

Minutes of Meeting

 Board of Directors (BoD) Meeting
 Venue: Hybrid Zoom Meetings

 16 November 2021: 17:10 – 20:10 (Bangladesh Standard Time)
 12.10 – 15.10 (Central European Time)

Attendees:

	Members	Role	Organisation	Attended / Apologies
Industry Representatives	Rubana Huq	Director	BGMEA	Yes
	Shafiul Islam Mohiuddin	Director, Co-Chair	BGMEA	Yes
	Miran Ali	Director	BGMEA	Yes
	Sharif Zahir	Director	BGMEA	Yes
	Faruque Hassan	Director	BGMEA	No
	Mohammad Hatem	Director	BKMEA	No
Brand Representatives	Masarrat Quader Syeda	Director, Co-Chair	H&M	Yes
	Jorge Alonso Campo	Director	Inditex	Yes
	Michael Bride	Director	PVH	No
	Felicity Tapsell	Director	Bestseller	Yes
	Indalecio Perez	Director	Inditex	No
	Bernardo Cruza	Director	El Corte Ingles	Yes
	Jochen Juetten-Overmeyer	Director	Otto Group	Yes
Trade Union Representatives	Christina Hajagos-Clausen	Director	IndustriALL Global Union	Yes
	Amirul Haque Amin	Director, Co-Chair	National Garment Workers Federation (NGWF)	Yes
	Kamrul Anam	Director	Bangladesh Textile and Garments Workers League (BTGWL)	Yes
	Babul Akter	Director	Bangladesh Garment and Industrial Workers Federation (BGIWF)	Yes
	China Rahman	Director	Federation of Garment Workers	Yes
	Alke Boessiger	Director	UNI Global Union	Yes
Neutral Conveners	Dan Rees	Convener	ILO	Yes
RSC Representatives	Iqbal M Hussain	MD and ACSO	RSC	Yes
	Palash Kumar Mondal	Technical Operation Manager	RSC	Yes
	Md. Asaduzzaman	Business and Financial Controller	RSC	Yes
	Mohammad Ahsan Ullah	Acting Lead Engineer-Structural Safety	RSC	Yes
	Sefat Ahmed	Manager-Remediation Case Handler Division	RSC	Yes
	Banna kasemi	Lead Engineer- Electrical Safety	RSC	Yes

	Members	Role	Organisation	Attended / Apologies
	Md. Hasanuzzaman	Lead Engineer - Fire Safety	RSC	Yes
	Md. Hassan Nawazis	Deputy Lead Engineer - Fire Safety	RSC	Yes
	Md. Mehedi Hasan	Acting Boiler Lead Engineer	RSC	Yes
	Kirstine Drew	Head of Workplace Programmes	RSC	Yes
	Shamama Naushin Yamani	Training Quality and Logistics Manager	RSC	Yes
	Md. Asiful Hoque	General Manager	RSC	Yes
	A. J. M. Zobaidur Rahman	Manager- Media & Communications	RSC	Yes
	Md Erfanul Haq	Acting Communications Officer	RSC	Yes
	Robeul Haque Rana	Head of IT	RSC	Yes

Meeting Agenda:
Session 1:
1. RSC Update
Session 2:

- 2. Previous Minutes of Meeting**
- 3. Governance**
 - a. Advisory Council**
 - b. Government Coordination Council**
 - c. Human Resource Review Committee (HRRC)**
- 4. OSH - CM Protocol and SOP review**
- 5. Article 8 Committee Update**
- 6. No Brands Factories (Orphan Factories)**
- 7. RSC Compliance and Accountability Mechanism**
- 8. AOB**

Session 1: BOD (RSC Update)

