

INCORPORATED UNDER SECTION 28 OF THE COMPANIES ACT, 1994
(ACT, XVIII OF 1994)

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

OF

RMG SUSTAINABILITY COUNCIL

INCORPORATED UNDER SECTION 28 OF THE COMPANIES ACT, 1994
(ACT, XVIII OF 1994)

MEMORANDUM OF ASSOCIATION
OF
RMG SUSTAINABILITY COUNCIL

I. Name:

The name of the Company shall be RMG Sustainability Council (RSC).

II. Registered Office:

The Registered office of the Company shall be situated at the AJ Heights Building, 12th Floor, Cha-72/1/D, Progoti Shoroni, North Badda, Dhaka-1212.

III. Objectives:

The objectives for which the Company is established are all or any of the followings and such related to be performed in the territory of Bangladesh: (All the objects of the Company will be implemented after obtaining necessary permission from the Govt./competent/concerned authority before commencement of the business):

1. To promote, govern and oversee the implementation of Occupational Health and Safety standards and to verify the compliance with applicable safety standards in the RMG and related industries in Bangladesh especially in the areas of Fire safety, Structural Integrity, Electrical Safety and Boiler Safety.

2. To conduct inspections in the areas of fire, structural, electrical and boiler safety as well as inspections to investigate safety complaints, and special inspections following Safety Committee findings and industrial accidents, and eventually regarding industrial relations, skills development and environmental standards; to monitor, verify and recognize remediation.
3. To maintain and further develop an extensive fire and building safety training program to provide extensive and detailed training on Occupational Health and Safety in the factories.
4. To cover effective safety procedures and precautions, as well as enable workers to voice concerns and actively participate in activities to ensure their own safety and to develop a depository of know-how and information regarding existing safety hazards for the industry.
5. To promote, adopt and require compliance with existing or future national and international laws, regulations and standards for fire and building safety applicable for the RMG and other industries in Bangladesh industry, also through relationships with national and international stakeholders.
6. To maintain and further develop a publicly accessible database with regularly updated aggregated list of all suppliers in Bangladesh with specific details about factory safety standards, inspection reports, remediation status and other relevant non-competitive issues.
7. To supervise exporting RMG industry and related factories and permanently monitor safety, compliance and sustainability of existing and new factories and to provide recognition of safe workplaces for garment employer and employees.
8. To maintain and further develop a worker complaint mechanism operating with independence and free from interference, ensuring that workers from factories can raise concerns about health and safety risks in a timely fashion, safely and confidentially. To provide for quick and effective remedy protecting

anonymity, real and perceived impartiality, protection from reprisal and independent decision-making in complaint resolutions without interference in these matters from RSC Directors.

9. To promote better Industrial Relations (IR) Skill Development, welfare and Environmental Sustainability, Pollution control, and climate positive initiatives.
10. To appoint qualified Safety Officers and support staff as required to implement the RSC program, and to appoint a Board of Directors, Advisory Council, an Executive Committee and other necessary sub committees to support the RSC governance and implementation of its programs.
11. To incur, bear and maintain all the cost and responsibilities for the operation, maintenance, and management of the company. The Company may purchase or acquire any material or property, liabilities and responsibilities as necessary to achieve the objectives of the Company.
12. All these objectives are to be interpreted in the broadest sense to do all that is connected therewith or may be conducive thereto and in a manner consistent with the Transition Agreement signed on 14 January 2020 between the BGMEA and the Accord.

IV. Revenue

The objectives set forth in any sub-clause of this clause shall not, except where the context expressly so requires, be in any way limited or restricted by reference to or inference from the term of any other sub-clause or by the name of the company. Further declared that the objectives of the Company as set forth in this clause shall extend to the whole of Bangladesh or as may be decided by the BoD. The income and property of the Company, what, derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association of the Company and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus or otherwise or by way of profit

to the persons who at any time are or have been Members of the Company or to any of them or to any person claiming through any of them.

13. The revenue of the RSC may be constituted by service fees, funds, donations, gifts, legacies, contributions of any national or international lawful source and any other income of whatever nature.

