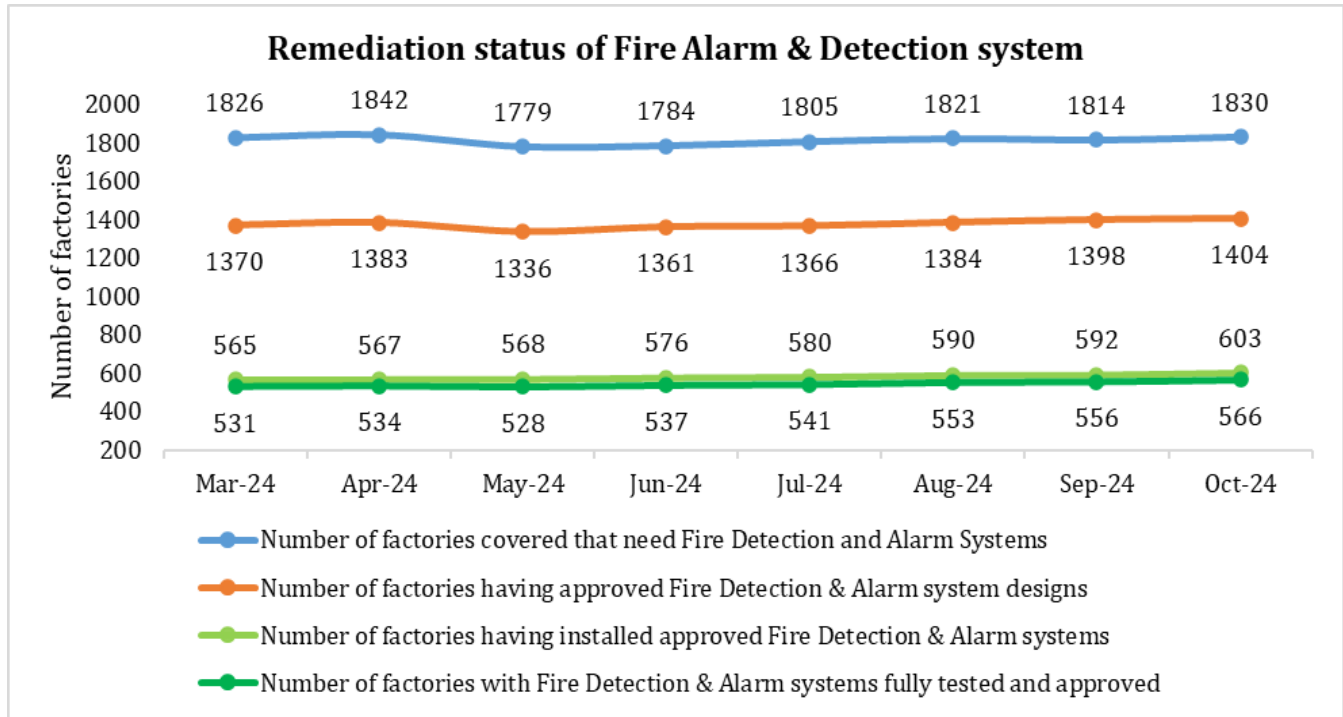


Figure 6: Remediation status of Fire Alarm and Detection System

Remediation Status of Fire Suppression Systems (As of October 2024)

Figure 7 below demonstrates progress over the past 8 months with the three main stages for full testing and approvals of Fire Suppression Systems (SUPS):

