



Monthly Report

April 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 April 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 **16,578** inspections from June 2020 to April 2024 (among a total of **62,405** inspections by the safety initiative since 2014).

- RSC engineers conducted **1,677 (covered and non-covered factory)** initial inspections in the RSC period among the total of **8,073** initial inspections.
- RSC engineers conducted **14,901** follow-ups and other safety inspections in the RSC period, among the **54,332** follow-up 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 Walk Through. 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 April 2024)

- Covered factory account number: **1842**
- **16** new “Independent factories” were listed through the industry (BGMEA, BKMEA) for participating in the RSC's inspection and remediation programme.
- As of April 2024, **53** factories were waiting for initial inspection.

The following graph shows the total factories being covered by RSC from August 2023 to April 2024.

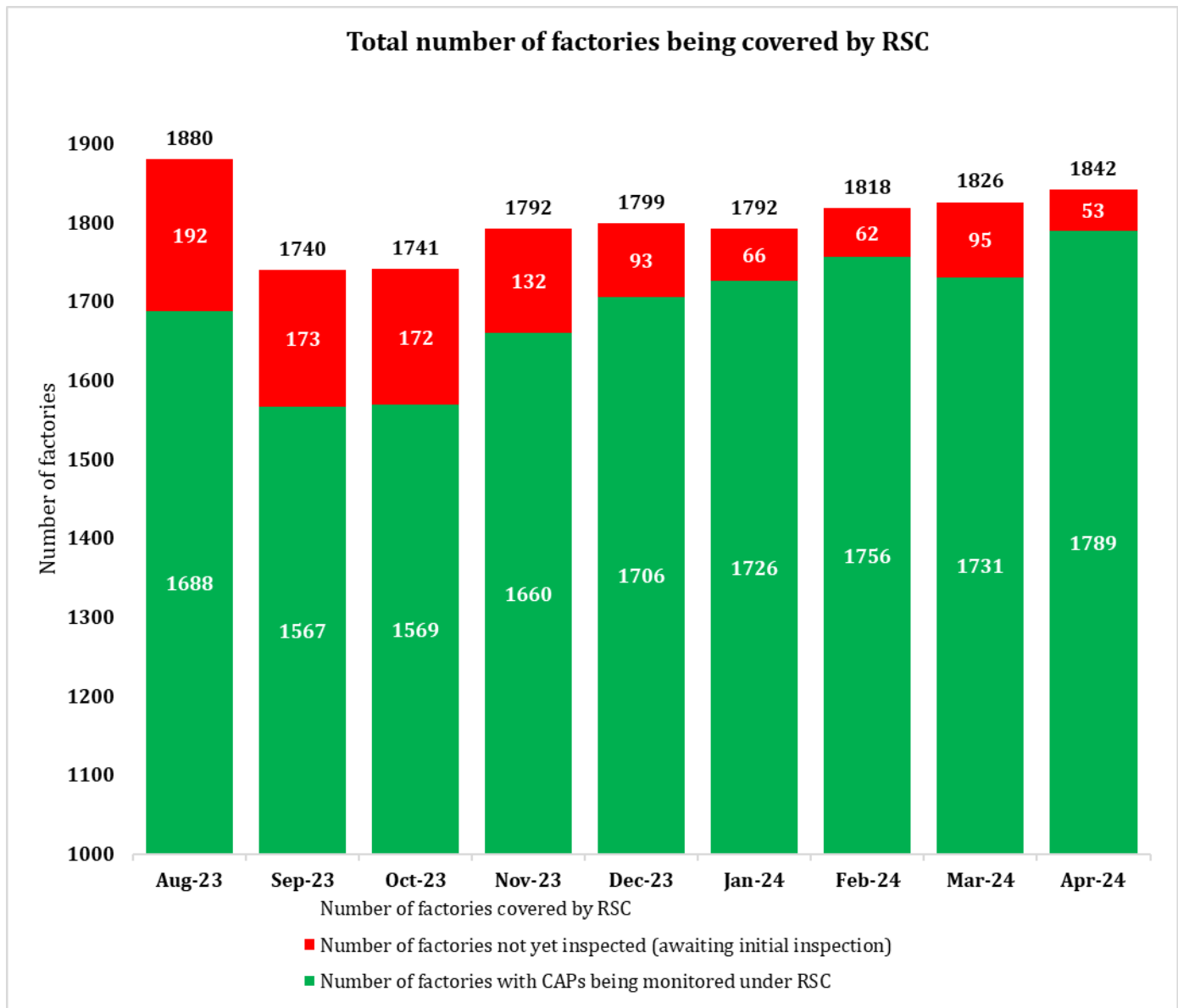


Figure 1: Number of factories covered by RSC

INSPECTIONS HIGHLIGHTS

- Total number of inspections: **383** in April.
- Number of unique factories inspected: **314** in April.
- The total inspection number is **1.21** more than the number of unique factories covered, indicating multiple inspections conducted simultaneously.
- In April, the number of Initial and Follow-up Inspections decreased due to the Ramadan and Eid holidays.