ITEMS	DESCRIPTIONS	REMARKS
1	RSC Update	Open meeting
	<p>Iqbal welcomed meeting participants in the first session. He lauded RSC members of staff for their team efforts to prepare for the RSC update. He thanked the staff for their dedication and commitment including several practice sessions that contributed to a well-prepared presentation. Iqbal, at this point, welcomed Palash, Technical Operations Manager to present the RSC overview.</p> <p>Some key points from Palash's presentation:</p> <ul style="list-style-type: none"> • Achievement of 14 days reporting KPI • Significant increase in design acceptance through Project-M • Development of Pending Technical Queries (PTQ) tracker to address all queries from factories • Development of a special team for Pre-T&C and T&VI to increase the acceptance rate and reduce the number of incomplete inspections • Development of 13 Supplementary Papers, 9 Technical Remediation Guidelines to address the FLS big-ticket items. • Development of boiler inspection technical guideline and SOP • Development of team handbook in all departments to facilitate refresher training for existing staff and the induction of new backfill positions. <p>Iqbal thanked Palash for his presentation and welcomed Sefat, Head of Remediation Case Handling Department, (RCH), to deliver his section. Some key points from Sefat's presentation:</p> <ul style="list-style-type: none"> • Introduction of three new inspection scheduling and priority categories to the existing list to facilitate earlier inspection scheduling. • From June 2020 to September 2021, 3,617 inspections were conducted by RSC. During this period, RSC increased 36% of its inspection capacity. • 92.9% Overall initial remediation progress (Fire, Electrical & Structural) • From June 2020 to September 2021, 116 factories newly received Letters of Recognition (LoR) Even with the increased number of factories (From approx. 1,600 to 1,700) during this COVID-19 pandemic, the RSC has 	

successfully increased the LoR coverage from **17%** to **24%**.

- Adoption of ICU Deep Dive has resulted in a **58%** increase in factory passing rate.
- Total escalation issued: Stage 1 at **128** factories, Stage 2 at **47** factories, Stage 3 at **14** factories.
- Total De-escalation issued at **92** factories.
- Out of seven Article 8 cases, one has been successfully resolved, 4 with actions to resolve, 2 under review.

Iqbal thanked Sefat for his presentation and welcomed Ahsan, Acting Head of Structural Safety Engineering Department, to present his part. Some key points from Ahsan's presentation:

- From June 2020 to September 2021, **676** structural inspections (initial, follow-up and verification inspections) have been conducted.
- Total **1,234** factories had their initial structural findings corrected, and **1,100** factories (65%) had their total structural findings remediated.
- From March to September 2021, the 14 days KPI of Initial Inspection increased to **61%**.
- A Critical Findings register has been developed in September 2020 to monitor evacuation (full or partial) cases due to an immediate structural safety concern. **77%** of the factory issue has been resolved.
- Adoption of Project-M From 1 March 2021, increased the chances of getting acceptance (**92%** of the submitted document) within three submissions.
- Significant reduction of DEA review backlog.

Iqbal thanked Ahsan for his presentation and welcomed Banna, Head of Electrical Safety Engineering Department to present his part. Some key points from Banna's presentation:

- From June 2020 to September 2021, the Electrical Safety department has conducted **1,634** Initial inspections and **13,100** follow-up inspections.
- Inspection findings corrected **97.01%** and new findings corrected **93.97%**.
- Some common electrical findings are the absence of single line diagram (SLD), Lack of Lightning protection system, inadequate circuit breakers etc.
- Zero backlogs have been achieved in SLD review through training, and development of calculation tools.
- Adoption of Project-M since March has decreased the number of resubmissions.

Iqbal thanked Banna for his presentation and welcomed, Hasanuzzaman, Head of Fire and Life Safety Engineering department and Nawazis (Deputy Head of the Department) to present their part. Some key points from the Fire Safety department's presentation:

- From June 2020 to September 2021, the Fire Safety department has conducted **1,634** inspections.
- Initial inspection findings and new findings corrected **90%**.
- The Fire Safety department has developed **13** Supplementary Papers and **9** Technical Remediation Guidelines.
- A review process has been developed & in effect to make it easier to solve PTQs. As a result, Fire Safety department has provided resolutions to **95%** of the technical queries. Among these solutions, **57%** have been implemented by factories.
- A dedicated design review team has been formed. Adoption of Project-M increased FADS and SUPS by **40%** and **38%**, respectively.

Iqbal thanked both Hasanuzzaman and Nawazis for their presentation and welcomed Mehedi, Acting Head of Boiler Safety Engineering department to present his slides.

- Boiler Department has developed technical inspection guidelines that have been reviewed by national and internationally renowned organisations.
- Phase-1 of TÜV-SÜD training has been completed.
- Risk-based approach has been taken to analyse RSC's Questionnaire Survey
- Results showed that **708** factories are in P1 (high risk) category.
- To date, **248** factories have been inspected, which is 15% of the total covered factories.