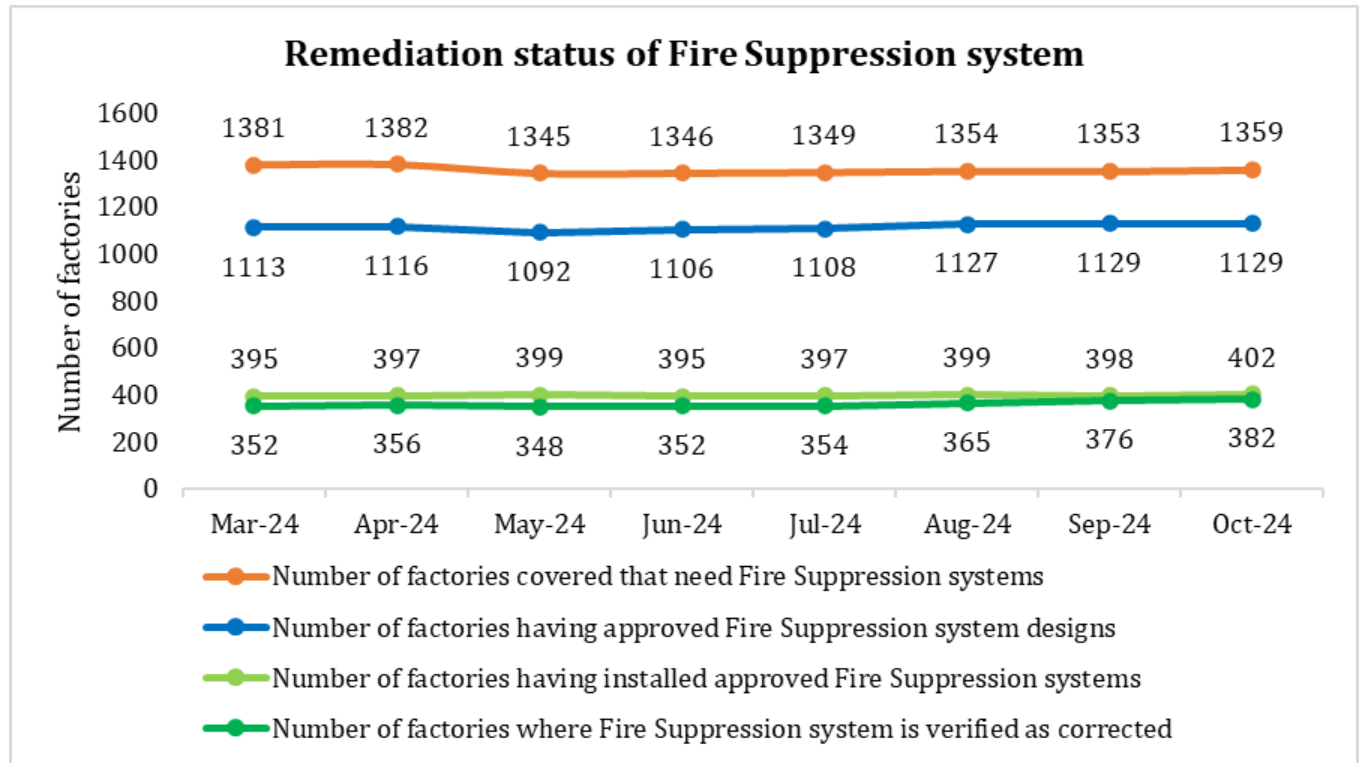


Figure 7: Remediation status of Fire Suppression System

Remediation Status of Structural Items: Detailed Engineering Assessment-(D) EA: (As of October 2024)

- **Number of factories having accepted (D)EA: 1274.**
- **Number of factories that completed the structural remediation: 827.**

The chart demonstrates the number of accepted (D)EAs, where there is a significant difference between desktop approval and the works on-site verified by RSC.