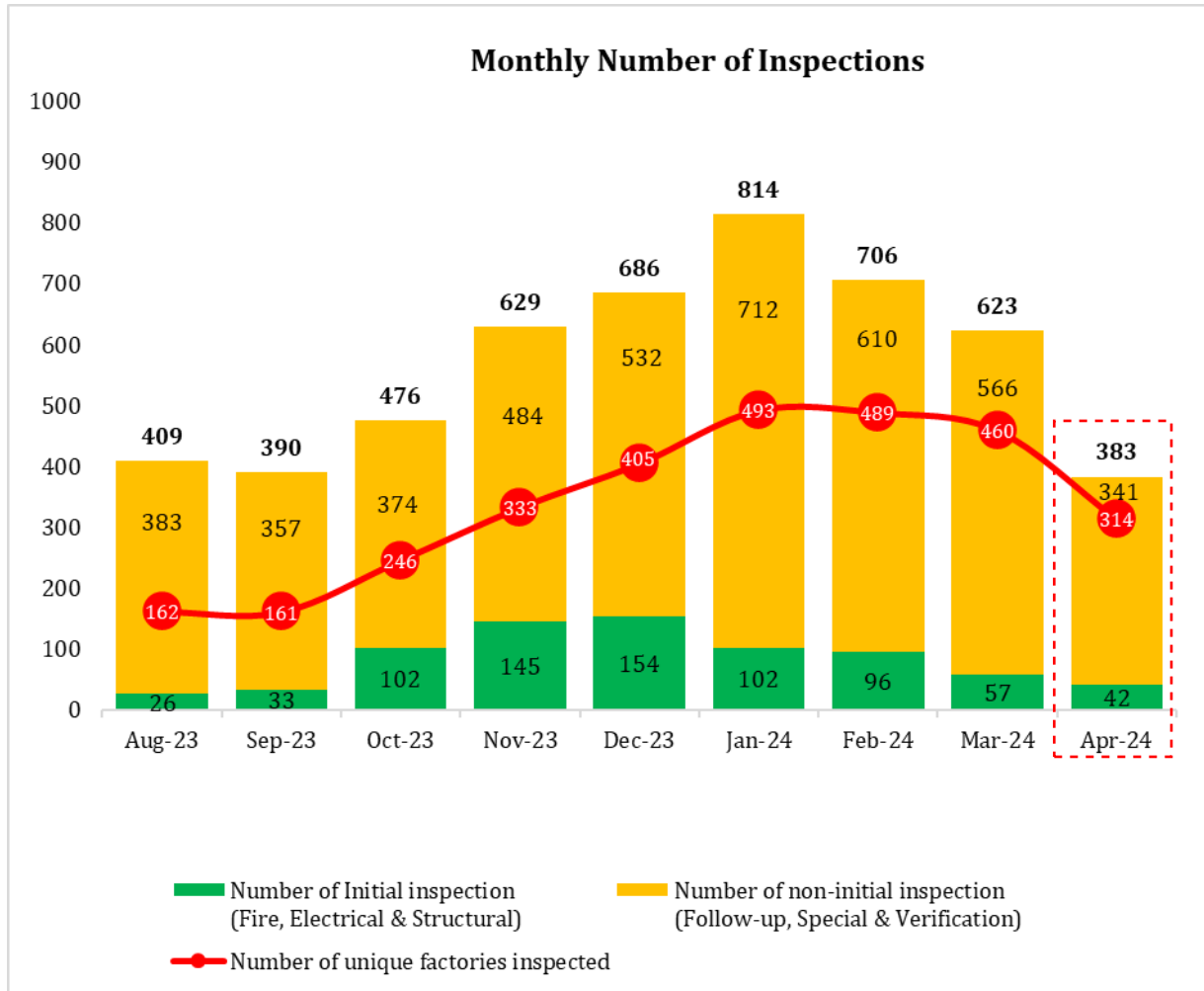


Figure 2: Number of Inspection conducted by the RSC

MONTHLY UPDATE ON SAFETY REMEDIATION

REMEDIATION PROGRESS ON INITIAL FINDINGS (As of April 2024)

- Out of 1842 covered factories, 576 received 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.

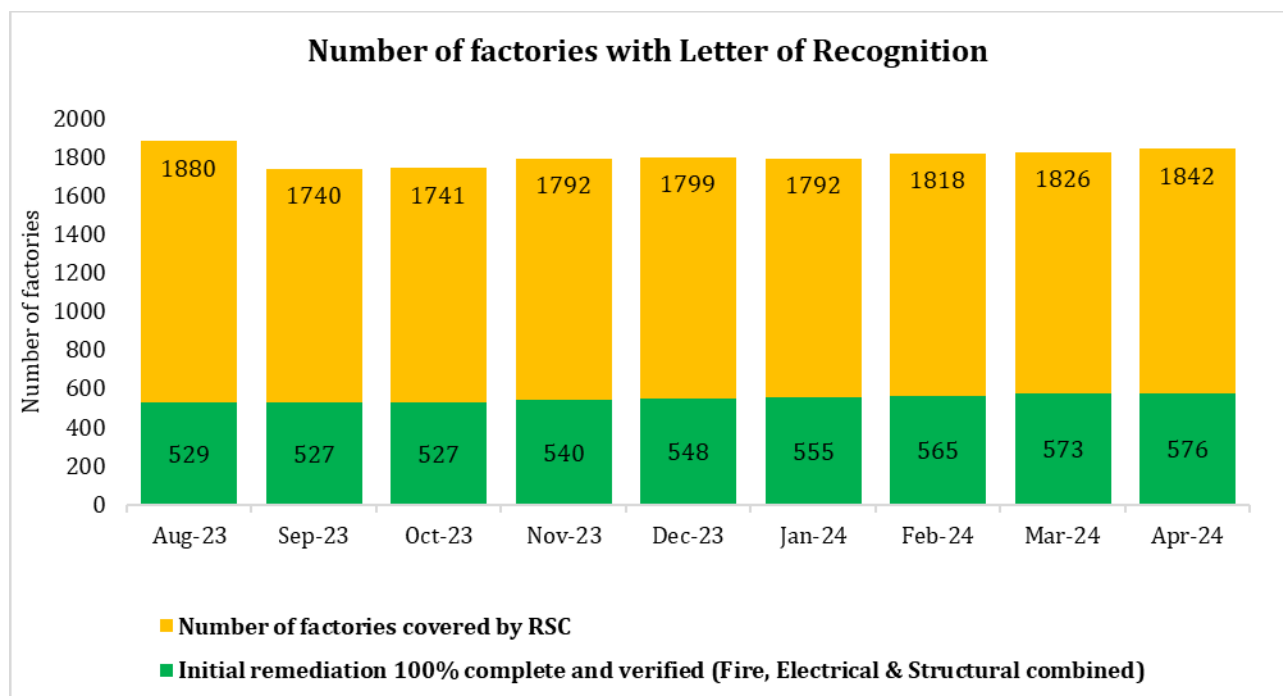


Figure 3: Number of Initial 100% remediated factories (combinedly recognized)

² T&C VI: Testing and Commissioning Verification Inspection

Number of factories with 100% Initial findings complete by scope (Fire, Electrical & Structural)