Iqbal thanked Mehedi for his presentation and welcomed Kirstine, Head of Occupational Safety & Health Complaints Mechanism department (OSH-CM), to deliver her part. Some key points from Kirstine's presentation:

- Total number of RSC complaints is **1,736** and total number of RSC OSH complaints is **454**
- Total Number of OSH complaints resolved by RSC is **178** and Total OSH complaints in progress is **141**
- From June 2020 to September 2021, RSC has received **175** COVID-19 related OSH complaints

- Introductory and In-depth training on Bangladesh Labour Law has been provided to the Complaint Handling team.

Iqbal thanked Kirstine for her presentation and welcomed Shamama, Head of Safety Training department to deliver her part. Some key points from Shamama's presentation are as follows:

- Total **5,166** Remote SCWT has been conducted at **1,255** factories.
- With **13** Bule jeans link, **26** remote training session has been conducted daily.
- **4,308** New Safety Committee members at **656** factories.
- Letter of Acknowledgement has been given at **555** factories.
- RSC Trainers recently completed the NEBOSH course on H&S.
- Shamama shared some constructive feedback regarding the impact of Safety Committee Training.
- RSC planned field resumption (Training and SC meeting) from December 2021 and AEM from January 2022.

Iqbal thanked Shamama for her presentation and welcomed Asif, General Manager, to deliver his part. Some key points from Asif's presentation are as follows:

- RSC has **198** local and **2** international employees. **73%** are male and 27% are female. At least **33** new employees will be recruited soon.
- **5,574** Man hours of training has been provided to the employees.
- **62%** of the employees have received 2nd dose of the COVID-19 vaccine. **91%** of RSC drivers received 1st dose of the COVID vaccine.
- RSC jointly shares FFC database with International Accord and has the right to add/ edit data in FFC.
- RSC website is fully running, and both Bangla and English version is available. Currently, the website has more than one hundred eighteen thousand visitors.
- Total **78** enquiries have been received through RSC website.
- The establishment of VPN, remote access of technical software, use of Microsoft Team, SharePoint and Yammer are some initiatives that the IT Department has taken to enhance collaboration, effectiveness and improve output.

	<p>Iqbal thanked Asif and the RSC team for their fantastic contribution. He also expressed his thanks to the BoD for taking time to attend the meeting and for their support and showing interest in the affairs of the RSC. Iqbal took a moment to celebrate RSC's achievements over the last year.</p> <p>Iqbal noted that building resilience and strength of character will hold fast to continue to accelerate RSC's endeavours towards delivering the world-class sustainable workplace safety programmes. One of the key motivations that helped RSC to achieve a target-oriented results is a 'can do' attitude, Iqbal mentioned. He also noted that the 14 days KPI Project M, ICU Deep Dive and other initiatives contributed to the overall performance of RSC.</p> <p>Iqbal expects that the continued support of the BoD would help the RSC to create leverage and opportunity for the delivery of our works tailored for the wellbeing of millions of people involved in the RMG sector in Bangladesh.</p>	
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Recess: 10 minutes

Session 2: BOD (Updates from Committee)

ITEMS	DESCRIPTIONS	REMARKS
2	Approval of the agenda and previous minutes of the meeting	
	Dan welcomed everyone and started the second session. The BoD unanimously approved the pre-circulated meeting agenda and the minutes of the previous BoD. Christina requested to include the 2022 meeting calendar in AOB.	2.a. The BoD approved the previous minutes.
3	Governance	
	<p>a. Advisory Council</p> <p>Dan took up the third agenda relating to Governance and invited RSC to update on the Advisory Council. Iqbal noted that the matter was discussed several times at the ECM. He said that Jochen and Christina's experience with the previous Advisory Council was not satisfactory. Jochen and Christina seconded Iqbal on that.</p> <p>As a follow up action of the previous BoD meeting, RSC shared a draft Terms of Reference (ToR) with the BoD. A copy of the ToR has been circulated as pre-reading material. Iqbal requested BoD for review and approval of the ToR. Alke and Jorge confirmed that they would provide comments.</p>	3.a. The BoD to provide written comments on ToRs. RSC to address the comments and send the final version to BoD for sign-off by 30 November 2021.