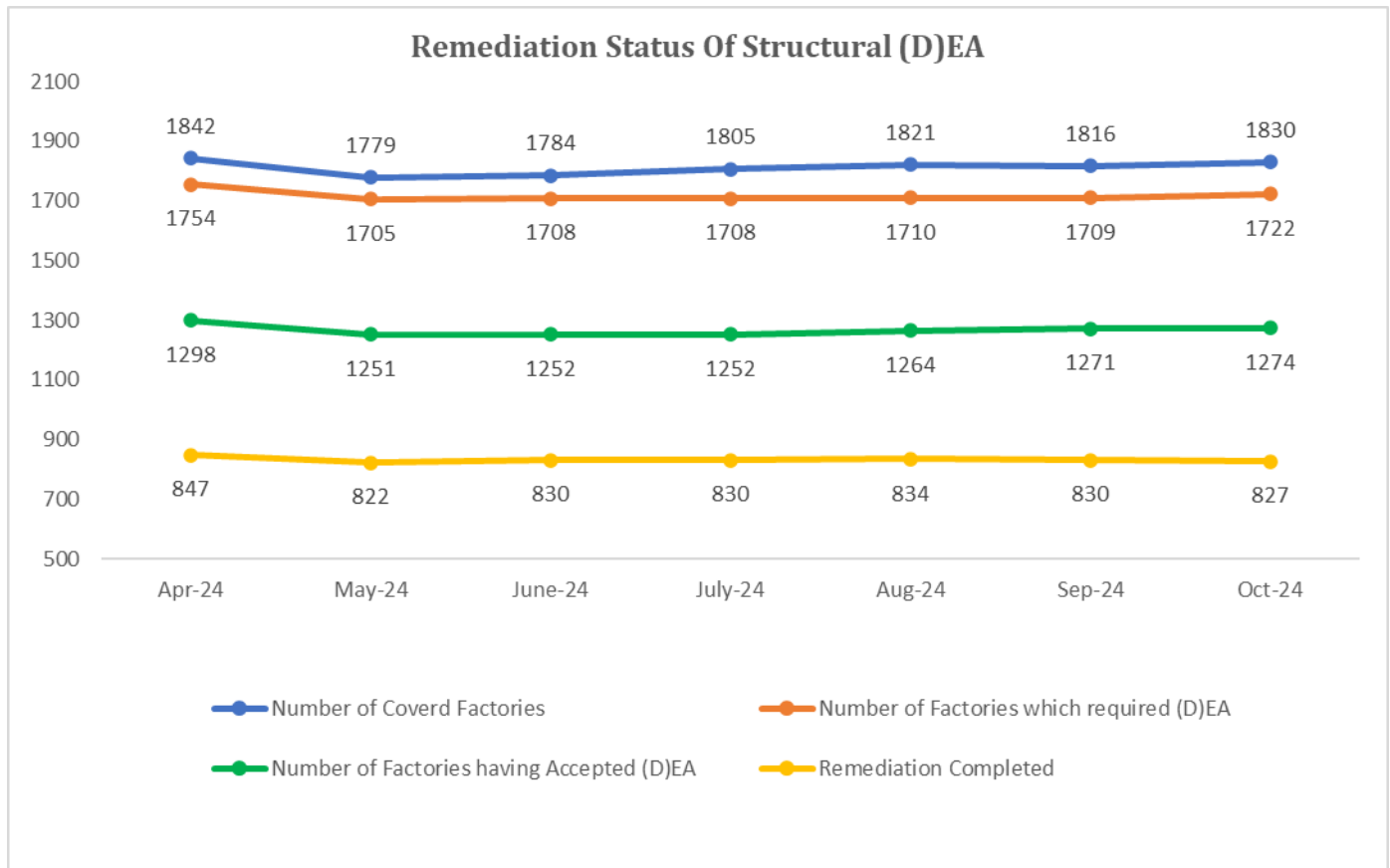


Figure 8: Remediation status of Structural (D)EA

MONTHLY UPDATE ON THE BOILER SAFETY PROGRAMME

As boiler safety is an integral part of the RSC's mandate, we are currently conducting safety assessments of the boilers at our covered factories. In October 2024, we conducted different types of boiler safety inspections at the factories. The following figure represents the data of our boiler safety inspections conducted in October.