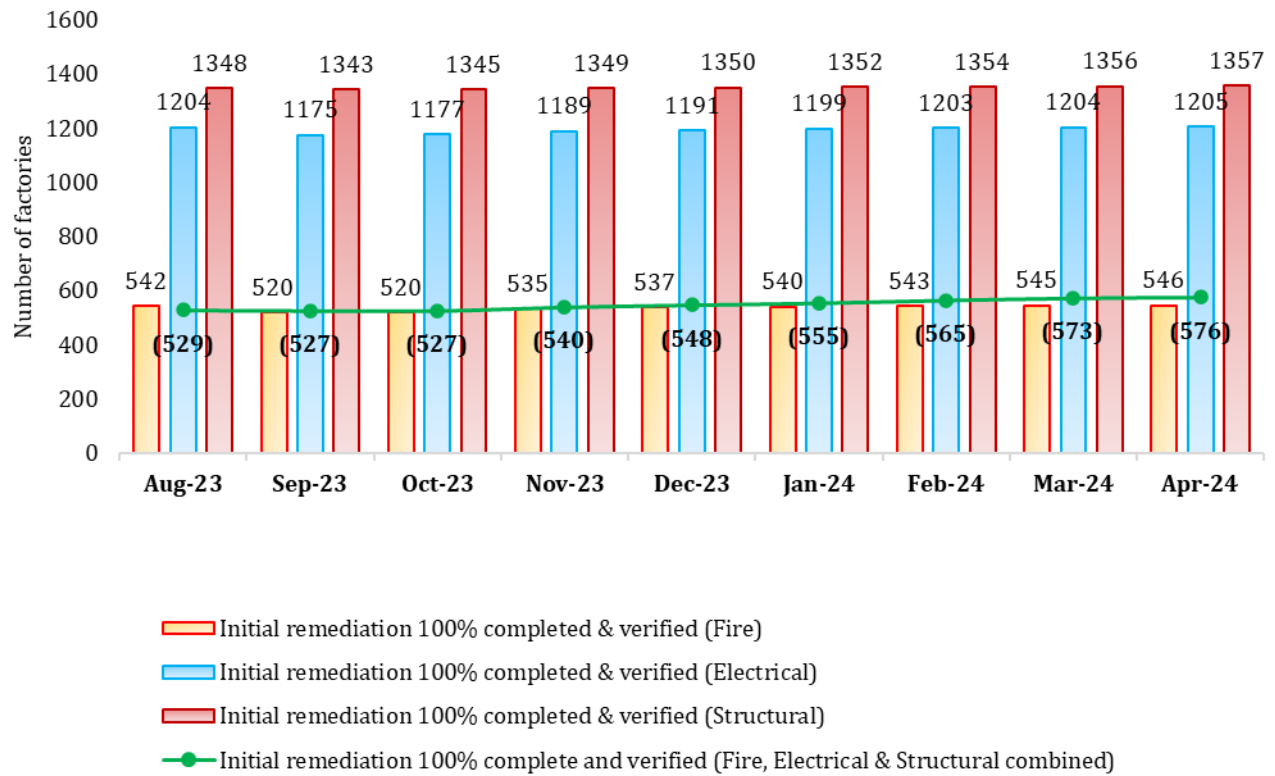


Figure 4: Number of Initial 100% remediate factories by scope (Fire, Electrical & Structural)

PROGRESS WITH REMEDIATION OF INITIAL FINDINGS (As of April 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 finding has been verified as ‘corrected’ by the RSC engineers through the follow-up verification inspection and/or testing visits.

The following graph shows the **744** factories that have recorded **100%** of initial findings completed (including Pending verification). Out of these factories, **576** have received the Letter of Recognition (LoRs) as shown in Figure 4.

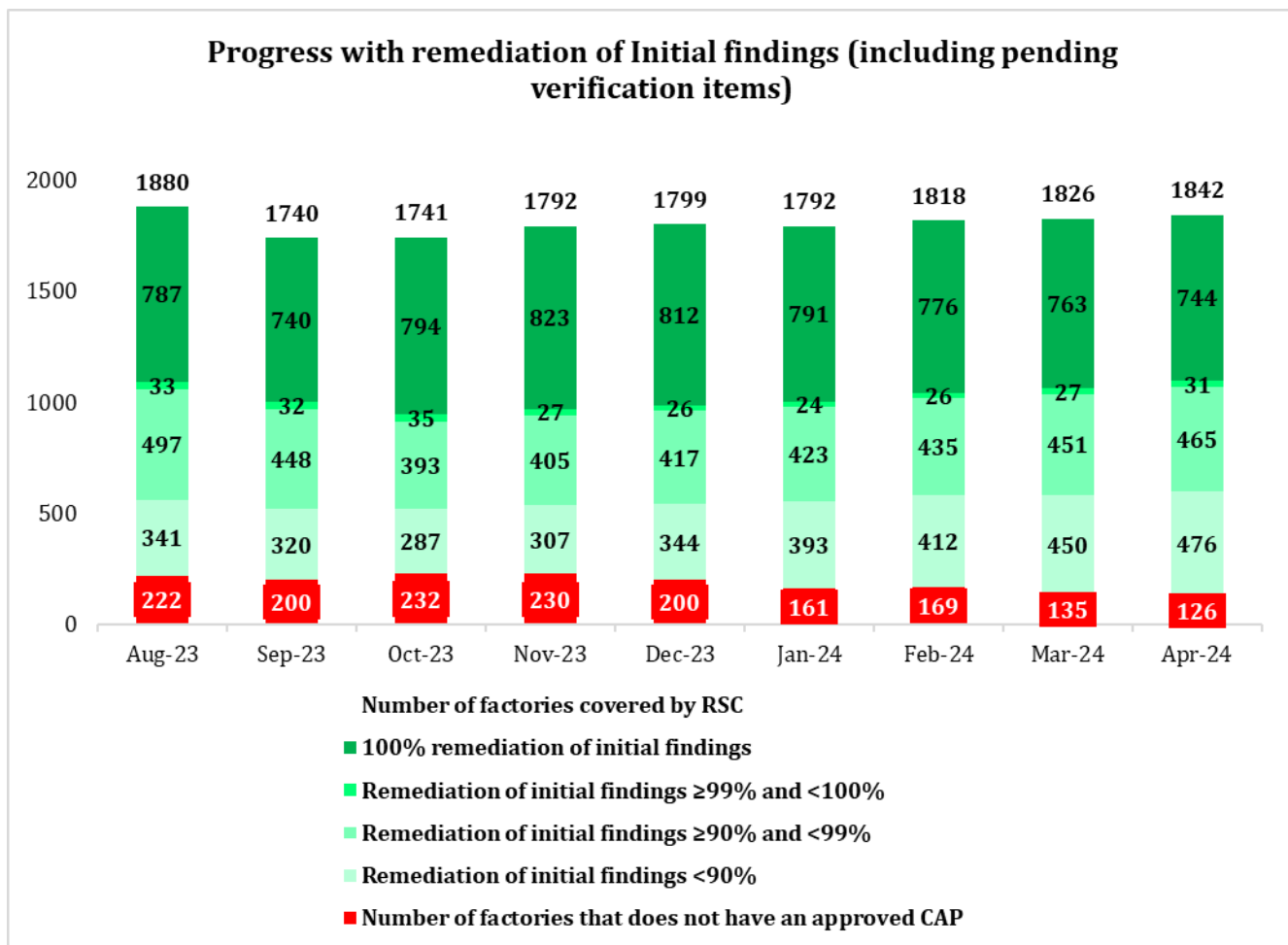


Figure 5: Initial remediation progress (%) considering pending verification

PROGRESS RATE ON MAJOR ITEMS BY DISCIPLINE

Remediation Status of Fire Alarm and Detection Systems (As of April 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):