Masarrat noted that getting inputs from outsiders sometimes could be challenging. Rubana suggested that senior government officials or someone from Human Rights Watch or any local influential personality would add a certain weight to RSC through Advisory Council. This would help RSC to overcome certain impasse.

Miran seconded Rubana adding that the Advisory Council members could help RSC to get tax exemption. The Board then unanimously agreed to provide written comments on the ToR by 30 November.

b. Government Coordination Council (GCC)

Iqbal noted that under article 41 of Articles of Association, a GCC is a requirement for the RSC. The RSC EC had an introductory meeting with the honourable Joint Secretary, Tapan Ghosh, Ministry of Commerce (MoC). RSC also met with honourable Joint Secretary, Md. Abdur Rahim Khan and Deputy Secretary, Mohammad Jahirul Quayum at the Ministry of Commerce. Iqbal thanked Rubana for coordinating with the Secretaries for RSC.

Iqbal enquired about the likely timeline for the GCC formation. In response, the honourable Joint Secretary Md. Abdur Rahim Khan informed RSC that the Government plans to form the GCC within this month and invite the RSC to attend meetings. As per the previous BoD meeting action, RSC has already shared the ToR with the BoD. RSC requested BoD for approval/comments on the ToR. Alke proposed 30 November as the deadline for sharing the comments on the ToR.

Miran informed that the Ministry of Commerce (MoC) had requested the Ministry of Labour and Employment (MoLE) to form the GCC. Therefore, the process would be entirely controlled by the Secretary of MoLE. Miran confirmed that Industry would coordinate with the honourable Secretary of the MoLE to expedite the process.

Masarrat noted that the ToR specifically indicated that GCC will not make any decisions. Rubana noted that the GCC is a requirement of RSC's license. Along with the MoC, the MoLE and the MoL (Ministry of Law) will be in the GCC, she added. The GCC will not interfere or overstep, rather they will act as a bridge between the Government and RSC. Mohiuddin seconded Rubana adding that the GCC could also help RSC in terms of Article 8.

Kamrul noted that he was present at a government level meeting and came to know that Government has already instructed the DIFE to make a link with the RSC.

3.b. The BoD to submit final comments/approval by 30 November. Comments will be received via email.

	<p align="center">c. Human Resource Review Committee (HRRC)</p> <p>CSO Appointment</p> <p>Iqbal noted that RSC appointed the Korn Ferry in March 2021 for CSO recruitment purpose. As part of the process, several candidates were selected based on strong technical and managerial backgrounds with a particular focus on MEP and FLS with construction and commissioning. However, interviews did not occur due to Bangladesh's nationwide lockdown during the second wave and Delta variant of COVID-19. Iqbal added that most candidates were from India, who were either in India or in the Middle East. Korn Ferry did not recommend arranging the interview at the time.</p> <p>Iqbal added that George Faller has recently shown his interest in this position and is supposed to respond by November. Iqbal also informed that RSC paused the recruitment process with Korn Ferry. If RSC proceeds with Korn Ferry now, RSC would incur 2nd invoice for their service. Rubana requested everyone to allow RSC for another 72 hrs to get a clear response from George. Rubana's proposal was later accepted by the attendees.</p> <p>Iqbal noted that recently RSC reached out to Korn Ferry adding that the primarily selected candidates were still available.</p> <p>Appointment of Head of OSH-CM</p> <p>Iqbal noted that as a follow-up of the discussion held at HRRC on 20 September, RSC checked the requirement of the Bangladesh Investment Development Authority (BIDA). Later RSC went for Job advert for this position locally to comply with the BIDA The application was open till 18 November. So far, RSC has received 400 applications. In the next HRRC, RSC will put forward an appointment letter for Kirstine. In the meantime, Kirstine has a full-time employment as per RSC's understanding with the International Accord.</p>	<p>3.c. RSC to wait for 72 hrs for a clear response from George Faller. If George Faller doesn't respond within the 72 hrs, RSC to re-engage Korn Ferry and proceed on.</p>
<p align="center">4</p>	<p align="center">OSH-CM Protocol and SOP review</p>	
	<p>Iqbal stated that an OSH committee was set up as part of a request from Industry to review the notification process. The committee was set up in April and met typically on a fortnightly basis. Iqbal added that Industry shared their concerns regarding notification. They want a two-stage email notification to curb the disproportionate reactions from Brands and allow factory's own investigation. Iqbal also noted that RSC's Standard Operating Procedure (SOP) is based on the United Nations Guiding Principles (UNGP) for dealing with complaints. Earlier RSC took action based on Industry's request to improve the notification emails process with an emphasis on the heading to illustrate that this is an allegation and subject to investigation. RSC has</p>	

prepared training materials to support and promote awareness raising with Brands at caucus meetings.