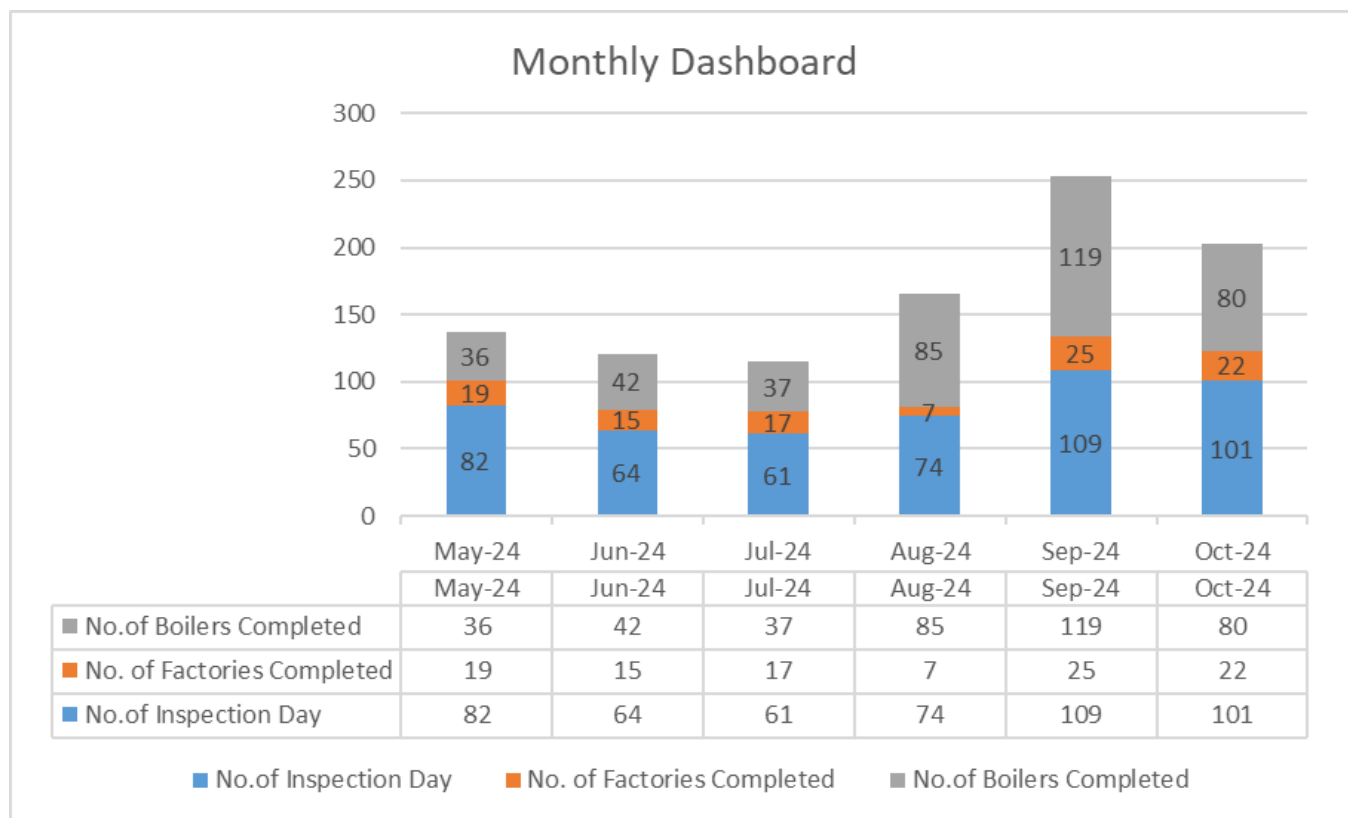


Figure 9: Monthly Dashboard of Boiler Safety

** Generally, it takes less time to inspect small electric boilers. The number of small boilers on October was 8.

FACTORY ESCALATION STATUS (As of October 2024)

As of October 2024, **283** factories are in different stages of the escalation process, 202 of which are in Stage 1 and 81 in Stage 2. It is to be noted that a total of **493** factories have been de-escalated after the escalation items were verified by the RSC up to this time. Out of the total RSC-covered factories, **1,054** have never gone through any escalation process. The percentage of different escalation stages of the RSC-covered factories (**1,830**) is shown in the pie chart below.