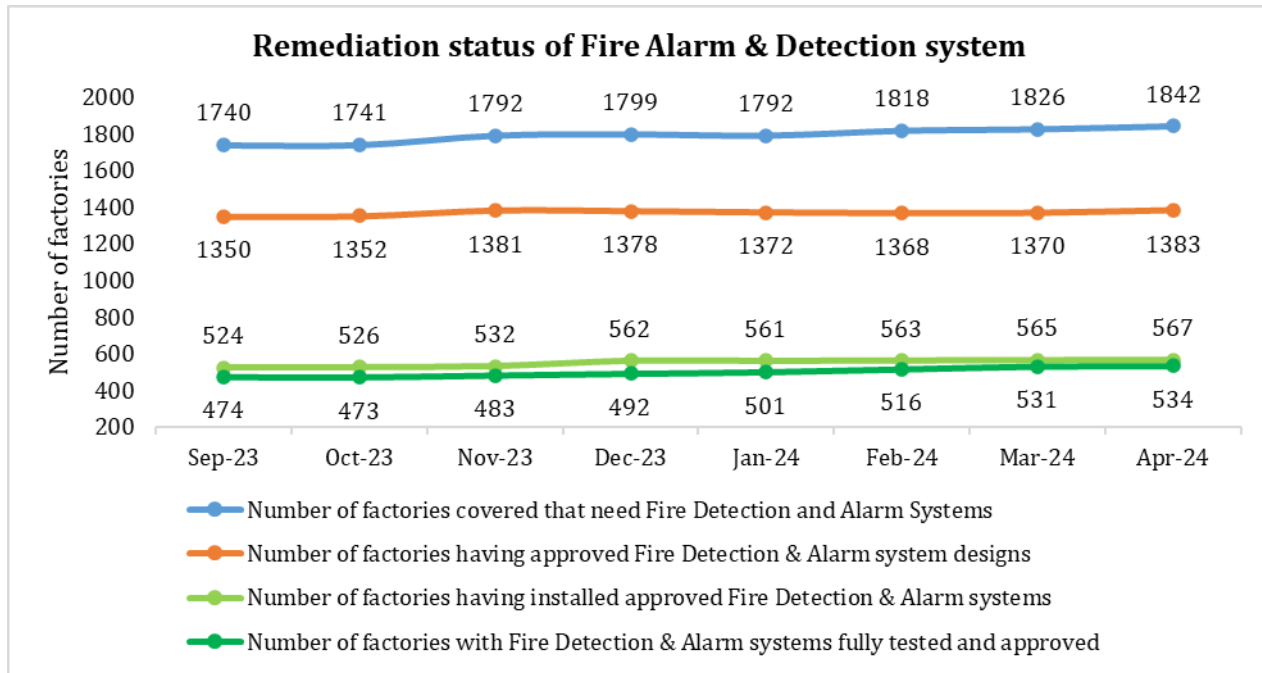


Figure 6: Remediation status of Fire Alarm and Detection System

Remediation Status of Fire Suppression Systems (As of April 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):

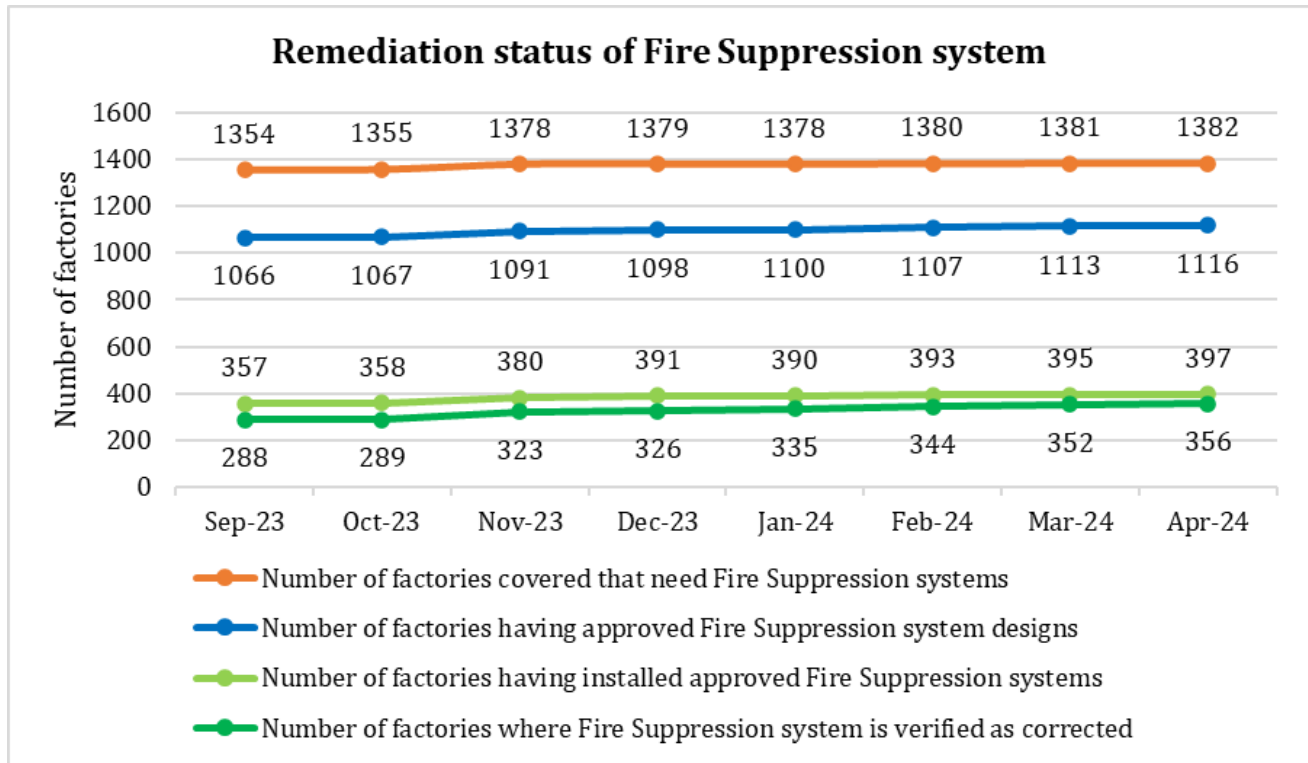


Figure 7: Remediation status of Fire Suppression System

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

- **Number of factories having accepted (D)EA: 1298.**
- **Number of factories that completed the structural remediation: 847.**

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.