Jochen noted that for Brands it is important to have transparency in the mechanism. An interim period of 5 days would create a blind spot. Jochen has shared feedback from some Brands where they informed that after receiving any complaint (OSH/ Non-OSH), the common practice is to reach out to the factory and give the factory a chance to investigate the matter.

Rubana noted that the 5-day window should not be considered as a blind spot. The factory must be given a chance to investigate the matter before raising it to the Brands. Otherwise, it appears to be punitive for the factory. RSC should be based on raising awareness.

Jochen noted that Brands want to adhere UN standards and RSC has one of the best functioning grievance mechanisms. To take the discussion forward, Jochen suggested not to take any immediate punitive action against the factory. Kirstine noted that the UN has developed criteria for determining the effectiveness of non-judicial grievance mechanisms. RSC's complaints mechanism is an example of non-judicial grievance mechanisms. Therefore, to maintain transparency (a basic criteria) all parties need to be informed simultaneously. Brands or factories are required to conduct due diligence to identify and address the issues that have been reported through this mechanism.

Rubana noted that Industry isn't against the international standards. But RSC should give factories adequate chance to rectify and remediate. Otherwise RMG manufacturers would never perceive RSC as a friend.

Miran noted that in most of the cases, Brands overreact and demand a quick investigation on any reported issue. A 5-day window (5 weekdays/ 5 calendar days) would never make the mechanism non-transparent or unpredictable.

Christina noted that in the 5-day window, things may get escalated, and workers could get retaliated. Miran noted that regardless of the outcome of the investigation, the Brands would anyway be notified after 5 days. However, informing Brands right away won't guarantee that a factory won't retaliate. Factory owners aren't thieves; they are just legitimate people who want to do business.

	<p>Rubana suggested that instead of notifying Brands, RSC should copy the BoD. Rubana and Miran suggested to reconsider the 5-day window.</p> <p>Iqbal and Kirstine both explained that after receiving any complaints, RSC conducts an initial investigation to identify the complaints as OSH/ Non-OSH. After determining the complaint, RSC informs Brands, Unions, and Factory Management as a standard practice. The RSC's complaints mechanism was designed to protect the complainants and to provide remedy. So far, through this mechanism, RSC has resolved 178 complaints.</p> <p>Dan proposed to bring the issue to the BoD later to come to a concrete decision as the issue requires broader discussion. He agreed to facilitate the discussion if the house agrees. The BoD seconded the motion and thanked Dan.</p>	<p>4.a. Dan to convene and facilitate a meeting on RSC's complaints mechanism with the BoD.</p>
5	Article 8 Committee Update	
	<p>Christina took up the fifth item relating to Article - 8 Committee update and noted that out of seven cases, the Article-8 Committee has successfully resolved one. The Committee has reached out to Factories, Brands and Unions to resolve the remaining cases.</p> <p>Iqbal updated the BoD on the remaining cases. He informed that out of the 6 pending cases, actions have been taken to resolve 4 with 2 under review.</p> <p>Jochen noted that the negotiation process by some of the factories was put on hold with an argument that it is against Bangladesh Labour Law (BLA, 2006). He added that Article 8 is difficult to implement as the language has room for vast interpretation.</p> <p>To resolve the "unreasonable travel distance" issue, Brands proposed 10 km distance. The Article 8 Committee is waiting for a response from Industry.</p> <p>Christina requested RSC to provide an update on UD. In response, Iqbal noted that BGMEA responded that 7 factories had been handed over to the DIFE and 6 had been suspended for the UD. He added that BKMEA informed RSC that out of 5 factories, 1 received UD suspension.</p>	
6	No Brands Factories (Orphan Factories)	
	<p>Iqbal noted that on the issue of the No Brands or Orphan Factories RSC needs detailed discussion. Previously RSC had 220 brands and currently, RSC is working with 150. However, this may become 220 once again. The factories that are now without</p>	