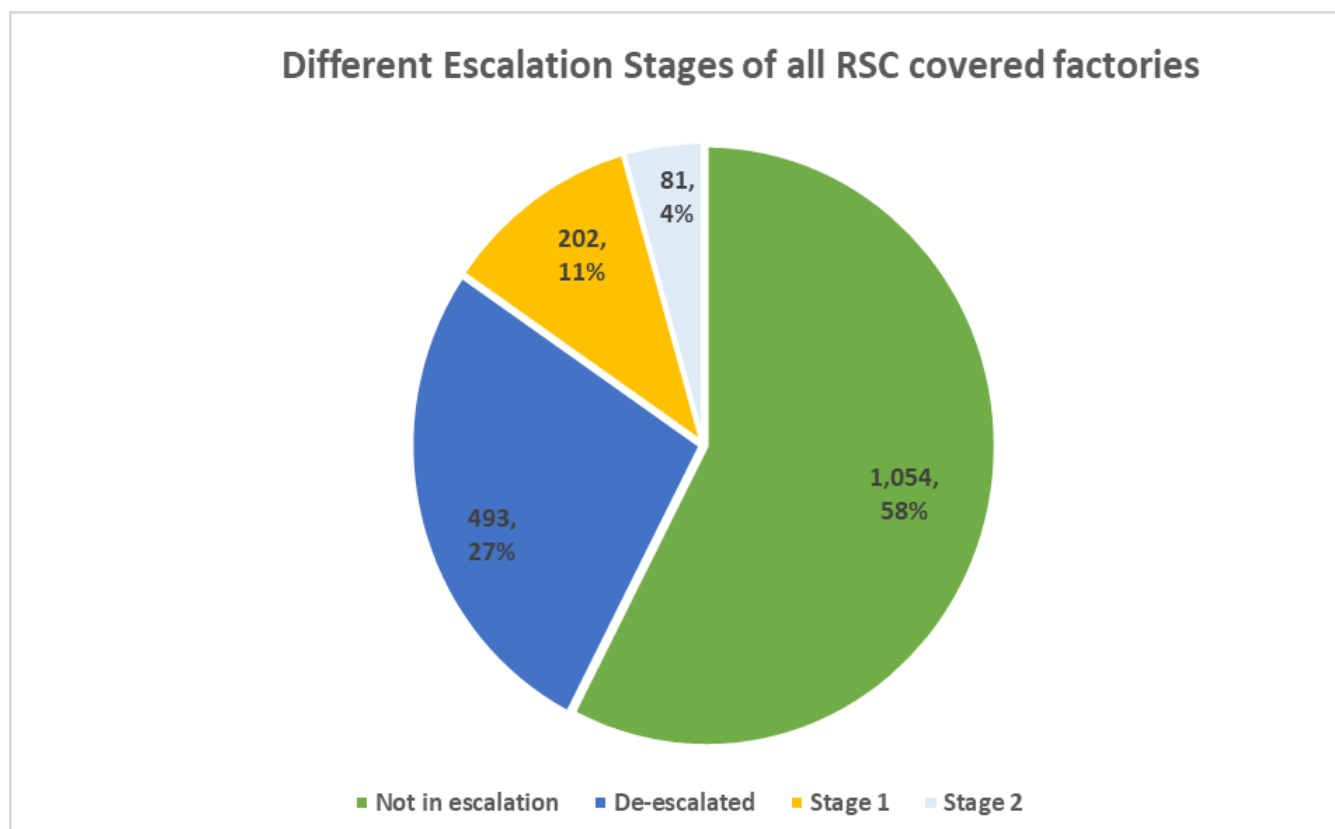


Figure 10: Escalation status of factories

LIST OF FACTORIES THAT RECEIVED STAGE 3 ESCALATION IN THE MONTH OF OCTOBER 2024

In October 2024, no factories issued Stage 3 Escalation by the RSC.

LIST OF FACTORIES THAT RECEIVED RECOMMENDATION OF PARTIAL/FULL EVACUATION IN THE MONTH OF OCTOBER 2024

During a structural assessment, or DEA review if RSC engineer(s) find an immediate threat to the occupant of the factory building, then RSC could recommend immediate partial/full evacuation for the factory building. **In October 2024, the RSC didn't recommend partial or full evacuation to any of its covered factories.**

REPORTED FACTORY INCIDENT(S) IN THE MONTH OF OCTOBER 2024

When the RSC becomes aware of an incident in any RSC-covered factory, such as a fire or other accident that has caused death or injury or has potential safety implications for the factory's occupants, a post-incident inspection is carried out immediately.

A report of such inspection is produced and shared with designated parties following the protocol. Any action(s)/recommendation mentioned in the report is/are implemented by the factory owner to ensure that adequate safety is re-established in the building.

However, **one reported incident occurred at the RSC-covered factory in October 2024. The details are given below:**

ACCOUNT ID	ACCOUNT NAME	DATE OF THE INCIDENT	INCIDENT SUMMARY
23555	MHC Apparels PVT New Uni Escorp Apparels Limited (previously Beximco Apparels Ltd)	4-Oct-24	<p>The fire incident occurred on the 2500 A BBT located on the ground floor of the Energy Building. At approximately 11:00 a.m. on 04 October 2024, the Electrical charge suddenly heard a blast and observed an arc flash on 2500 A BBT installed between LT-1 switchgear and synchronising panel and its connector followed by a minor smoke. Consequently, he observed that 2500 A ACB (CKT-04 of LT-1 panel) tripped automatically to turn off the power supply to the loads.</p> <p>The arc flash caused some insulation damage to the 2500A (BBT) and burnt it. After approximately 80 seconds, the power supply was restored by the generator. The factory's technical team informed the RSC team that they carried out maintenance work (tightening the BBT nut bolts) on this damaged BBT around 2 months back after detecting a hot spot on that BBT connector. No fire alarm was triggered due to the inactive fire alarm detection system in the energy building, and a short section of the bus bar was damaged due to this incident.</p>