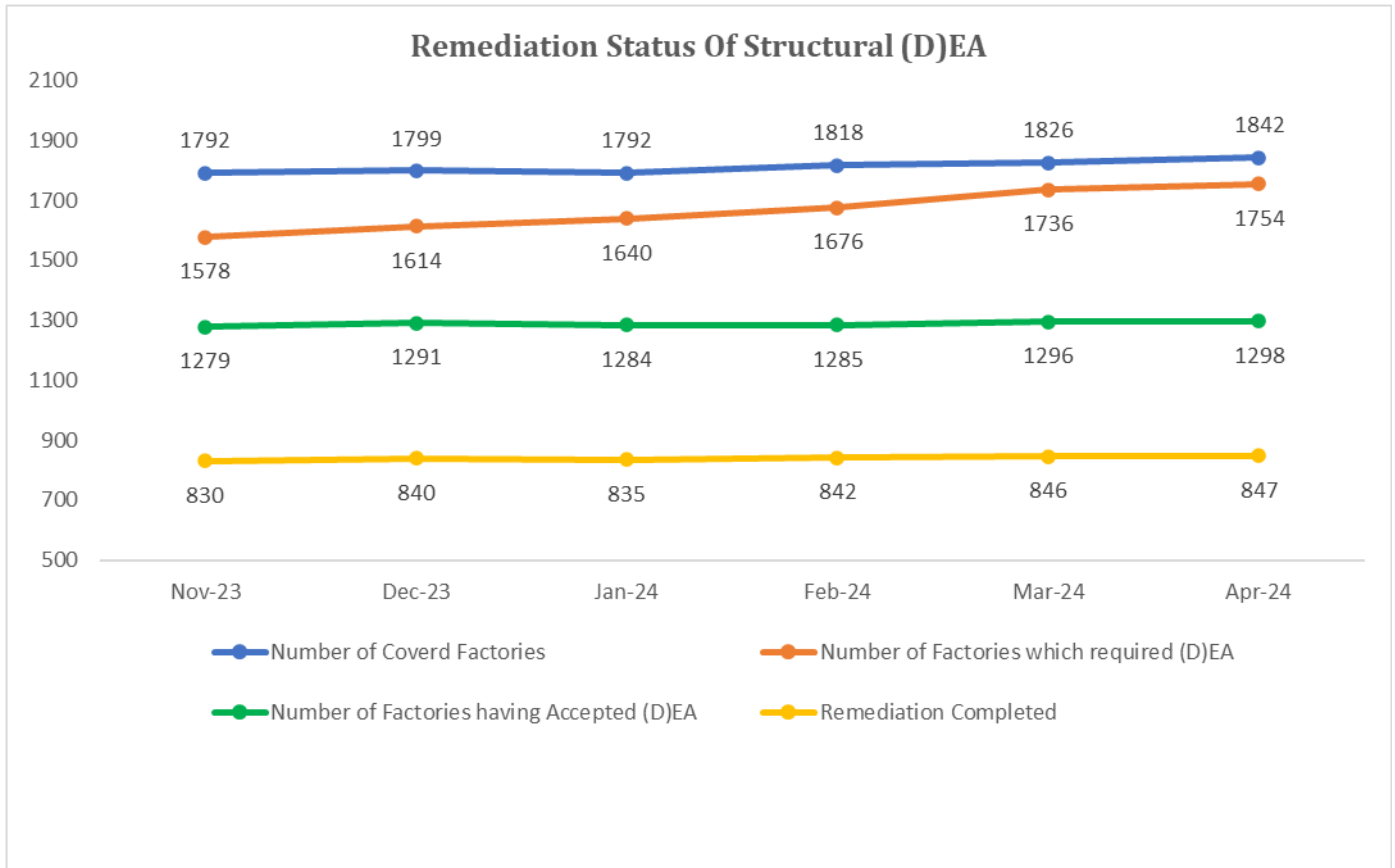


Figure 8: Remediation status of Structural (D)EA

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 April 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 April.