	<p>a brand and were a part of RSC's programme, somehow need to be able to continue their remediation progress. Iqbal noted that in the previous EC meeting, Industry informed RSC that several hundred factories wish to join the RSC that are not associated with an International Accord Brand. RSC proposed to form a committee to explore scope of works with the No Brand Factories and the factories that are enlisted by BGMEA/BKMEA and interested to join RSC.</p> <p>Miran noted that to join RSC there should be a fee for these factories. After inspection, once the factories get enlisted, the Brands will place orders. Miran opined that the factories that are already covered by the RSC but have lost their buyers should be charged for the inspections. Miran added that BGMEA is planning to conduct some focus group discussion depending on the size of the factories. He also mentioned that Industry will share a multi-tiered proposal with different fee structures depending on the size of the factory and annual membership.</p> <p>Iqbal mentioned that RSC presented a fee structure at the executive committee meeting previously.</p> <p>Dan noted that the issue is going to be raised again at the BoD as it affects the No Brand Factories (Orphan Factories) and the finances of the RSC.</p>	<p>6.a. Industry to submit a formal proposal on the Fee Structure for the No Brand Factories along with other factories interested to join RSC. The proposal will be finalised offline.</p>
7	RSC Compliance and Accountability Mechanism	
	<p>Jochen noted that in future to hold Brands liable to their commitment, RSC is required to develop their own compliance system. This system should be transparent. It should also be working and have consequences. Then as Brand Association will be able to reflect those in their by-laws, so that they can hold their non-complaint Brand members accountable.</p> <p>Jochen prepared a draft proposal and already circulated the same to the meeting attendees. Rubana proposed 30 November as a deadline for comments. Masarrat suggested addressing the matter on an urgent basis as this may open doors for new Brands.</p> <p>Masarrat proposed to adopt the final proposal as RSC Compliance and Accountability Mechanism by 1 February 2021.</p>	<p>7.a. Industry to provide comments on the proposal by 30 November and Unions to provide comments by 20 December.</p> <p>7.b. The RSC Compliance and Accountability Mechanism will be adopted by 1 February 2021.</p>
8	AOB	
	<p>a. 2022 Meeting Calendar</p> <p>In response to Christina's AoB item Iqbal noted that he proposed to have the quarterly BoD meetings aligned with quarterly aggregate reports (QAR). A timeline was already sent to EC. The</p>	

<p>idea was welcomed by the BoD. Dan requested Iqbal to share the proposal with the BoD again.</p> <p>There were no further questions or comments brought forward. Iqbal thanked the BoD and noted that the next BoD meeting will be held in January which is expected to a face-to-face meeting in Dhaka</p> <p>b. HR Review</p> <p>Jochen requested Iqbal to provide an update on HR review by the Korn Ferry. Iqbal apprised that a meeting was organised with FC and EC on 11 October. As a follow-up action of that meeting, Iqbal reached out to the Korn Ferry and negotiated with them for a reduced fee. Iqbal also incorporated the comments from FC and EC into the Scope of Work document for HR review. The amended Scope of Work was appended to the minutes of the meeting and issued to the committee members.</p> <p>The BoD suggested RSC to reshare the Scope of Works again with them. All parties then agreed to send their feedback on the Scope of Work by Friday (19 November 2021).</p> <p>Later, the BoD unanimously agreed to get the Scope of Work approved at ECM.</p>	<p>8.b. RSC to reshare the Scope of Work with the relevant members of FC and EC. The deadline for feedback from the honourable members is Friday (19 November 2021). The Scope of Work to be approved and signed off at ECM.</p>
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Dan expressed his thanks to the BoD and RSC members of staff for taking the time to attend the meeting and for their continuing support and showing interest in the affairs of the organisation. He also thanked all the Directors, Auditors, and Officials of the RSC, for joining the meeting. The BoD appreciated RSC team for informative presentation. The meeting concluded with the note of thanks by Iqbal to the BoD and everyone who attended the BoD meeting.

(Ends)