MONTHLY UPDATE ON OCCUPATIONAL SAFETY AND HEALTH COMPLAINTS MECHANISM (October 1, 2024 – October 31, 2024)

Key Functions of the Occupational Safety and Health Complaints Mechanism

Workers at RSC-covered factories and their representatives have the right to lodge complaints at the RSC Safety and Health Complaints Mechanism remedial of any safety concerns that are not being effectively addressed at the factory level. They can raise concerns about safety and health risks without any fear and due confidentiality. The Safety and Health Complaints Mechanism also protects complainants from reprisal, harassment, threat, or other retaliatory actions for exercising the right to file a complaint. This protection applies regardless of whether the complaint is determined to be OSH (Occupational Safety & Health) or non-OSH. All complaints are assessed to determine if they fall under occupational safety and health safety.

RSC has recently completed the NON-OSH pilot program which was started on March 11th, 2024, and concluded on August 11th, 2024. This initiative covered concerns such as Freedom of Association (FoA), child labour, forced labour, discrimination, minimum wages, benefits, leave, unfair employment contracts, separation, and environmental complaints. Selected 100 brands and their 503 associated sourcing factories were under this pilot. The resolution protocol for Non-OSH Pilot complaints mirrors that of OSH, However, if necessary, the protocol will be revised considering the pilot program observation, if required.

Occupational safety and health complaints and Non-OSH Pilot covered complaints are processed by RSC staff specialized in investigating and resolving complaints. RSC complaint specialists are responsible for verifying the delivery of the remedy of all complaints. Where complaints affect the safety of all workers/groups of workers, the RSC announces the findings and remediation requirements to all workers at the factory.

Complaints that fall outside of the remit of the Occupational Safety and Health Complaint Mechanism and Non-OSH pilot (i.e., other non-OSH complaints) are forwarded to factory management, responsible brands, and labour signatories.

Complainants alleging issues at factories that are not covered by the RSC are provided with the contact information of the Department of Inspection for Factories and Establishments (DIFE).

Total Complaints Received (1 October 2024 – 31 October 2024)

The RSC received 304 complaints during the reporting period mentioned. Of these, 69 (23%) are Occupational Safety & Health (OSH) related complaints, and 235 (77%) are non-OSH related complaints. Moreover, RSC received 377 complaints under the non-OSH pilot program from 11 March to 11 August 2024 of which 330 eligible complaints were processed and out of them 139 were fully resolved, 46 were partially resolved, and 12 were resolved outside. At the end of the pilot period, a total of 133 outstanding complaints were forwarded to the respective brands for further action.

Monthly Update, Complaints Mechanism, RSC (October 2024)

Complaints Receiving Statistics					
Duration	OSH	Other NON-OSH	Total	OSH%	Other NON-OSH%
Oct-24	69	235	304	23%	77%
RSC Period	1,851	5,891	7,742	24%	76%
ACCORD Period	1,190	1,089	2,279	52%	48%
Total Period	3,041	6,980	10,021		

Complaints Closing Statistics					
Duration	OSH	Other NON-OSH	Total	OSH%	Other NON-OSH%
Oct-24	88	267	355	25%	75%
RSC Period	1,886	5,901	7,787	24%	76%
ACCORD Period	1,049	1,050	2,099	50%	50%
Total Period	2,935	6,951	9,886		

Complaints In-Progress/ Pending Statistics					
Duration	OSH	Other NON-OSH	Total	OSH%	Other NON-OSH%
Oct-24	105	29	134	78%	22%
RSC Period	105	29	134	78%	22%
ACCORD Period	1	0	1	100%	0%
Total Period	106	29	135		

Monthly Closing Status- OSH Complaints		
SL	Category	Quantity
1	Resolved	64
2	Disengaged	6
3	Not Sustained	5
4	Withdrawn	11
5	Factory Not Covered	2
Total		88