14. The company may set up any business relation and contract with government, non governmental organizations, private organization, autonomous body or local government authority or foreign agency and may receive any local or foreign aid, donation and grant etc.

15. Pursuant to the aforesaid objectives, the Company may-

- a) Enter into any arrangement with the Government or any other authority, local, municipal or otherwise, public or quasi-public bodies that may seem conducive to the objectives of the Company and do all such other lawful things as are conducive or incidental to the attainment of the objectives and furthering the growth of the Company.
- b) Charge service fees and reimbursements for services and assistance provided for RMG and related industries and factories if and where deemed necessary
- c) Collect and receive funds for the smooth operation of the company from national and international stakeholders.
- d) Raise funds and accept donations, grants, loans or other financial assistance from any Government, Government agency, private or any other sources, institutions in Bangladesh and abroad for use in work consistent with the purpose and objectives of the Company: Provided, however, that the receipt of any such foreign loans or donations will be subject to Government approval on such terms as may be prescribed by the Government from time to time, excepting that for loans from domestic sources no such approval of the Government will be necessary.

- e) Establish pension/provident fund/benevolent fund/group insurance and/or any other fund for the benefit of the employees of the Company and provide other amenities and facilities to them.
- f) Acquire, takeover or accept by way of gift or purchase, the assets of any other organizations, bodies or societies with similar objects or undertake and accept the management of any endowment or trust fund set up with similar objects as that of the Company.

16. The company may open one or more accounts in any commercial scheduled bank of Bangladesh and may conduct all kinds of transaction. The Company shall open one STD account and one current account which shall be operated under two out of three signatures of the Managing Director, Director (Finance) and Head of Accounts. All drawing and disbursement will be regulated by the board of the company and for the implementation of above mentioned assignment company may purchase any movable, immovable property or any rights, with the consent of the board and the company may take loan from any person, organization, Company, bank, or any financial organization after mortgaging, keeping properties of the company as security.

17. The income and property of the Company derived, shall be applied solely towards the promotion of the objects of the Company as set forth in this Memorandum of Association of the Company and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend or bonus or otherwise or by way of profit to the persons who at any time are or have been Members of the Company or to any of them or to any person claiming through any of them.

V. Liabilities

18. That the liabilities of the members are limited.

19. Each Member undertakes to contribute to the assets of the Company in the event of its being wound up while he is a member or within one year afterwards, for payment of the debts and liabilities of the Company contracted before he ceases to be a Member, and of the charges and expenses of winding up, and for adjustment of the right of the contributors among themselves, amounting to tk. 1,00,000/-.

We the following legal persons, whose names, description and addresses are given hereunder, are desirous of being formed into a Company limited by guarantee and being an association not for profit, under section 28 of the Companies Act, 1994 and in pursuance of this Memorandum of Association:

Signature of the witnesses:

Dated: 19 May 2020

INCORPORATED UNDER SECTION 28 OF THE COMPANIES ACT, 1994

(ACT, XVIII OF 1994)

ARTICLES OF ASSOCIATION
OF
RMG SUSTAINABILITY COUNCIL

PRELIMINARY

1. a) The regulations contained in Schedule VII of the Companies Act 1994 shall apply to the company insofar as are not negated by the Articles which appear hereafter.
- b) The Rules and Regulations for the management of the Company and for observance by members thereof shall, subject to any amendments that may be made hereafter, be those contained in these Articles.
2. In the Memorandum of Association and these Articles, unless there be something in the subject or context inconsistent therewith:
 - a) 'Company' means "RMG Sustainability Council (RSC)". A not-for-profit special purpose company under Bangladesh law (Section 28 of the Companies Act, 1994), whose internal organization is governed by inter alia these Articles of Association;
 - b) 'Board of Directors' (BoD) means the governing and management board of the RSC;
 - c) "Directors" means members of the BoD.
 - d) "AGM" means Annual General Meeting
 - e) "MD" means Managing Director.