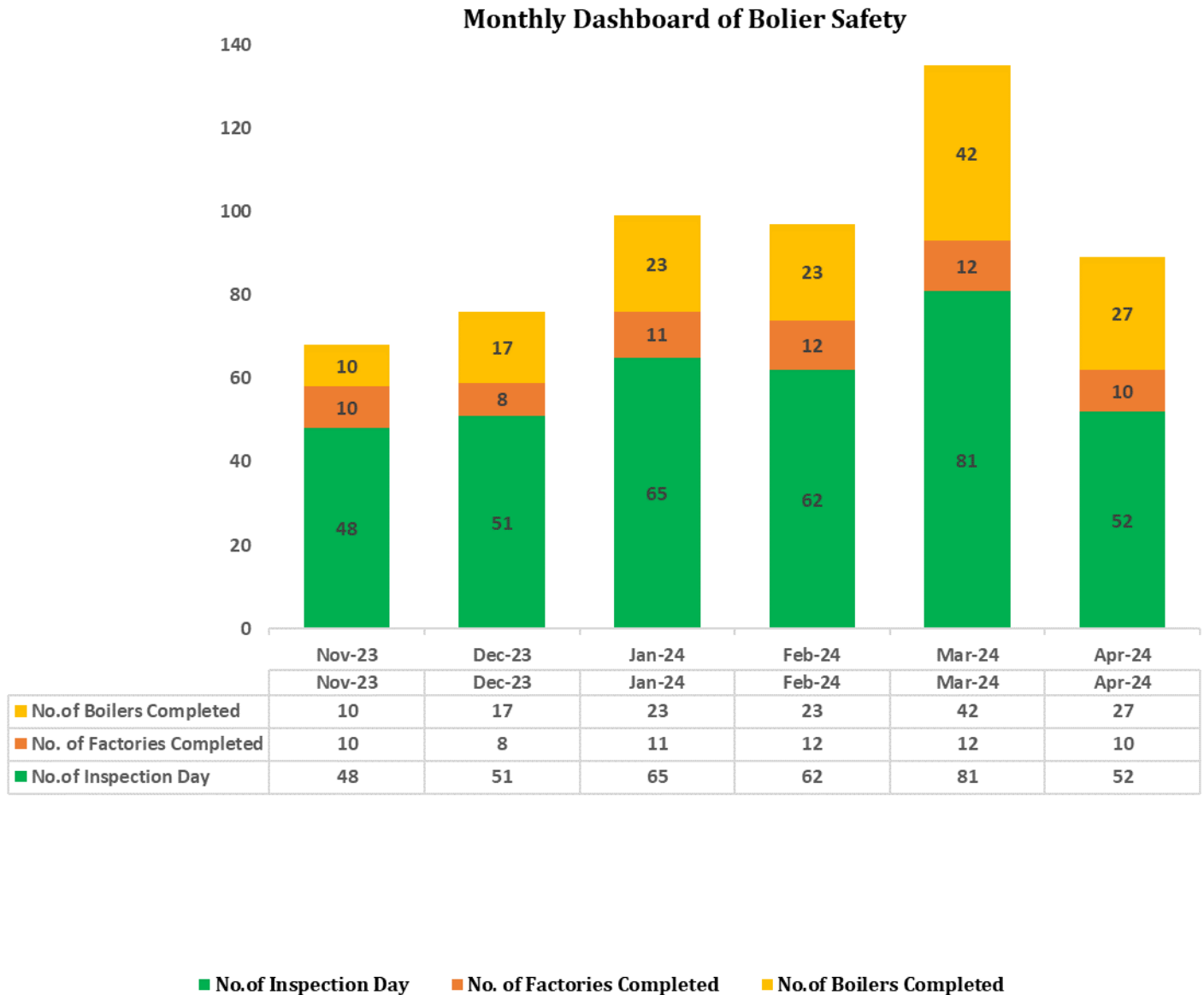


Figure 9: Monthly Dashboard of Boiler Safety

FACTORY ESCALATION STATUS (As of April 2024)

As of April 2024, **329** factories are in different stages of the escalation process, of which **218** are in Stage 1 and **111** are in Stage 2. It is to be noted that a total of **471** 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, **1,042** have never gone through any escalation process. The percentage of different escalation stages of the RSC-covered factories (**1,842**) is shown in the pie chart below.

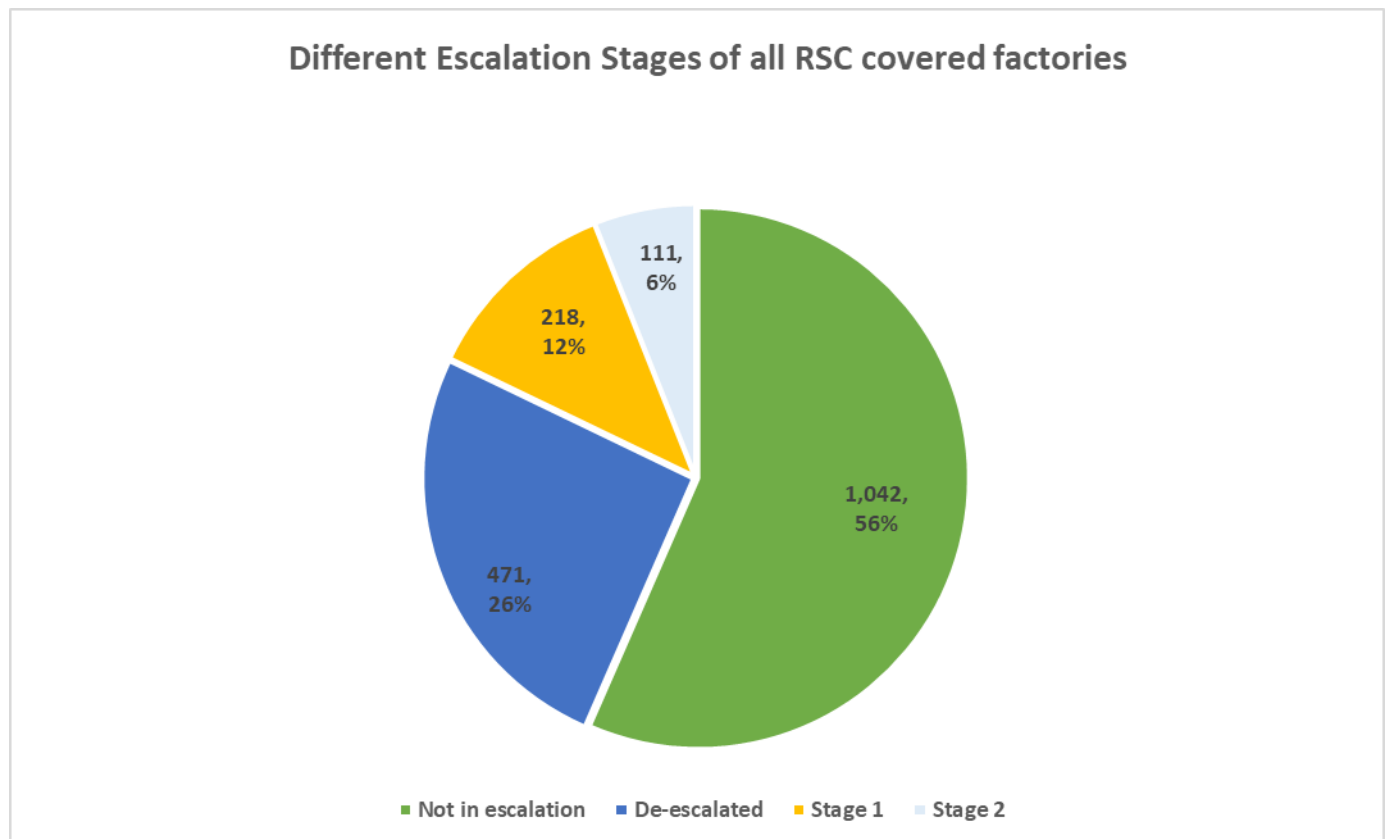


Figure 10: Escalation status of factories

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

The table below lists the name and account ID of the factory escalated to stage 3 in April 2024. This factory has been made ineligible for business with RSC-participating brands due to their failure to participate in the RSC-prescribed Safety Programme and transferred to DIFE.