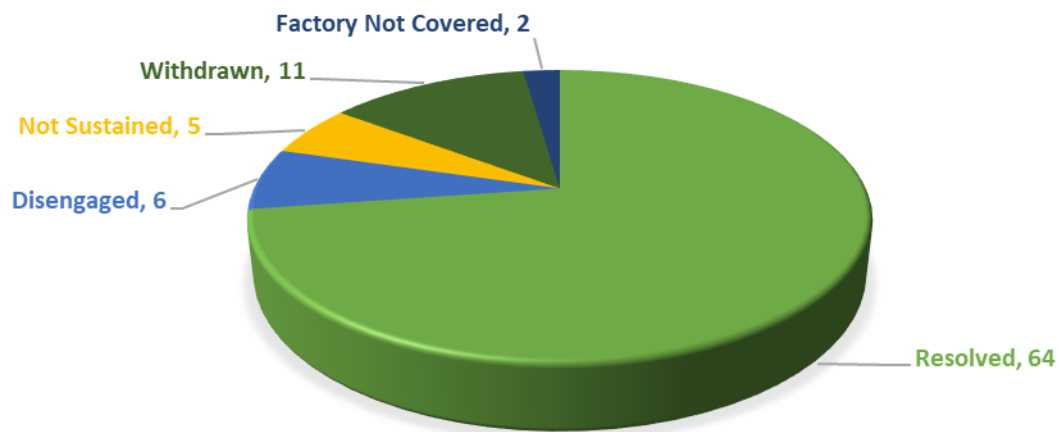


Figure 11: Monthly Closing Status of OSH Complaints

NB: OSH & NON-OSH data final status may vary based on assessment.

Non-OSH Pilot Update [Duration (11 March-11 Aug)]

Total Complaints received	377
Total number of eligible complaints	330
- Complaints Resolved	139
- Partial Resolved	46
- Resolved Outside RSC Complaints Mechanism	12
- In Progress (Handover to Lead Brands)	133

* October - 24 (1 October – 31 October 2024), RSC period (1 June 2020 – 31 October 2024), Accord Period (1 August 2014 – 31 May 2020), Total period 1 August 2014- 31 October 2024

MONTHLY UPDATE OF OSH TRAINING PROGRAMME (As of October 2024)

Key Functions of the OSH Training Programme

Facilitation of Safety Training

- The RSC Safety Committee and Safety Training (SCST) Programme currently consists of 8 training modules conducted through 8 sessions for the members of the factory Safety Committee.
- As part of the training programme, the Safety Committee, and the RSC OSH Training Programme Specialist Conduct Walk Through (WT) (a type of inspection) at the factory to identify actual or any potential safety and health hazards.**

All Employee Meetings

- Following a preliminary consultation (Initial Meeting) with the factory management, the RSC OSH Training department schedules 3 “All Employee Meetings (AEM)” at the factory grounds where all employees of the factory are invited to participate.

A factory receives a **Letter of Acknowledgement** (LoA) from RSC after participating in all the activities designed under the Safety Committee and Safety Training (SCST) Programme. The Safety Committee members conduct investigations immediately after any accidents/incidents take place at any factory.

OSH Training Programme Monthly Report October -2024				
Particular (Number of)	For October 2024	As of 31 October -2024		RSC Period
		Accord (Until 31st May 2020)	Work done by Accord & RSC	
Safety Committee (SC)				
-SC Enrolled in RSC Training Programme	17	1,279	1,684	405
-Total Safety Committee Meeting	101	634	3,510	2,876
Training Conducted				
-Total Sessions	101	7,825	18,978	11,153
- No. of SC Members Enhanced Capacity	801	10,831*	20,396*	9,565
- Walk Through	125	2,294	7,283	4,989
- Walk Through Findings	888	13,047	39,963	26,916
Factories Completed OSH Training Full Cycle				
-Regular	-	558	1,354	796
-Resumption	4	-	817	817
All Employee Meeting (AEM)				
- Total AEM Conducted	44	2,742	3,794	1,052
- Factories Covered	44	1350**	1,603**	253
- Workers Reached	67,142	1,905,681***	2,497,699***	592,018
Factories Awarded – Letter of Acknowledgement (LOA)	33	530	1,273	743

* The number of SC members who participated in training module 1, to avoid repeated counting of the SC members.