- f) “CEO” means Chief Executive Officer.
- g) “CSO” means Chief Safety Officer.
- h) ‘Office’ means the Registered Office of the Company.
- i) ‘Member’ shall mean the subscriber to the Company
- j) ‘Words’ imparting singular number shall include the plural and vice versa, and words importing masculine gender shall include feminine gender and vice versa.
- k) “ILO” means International Labour Organization.
- l) “DIFE” means Department of Inspections for Factories & Establishments created under Ministry of Labour & Employment (MoLE).
- m) “MoLE” means Ministry of Labour & Employment.
- n) “MoC” means Ministry of Commerce.
- o) “BGMEA” means Bangladesh Garment Manufacturers & Exporters Association.
- p) “BKMEA” mean Bangladesh Knit Manufacturers & Exporters Association.
- q) “Groups” means 3 of the constituent groups being group of brand representatives, group of industry representatives and group of trade union representatives.
- r) ‘Regulations’: means the regulations of the RSC as adopted by the Board, which shall govern together with these Articles of Association the internal organisation of the Company;
- s) “Convener” means neutral external facilitator of BoD meetings.
- t) “GCC” means Governmental Coordination Council.

- u) "Buyer" means any national or international traders buying RMG and related product from Bangladesh
 - v) Transition Agreement means agreed official version (including its appendices) as signed between BGMEA and Accord on 14 January 2020. .
 - w) Review Panel" means Review Panel of Government headed by the Inspector General of DIFE.
3. The business of the Company shall include all objectives expressed in the Memorandum or any of them.

MEMBERSHIP

4. Any corporate body of the "RSC" having subscribed to its objectives will be considered as a Member and will remain as Member with voting power in the AGM and shall be subscribers to its Memorandum and Articles of Association and also the corporate bodies who may hereafter be accepted in accordance with the provisions of these Articles as Members of the Company shall be its subscribers.
5. That total number of the founding Members of the Company will be three (3), representing each of the constituent stakeholder Groups.

CAPITAL

6. There will not be any capital of the Company. Expenditure will be incurred from the revenue of the Company. If there remain any balance then that will form a reserve fund. That fund will be used for the development and fulfillment of the objectives of the Company.

NATURE OF THE COMPANY

7. The Company shall be non-profit organization solely for promoting the objectives mentioned in the Memorandum of Association. The revenue of the property of the Company whatsoever derived shall be applied solely towards

the promotion of the objectives of the Company and no portion thereof shall be distributed amongst the Members of the Company as dividend or profit or otherwise.

BORROWING POWER

8. That the BoD if sees fit for the interest of the Company and if required the BoD can take loan from any bank or financial institution or from any source and can mortgage property or assets of the Company for that purpose.

GENERAL MEETING

9. The Company shall, in each year of the Gregorian Calendar, hold, in addition to any other meetings, a General Meeting as its Annual General Meeting (AGM) and shall specify the meeting as such in the notices calling it, at the place, time and date as the BoD may determine; and not more than fifteen months shall elapse between the date of one AGM of the Company and that of the next. The Company shall hold its first AGM within 18 months of its incorporation. The AGM may be called by thirty days notice in writing to priory specified contact data.
10. The abovementioned meetings shall be called Ordinary General Meetings, and all other meetings shall be called as Extraordinary General Meeting.
11. The following businesses shall be transacted in an Annual General Meeting:
 - a) Approval of the proceeding of the last Annual general meeting.
 - b) Approval of Annual Report.
 - c) Approval of audited Financial report and budget.
 - d) Appointment of auditor and fixing his remuneration, and
 - e) All other business as assigned by this Articles and the Company Act 1994
12. The BoD may, whenever they shall think fit, and shall upon a requisition made in writing, of such Directors as have, on the date of submitting the requisition,

not less than one third of the total voting power in relation to the issues on which the meeting is called, convene an Extraordinary General Meeting at the place, time and date as they deem fit. In the case of such requisition the following provisions shall have effect:

- a) Any such requisition shall specify the objectives of the meeting required and shall be signed by the requisitionists, and shall be deposited at the office of the Company.
- b) The Meeting must be convened for the purpose (s) as specified in the requisition, and if convened otherwise than by the BoD, for those purposes only.
- c) If the BoD does not proceed to cause a meeting to be held within twenty one days of requisition being deposited, the requisitionists or a majority of them may themselves convene a meeting to be held before the expiration of three months from the date of the deposit of the requisition.
- d) Any meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meeting are to be called by the BoD.
- e) Activities of the extraordinary general meeting will be considered as extraordinary assignment but approval of annual balance sheet and considering annual report of the auditors and directors, electing new directors and officers instead of retiring directors and other officers and fixing remuneration of auditors will not be considered as extraordinary assignment.