ACCOUNT ID	ACCOUNT NAME	CURRENT ESCALATION STAGE	STAGE 3 ISSUED ON
11259	HONG KONG FASHIONS LTD.	STAGE 3	28 APRIL 2024

LIST OF FACTORIES THAT RECEIVED RECOMMENDATION OF PARTIAL/FULL EVACUATION IN THE MONTH OF APRIL 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 April 2024, the RSC didn't recommend partial or full evacuation to any of its covered factories.**

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

Where 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 potential safety implications for the occupants of the factory, then 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 an adequate level of safety is re-established in the building.

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

ACCOUNT ID	ACCOUNT NAME	DATE OF THE INCIDENT	INCIDENT SUMMARY
9488	FARIHA KNITTEX LTD. Narayanganj (a sister concern of Asrotex Group)	24 APRIL, 2024	<p>The RSC conducted the post-incident inspection on 25 April 2024.</p> <p>Under FARIHA KNIT TEX LTD (RSC ID: 9488); the factory comprises three 6-story production buildings (designated as building #01, #02, and #03), one 2-story building (building #4), and two single-story Dying Sheds (Shed #01 and #02). The incident happened on the Ground Floor, RSC-covered Generator Control Room-2 of Production Building-02. No fatalities or injuries occurred.</p> <p>The probable cause of this incident could be an electrical short circuit occurred within the 2000A bus bar trunking (BBT) system, which supplied power from Gas Generator-6 Control Panel to Circuit No. 4 of Synchronizing Panel-1.</p>

MONTHLY UPDATE ON OCCUPATIONAL SAFETY AND HEALTH COMPLAINTS MECHANISM (April 1, 2024 – April 30, 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 launched the Comprehensive Complaints Mechanism (CCM) a pilot program, starting on March 11th, 2024, and concluding on August 11th, 2024. This initiative covers concerns such as Freedom of Association (FoA), child labour, forced labour, discrimination, minimum wages, benefits, leave, unfair employment contracts, separation, and environmental complaints. In this pilot, RSC has selected 100 brands and their 503 associated sourcing factories. The resolution protocol for CCM Non-OSH 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 CCM-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 CCM (i.e., other non-OSH complaints) are forwarded to factory management, responsible brand, 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 April 2024 – 30 April 2024)

The RSC received 120 complaints during the reporting period mentioned. Of these, 22 (18.33%) are Occupational Safety & Health (OSH) related complaints, and 98 (81.67%) are other non-OSH related complaints. There are 95 complaints recorded under the CCM pilot program by April 2024.

Monthly Update, Complaints Mechanism, RSC

Complaints Receiving Statistics

Period	OSH	Other NON-OSH	Total	OSH%	Other NON-OSH%
April'24	22	98	120	18%	82%
RSC Period	1550	5222	6772	23%	77%
ACCORD Period	1190	1089	2279	52%	48%
Total Period	2740	6311	9051		

Complaints Closing Statistics

Period	OSH	Other NON-OSH (Forwarded)	Total	OSH%	Other NON-OSH%
April'24	22	96	118	19%	81%
RSC Period	1614	5136	6750	24%	76%
ACCORD Period	1049	1050	2099	50%	50%
Total Period	2663	6186	8849		

Complaints In-Progress/pending Statistics

Period	OSH	Other NON-OSH	Total	OSH%	Other NON-OSH%
April'24	77	106	183	42%	58%
RSC Period	77	106	183	42%	58%
ACCORD Period	1	0	1	100%	0%
Total Period	78	106	184		

Monthly Closing Status- OSH Complaints

SL	Category	Quantity
1	Resolved	10
2	Not Sustained	4
3	Disengaged	4
4	Resolved outside RSC complaints mechanism	1
5	Forwarded to Parties	1
6	Factory Not Covered	1
7	No Brand Factory	1
	OSH	22

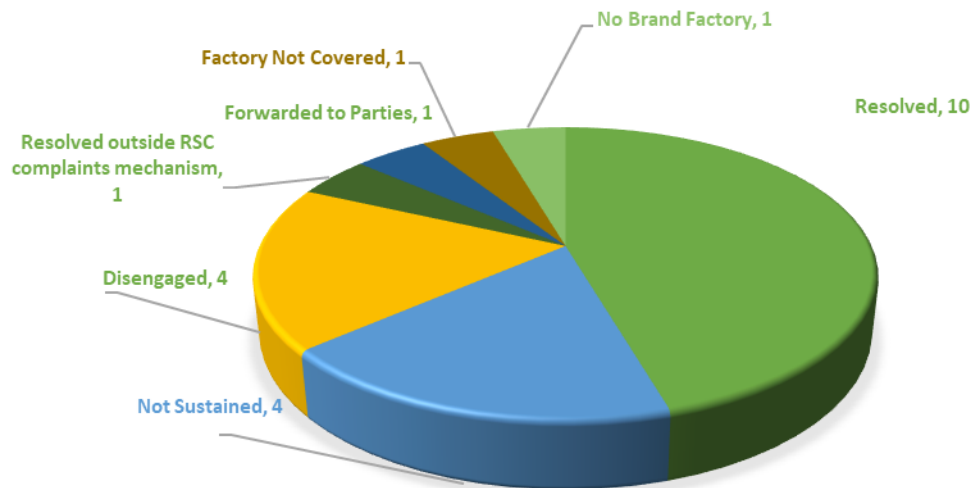


Figure 11: Monthly Closing Status of OSH Complaints

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

****April- 24 (1 April – 30 April 2024), RSC period (1 June 2020 – 30 April 2024), Accord Period (1 August 2014 – 31 May 2020), Total period 1 August 2014-30 April 2024***

Monthly Update, Complaints Mechanism - April 2024

CCM Complaints Statistics

Period	Opening Balance	Received	Total	Closed	Pending
April-24	38	95	133	27	106

Status of Closed CCM Complaints	Count
Resolved	16
Not Sustained	10
Resolved outside Accord/RSC complaints mechanism	1
Total	27