** Number of factories where at least one AEM is conducted.

*** Maximum number of workers participated in at least one of the 3 AEMs.

OSH Training Program Update as of October 2024

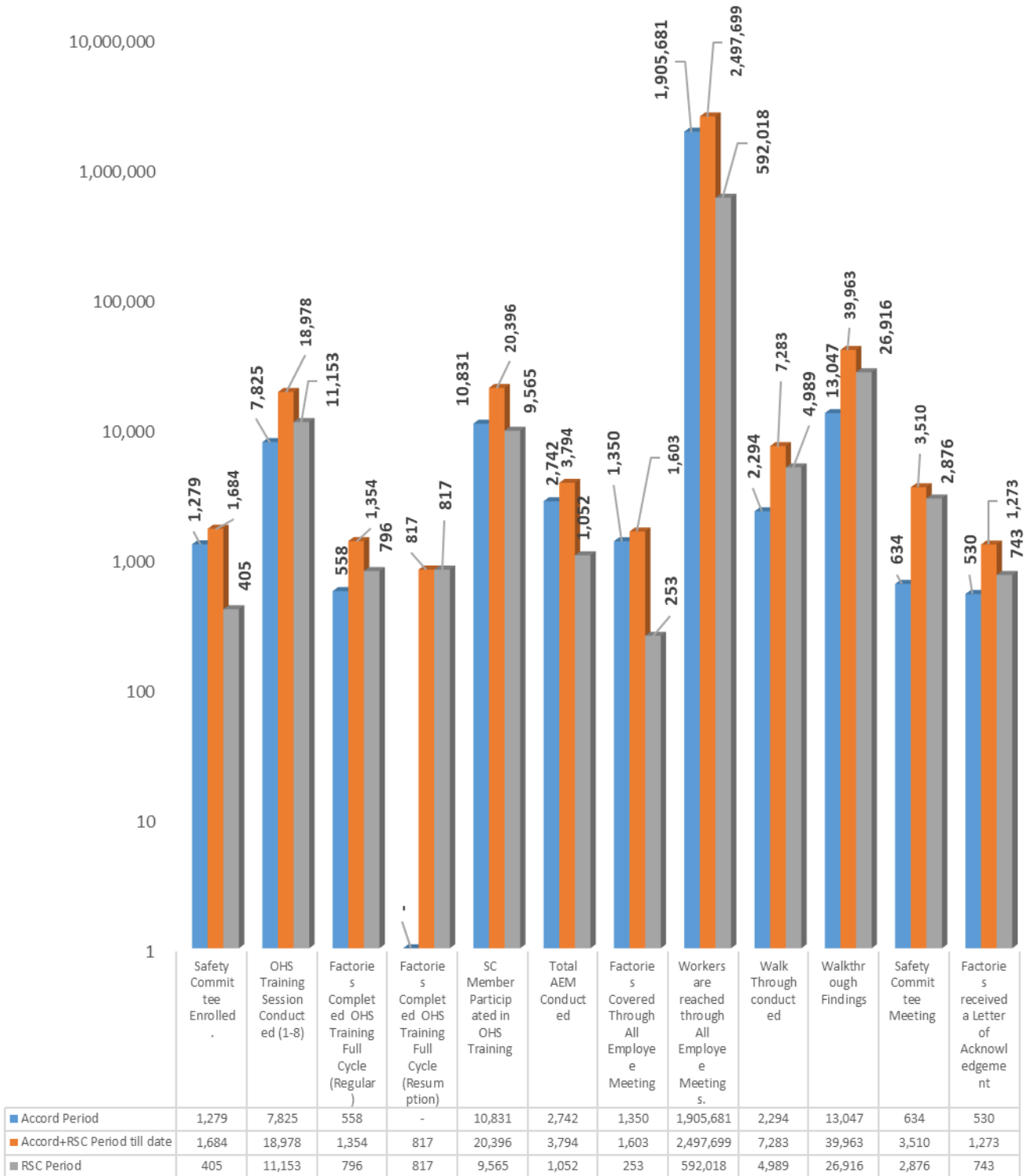


Figure 13: OSH Training Program Monthly Report October - 2024