13. The Chairperson(s) of the BoD will preside over all General Meetings and Meetings of Board of Directors.

14. Not less than thirty days' notice to the Directors specifying the place, day and hour of the meeting, with a statement of the business to be transacted at the meeting shall be served in the manner in which notices are required to be served by Schedule 1 of the Act, and with the consent in writing of all the

Directors entitled to receive notice of some particular meeting, the meeting may be convened by a shorter notice and in any manner they think fit.

15. The Chairperson(s) may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for ten days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid, it shall not be necessary to give any notice of adjournment or of the business to transacted at an adjourned meeting.
16. At any General Meeting a resolution put to the vote of the meeting shall be decided by majority. All business of a general meeting must be first considered, endorsed and referred by the meeting the BoD of RSC.
17. If a poll is duly demanded, it shall be taken in such manner as the Chairpersons shall direct, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
18. On a poll, votes may be given either personally or by proxy: provided that a proxy shall be appointed in writing under the hand of the appointer and if the appointer is a body corporate, under its common seal. Provided further that a company shall not vote by proxy so long there is a resolution of its directors in accordance with the provisions of Section 86 of the Companies Act 1994.
19. No person shall act as a proxy unless he is appointed to act in the meeting as such. The instrument appointing a proxy shall be deposited at the registered office of the company not less than forty eight hours before the time of holding the meeting at which he proposes to vote.

RESPONSIBILITY AND POWER OF THE MEMBERS

20. Every subscriber to the Company will be considered as a Member and will have voting power in the Annual General Meeting. Being present in the Annual General Meeting, they will carry out their respective duties as per this Articles of Association of the Company and the laws in force in Bangladesh. List of Members and its details will be kept in the registered office of the Company. Company may change the type of membership with the prior consent of the BoD of the Company.

QUORUM OF GENERAL MEETING

21. For all purposes, the quorum for a General Meeting shall be presence of all Members represented in person or through proxy. No business shall be transacted at any General Meeting unless the quorum requisite shall be present at the commencement of the business.

BOARD OF DIRECTORS

22. The number of Directors shall be 18 (eighteen). That the following persons shall be the Directors of the first BoD of the Company and they shall remain in their post until voluntary resigns or otherwise become disqualified under the provisions of Section-108 of the Companies Act, 1994 or the nominating body cancels the nomination of the Nominee Director.
23. That the Company is going to be established at the initiative of the industry, brands and trade unions. The founding Directors from the industry being, Shafiul Islam Mohiuddin, ex-president of BGMEA, Dr. Rubana Huq, President, BGMEA, Miran Ali and Sharif Zahir, Directors of BGMEA and shall remain as Directors for a period of 5 years, and after the initial 5 years, will nominate, with the agreement of the BoD, 4 RSC Directors from the industry, including President BGMEA, and one ex-President of BGMEA.. These 4

Directors will be representatives of BGMEA. Also 2 more representatives from BKMEA will be included in the BoD and shall remain as Directors for a period of 5 years, and after the initial 5 years, will nominate, with the agreement of the BoD, 2 RSC Directors from BKMEA. The international buyer Brands and Global and local Trade Union shall each be represented by 6 Directors totaling the number of Directors on the BoD of the Company to 18. All Directors of the RSC will be representatives of their own organizations and will have no personal liability.

POWER AND RESPONSIBILITIES OF THE BOARD:

The power and responsibilities of the Board shall be:

24. (a) To carry out the aims and objectives of the Company and to oversee all inspections, training, and remediation monitoring activities done by the Company.
- (b) To frame and put into effect rules, regulations and bye-laws for the management administration, and for such purpose as are conducive to the promotion of the objects of the Company and to rescind or to alter such rules, regulations or bye-laws and to call Ordinary or Extraordinary General Meeting of the Company. This will include, implement and be consistent with the agreed terms of the Transition Agreement further specifying and interpreting the general terms of these articles.
- (c) To commence, institute, prosecute and defend all such actions and suits on behalf of the Company as may be deemed necessary or expedient, and to compromise or enter into arbitration in respect of any action, suit or dispute or differences.
- (d) To appoint, dismiss, discharge, and terminate the service of senior management as per the relevant rules and regulations of the Company. In case of urgency, the BoD may suspend senior management and make temporary appointments and shall place the matter in the next meeting of the BoD for approval.