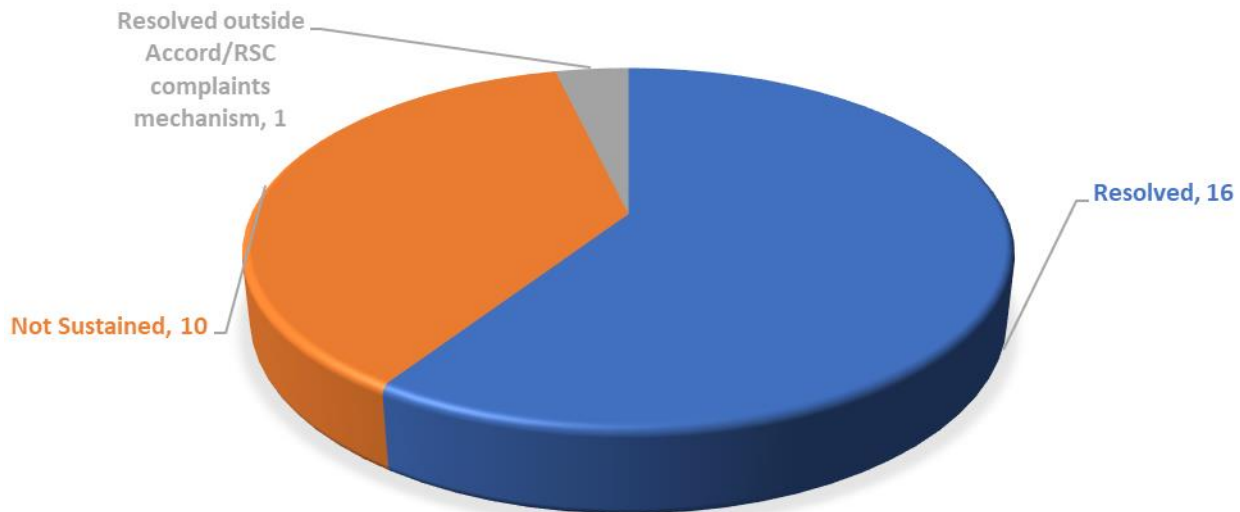


Figure 12: Monthly Closing Status of CCM non-OSH Complaints

MONTHLY UPDATE OF OSH TRAINING PROGRAMME (As of April 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 April -2024

Sl	Particular (Number of)	For April 2024	As of 30 April -2024		RSC Period
			Accord (Until 31 May 2020)	Work done by Accord & RSC	
1	Safety Committee Enrolled.	1	1,279	1,575	296
2	OSH Training Session Conducted (1-8)	91	7,825	18,518	10,693
3	Factories Completed OSH Training Full Cycle (Regular)	0	558	1,346	788
4	Factories Completed OSH Training Full Cycle (Resumption)	17	0	794	794
5	SC Member Participated in OSH Training	735	10,831	19,727	8,896
6	Factories Covered Through All Employee Meetings	17	1,350	1,567	217
7	Workers are reached through All Employee Meetings.	29,546	1,905,681	2,403,251	4,97,570
8	Walk Through conducted	50	2,294	6,618	4,324
9	Walk through Findings	339	13,047	35,586	22,539
10	Safety Committee Meeting	37	634	3,028	2,394
11	Factories received a Letter of Acknowledgement	1	530	1,238	708

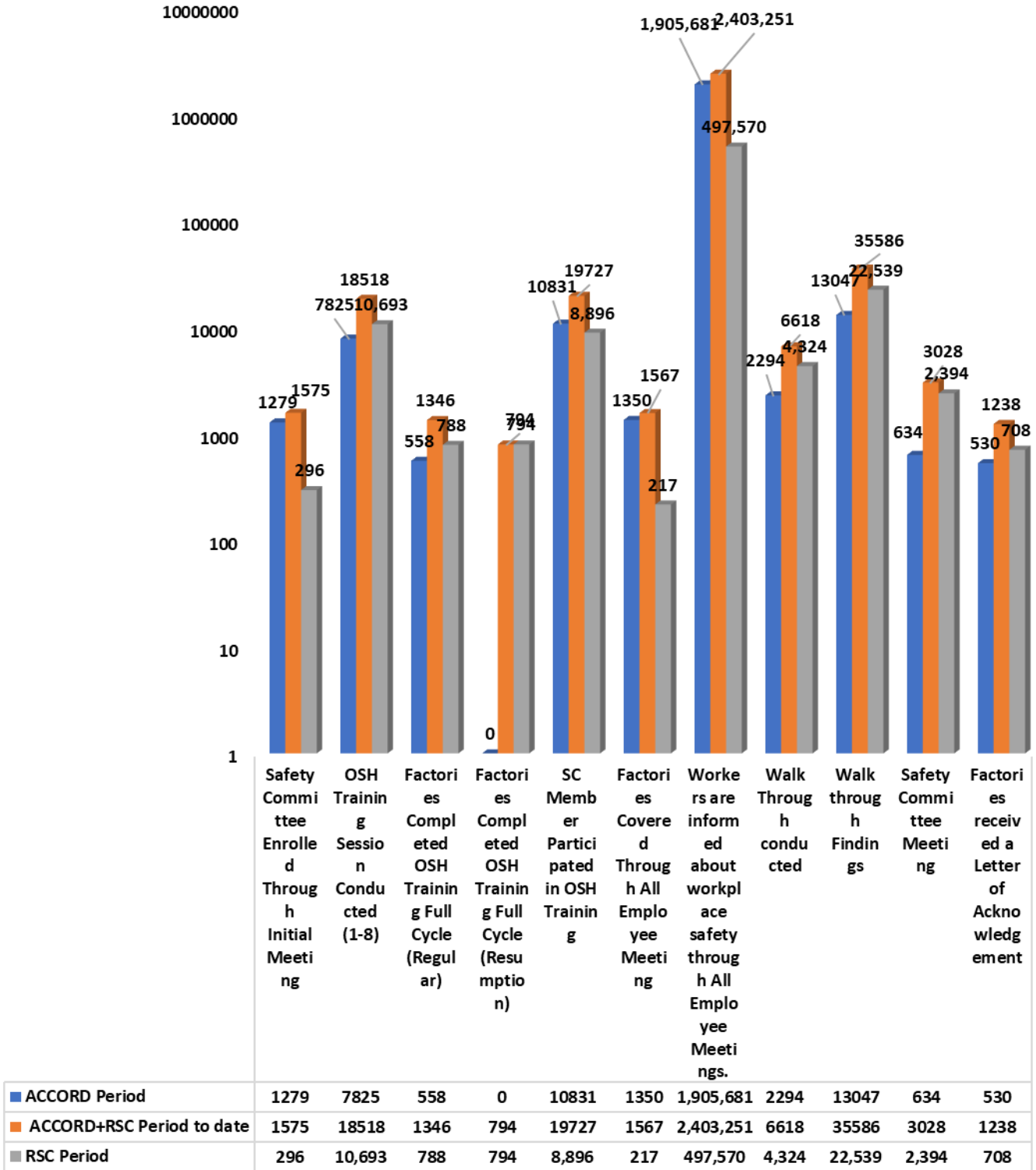


Figure 13: OSH Training Program Monthly Report April- 2024