- (e) The BoD may meet together for the transaction of business, adjourn and otherwise regulate their meetings as they think fit and they shall meet at least once in every 3 (three) months. The Managing Director may request a meeting of the BoD at his own or at the request of six Directors, two from each Group and such request of the MD shall be placed to the Co-Chairpersons for necessary action.
- (f) The BoD may delegate any of its powers and responsibilities to the Sub-Committees comprised of advisors and Directors of the Company.
- (g) At least 30 (thirty) days notice for a meeting of the BoD shall be given. In case of emergency, a meeting of the BoD may be called with a shorter notice.
- (h) A resolution in writing which has been circulated to all the Directors of the boD and assented to by all such Directors, shall be as valid and effective as if it had been passed at a duly called and constituted meeting of the BoD.
- (i) The proceedings of all meeting shall be recorded in minutes and the minutes approved by the BoD shall be accepted as a true record of the business transacted at the meeting. Minutes will be published on the RSC website if not otherwise decided by BoD.
- (j) The BoD will choose Independent 3rd party auditors for the purpose of auditing the RSC
- (l) BoD will ensure that Laws of the land is followed.
- (m) BoD shall require factories to respect the right of a worker to refuse work that he or she has reasonable justification to believe is unsafe, without suffering discrimination or loss of pay, including the right to refuse to enter or to remain inside a building that he or she has reasonable justification to believe is unsafe for occupation.
- (n) The BoD shall make publicly available and regularly update information on key aspects of the program, including:

- i) A single aggregated list of all RSC covered suppliers in Bangladesh (including sub-contractors). Information linking specific brands/buyers to specific factories will be kept confidential.
 - ii) Written Inspection Reports, which shall be developed by the CSO for all factories inspected under this program, shall be disclosed to interested parties and the public.
 - iii) Any factory that is not acting expeditiously to implement remedial recommendations shall be published on the RSC website in accordance with the Escalation Protocol.
 - iv) Quarterly Aggregate Reports that summarize both aggregated industry compliance data as well as a detailed review of findings, remedial recommendations, and progress on remediation and training to date for all factories at which inspections and training have been completed.
- (q) BoD shall require that RSC covered factories participate fully in the inspection, remediation, health and safety and training activities. If a supplier fails to do so, the CSO will promptly implement a notice and warning process in accordance with the Escalation Protocol leading to termination of the business relationship by participating brands and retailers and withholding of the Utilization Declarations (UDs) by the BGMEA/BKMEA.
- (r) The BoD shall ensure that there are credible, robust, and transparent procedures for the accounting and ensure proper management of all contributed funds.
- (s) BoD shall endeavor its best effort to determine service fees and regular funds from stakeholders and will supervise the proper utilization of such funds.

MEETING OF THE BOARD OF DIRECTORS

25. 6 (six) Directors shall be necessary for the quorum to transact the business of the BoD. 2 representatives from each Group i.e. 2 (two) representatives from industry, 2 (two) from brand representatives and 2 (two) trade union representatives are mandatory to form quorum. All decisions in the BoD meeting will be taken by consensus. In case the BoD cannot reach consensus, then the matter shall be referred to mediation conducted by the external neutral Conveners of the RSC BoD.
26. The Directors will be able to participate in BoD meetings remotely through video conference or any other electronic means of communication.
27. One of the two external neutral Conveners will convene the meeting of the BoD. Directors present will select one of the Chairpersons to preside over the meeting.

CHAIRPERSONS

28. Chairpersons shall be three Co-Chairs from each of the three Groups (industry, brands, unions) appointed by the BoD. The signature of the presiding Chairperson in any proceeding shall be *prima facie* proof that the proceeding is valid and effective. The chairpersons will nominate two neutral conveners who will on their behalf convene the BoD meetings. The meetings of the BoD shall be convened by the Convener(s). The tenure of the Chairpersons shall be 5 years.

MANAGING DIRECTOR

29. The BoD shall appoint a Managing Director of the Company who shall be a paid Director. The Managing Director will also be the Chief Executive Officer of the Company and the office of the Managing Director shall be independent in its function, reporting to the BoD.
30. The Managing Director shall have following duties and responsibilities:

- a) Generally, the Managing Director will manage and supervise all activities of the Company. In accordance with the approved budget, he or she shall appoint all staff, with the exception of the CSO and those referred to under clause 34.
- b) He or she will be able to place demand, file case or to realize demand in other ways on behalf of the Company and shall be able to realize demand and issue receipt and shall be able to realize dues from any party as per agreement signed with the Company and shall be able to file civil and criminal and other cases.
- c) With the prior consent of the BoD, he or she may obtain and acquire assets, rights, licenses, membership, certificate etc. for the Company and pay the cost incurred for that purpose.
- d) The Managing Director will be able to establish branch office and appoint representative(s) or sub representative(s) in any place of Bangladesh.
- e) He or she can buy and sell assets and properties of the Company with the approval of the BoD and Extra Ordinary General Meeting.
- f) The Managing Director as per decision of BoD can delegate any power to any Director or officer of the Company or any other competent person.
- g) He or she shall be entitled to give grant for the interest of public or for any other required purpose.
- h) The Managing Director will dispose of any demand, compromise out of court and can send or withdraw or revoke for arbitration and sign and execute any deed being appeared before the Registrar with the consent of the BoD. Managing Director will be able to issue special or general power of attorney to any person or company for the interest of the Company and he or she will have power to appoint one or more representative and will take active role in the criminal, civil, and revenue court, in the cases where the Company is impleaded either as Petitioner or as opposite party.

i) The Managing Director shall maintain and further develop an extensive fire and building safety training program. The training program shall be delivered by selected skilled personnel by the Training Coordinator at the facilities for the Safety Committees of the factories. These training programs shall cover basic safety procedures and precautions, as well as enable workers to voice concerns and actively participate in activities to ensure their own safety. Factories are required to provide access to their factories to train teams designated by the Training Coordinator.

(n) The Managing Director shall maintain and further develop a worker complaint mechanism that ensures that workers from RSC factories can raise concerns in a timely fashion about health and safety risks, safely and confidentially, with the independent Safety Complaints Handling Team.

(o) The Manager Director shall carry out any other duties and responsibilities as decided by the Board.

31. The BoD shall appoint or re-appoint the Managing Director of the Company after a period of 2 years. The BoD shall determine his/her salary and allowances and review periodically.

CHIEF SAFETY OFFICER

32. The BoD will appoint a Chief Safety Officer of the Company. The BoD shall determine his/her salary and allowances and review periodically. All technical functions including inspection, Detailed Engineering Assessment (DEA) review, testing, commissioning and remediation verification will be monitored and managed by the Chief Safety Officer (CSO).

33. The CSO shall have responsibility of overseeing all compliance related issues relevant to structural, electrical, fire, and boiler safety.

34. The CSO shall appoint and manage all technical safety staff.
35. Written Inspection Reports of all factories inspected under the program shall be prepared by the CSO within two (2) weeks of the date of inspection and shared upon completion with factory management, the factory's Safety Committee, worker representatives (where one or more unions are present in the factory), participating brands and retailers and the BoD. In the event that, in the opinion of the CSO, the inspection identifies a severe and imminent danger to worker safety, he or she shall immediately inform IG-DIFE, factory management and the BoD. The CSO shall inform the Review Panel for a decision on required (temporary) evacuation of the factory.
36. Where corrective actions are identified by the CSO as necessary to bring a factory into compliance with building, fire and electrical safety standards, the supplier, shall implement these corrective actions, according to a schedule that is mandatory and time-bound, with sufficient time allotted for all major renovations. At all times, Workers Safety shall remain paramount.
37. The CSO shall regularly prepare and update written Inspection and Progress Reports for all factories inspected under this programme to be disclosed to the public.
38. The BoD shall not restrict or otherwise interfere with the CSO's performance of duties, including the scheduling of inspections or publishing of reports. In the event that the BoD finds that the Chief Safety Officer has acted in a manner inconsistent with his or her mandate and there is evidence of incompetence or malfeasance, it may intervene as it sees fit and, if deemed necessary, may remove the CSO.

EXECUTIVE COMMITTEE

39. There shall be an Executive Committee, comprising of three Directors (one from each Group)) to oversee the work of the senior management, monitor the operating and financial performance of the Company, prioritize and allocate investment and resources. The Executive Committee shall ensure the senior

management implement RSC policies, procedures, and strategies adopted by the BoD and deal with operational matters of the Company under the supervision and control of the BoD. The terms of reference of the Executive Committee shall be determined by the BoD and reviewed periodically.

ADVISORY COUNCIL

40. There shall be an Advisory Council of the Company to advise the Board in all technical, legislative, knowledge, financial, policy advice and governance issues of the Company. The Advisory Council shall include, but not limited to: BUET, representative from Bangladesh Employers Federation (BEF) and one Former President of BGMEA, Non-Governmental Organisations, international experts, trade unions and brands. The members of the Advisory Council will be appointed by the BoD.

GOVERNMENT COORDINATION COUNCIL

41. There shall be a Government Coordination Council (GCC) consisting of senior officials of all relevant Ministries of the Government of Bangladesh to ensure RSC alignment and coordination with the regulatory functions of the Government of Bangladesh related to any activities of the RSC.

BANK ACCOUNT

42. That Company may open one or more accounts in any scheduled Bank of Bangladesh. That the STD account and current account opened on behalf of the Company shall be operated under the Joint signature of the Director (Finance) and Head of Accounts of the Company or as otherwise decided by the BoD. All drawing and disbursement will be regulated by the BoD.

PROFIT

43. If this Company gains any profit that would be spend for the development and fulfillment of the objectives of the Company and the Members shall not be entitled to any dividend.

SEAL OF COMPANY

44. As per Section- 78 (B) of Companies Act, common seal of the Company shall be kept under the custody of the Managing Director. This seal and signature will be considered as a true proof of execution of any document or deed.

ACCOUNTS AND AUDIT OF ACCOUNTS

45. The Managing Director will manage to keep account of debts and liabilities as per section 181 of the Companies Act, 1994. One or more Accountants/Auditors, with international reputation and unanimously appointed by the BoD, shall be appointed as per section-210 to 213 of the Companies Act, 1994 to audit the accounts of the company. Each account which has been audited and approved in the Annual General Meeting will be treated as final and if any fault is detected shall have to be amended speedily as early as possible.

AMENDMENT OF MEMORANDUM & ARTICLES

46. That the Company can amend its Memorandum and Articles of Association by adopting special resolutions. In case of alteration of the object clause to the Memorandum of Association of the Company, Company should obtain confirmation from the Hon'ble High Court Division of the Supreme Court of Bangladesh.

MEDIATION

47. If any dispute arises among the Company and Directors in respect of interpretation, scope, meaning and effect of the Memorandum and Articles of Association of the Company or if the BoD cannot reach consensus at BoD meetings then that matter shall be sent to a mediation to be conducted by one or both of the two external neutral Conveners of the BoD.

WINDING UP

48. The company may be winded up as per section 241 of the Companies Act 1994.
49. If upon winding up or dissolution of the company there remains, after satisfaction of all its debts and liabilities, any property whatsoever the same

shall not be paid to or distributed among the members of the company but shall be given or transferred to some other institution or institutions having similar objects of this company.

COMPENSATION & RESPONSIBILITIES

50. If the Directors face any loss in discharging responsibility for the interest of the Company and spend money, the company shall pay compensation to them, if such loss did not occur due to their intentional acts or negligence.

We the following legal persons, whose names, description and addresses are given hereunder, are desirous of being formed into a Company limited by guarantee and being an association not for profit, under section 28 of the Companies Act, 1994 and in pursuance of this Article of Association:

Dated: 19 May 2020

Signature of the witnesses: