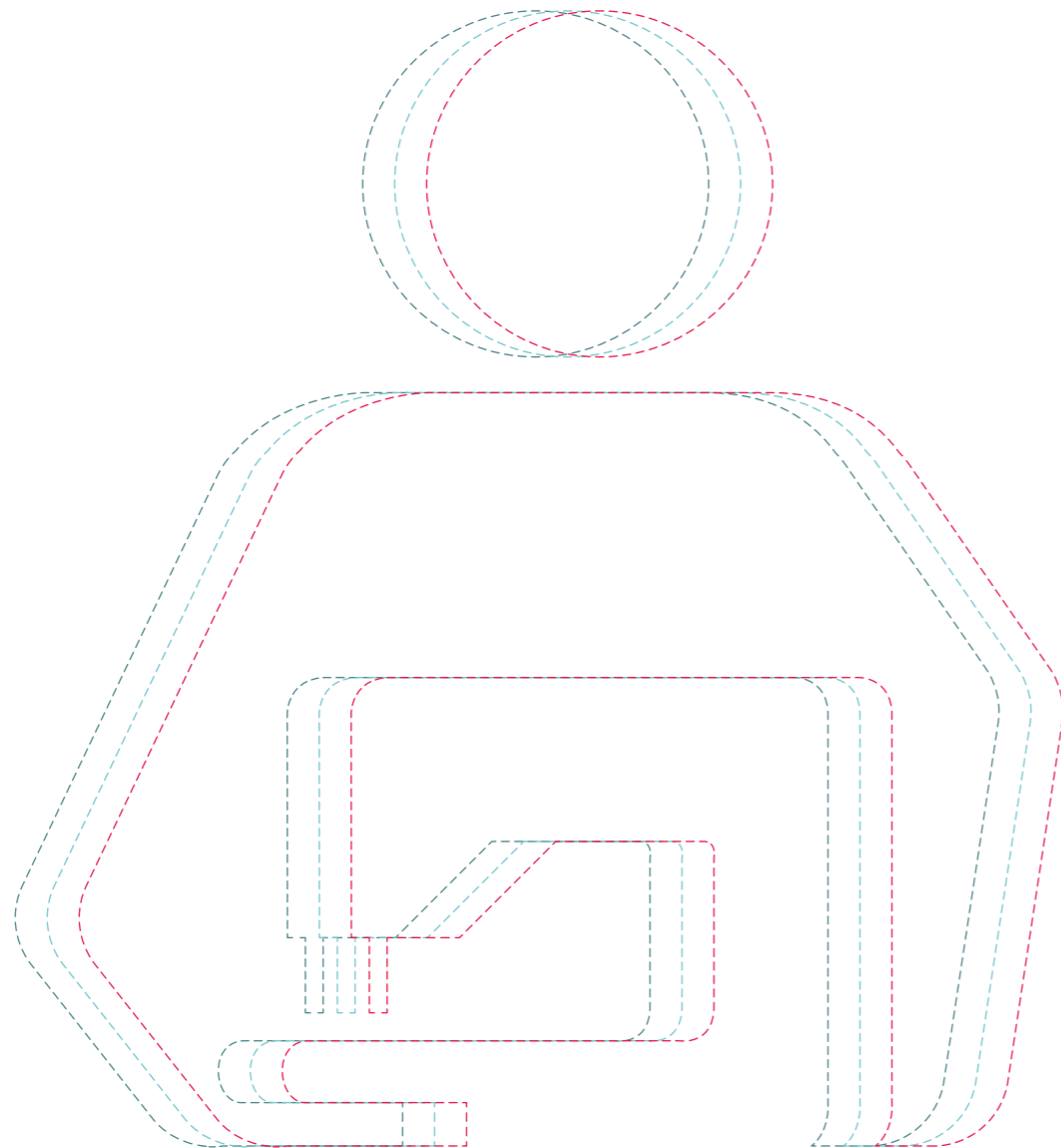




ANNUAL REPORT

2022



HEALTH AND SAFETY IN THE TEXTILE AND GARMENT INDUSTRY

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FOREWORD FROM THE EXECUTIVE DIRECTOR

The journey we embarked on as an organisation dedicated to worker health and safety in the textile and garment industry, has come a long way. In this annual report, we aim to capture the collective efforts of our signatories, stakeholders and staff over this past year, the challenges we faced, and the progress we have made to enhance workplace safety at facilities supplying Accord signatory companies.

Worker health and safety has been the cornerstone of the Accord since its inception in 2013. However, 2022 saw the start of a new chapter in this journey. Building on the groundwork laid in 2021, we undertook feasibility studies to explore Accord health and safety programs in at least one other major garment-producing country beyond Bangladesh. By the close of 2022 and following months of extensive consultations, we proudly announced the signing of the Pakistan Accord for Health and Safety in the Textile and Garment Industry, further extending our commitment to enhancing worker health and safety to the country's textile and garment industry.

In the following pages, you will read about the efforts undertaken toward the health and safety work in Bangladesh, and the origins of a new country-specific safety program (CSSP) in Pakistan.

Progress on Accord programs

The ongoing implementation of Accord signatories' commitments in Bangladesh through the RMG Sustainability Council (RSC) – the organisation implementing inspections, remediation monitoring, and workplace safety programs in Bangladesh since June 2020 – continued to make steady progress on establishing adequate health and safety measures for workers at Accord-covered facilities in Bangladesh.

Inspections and remediation

As the world came out of the shadows of Covid-19 in 2022, the onsite inspections at Accord-covered facilities in Bangladesh resumed as normal. In 2022, RSC engineers conducted a total approximately 4,600 inspections at Accord-covered factories.¹

By the end of 2022, the total remediation completion rate across 1,566 International Accord covered factories was 90%. The remediation rate decreased from 91% in 2021 to 90% in 2022 as our pool of covered factories increased and we started covering at least 200 new factories including extensions at existing facilities by December 2022. The decreased remediation rate may also be attributed to the backlog developed during the Covid-19 pandemic. While the positive remediation completion rate of 90% underscores an improvement in factory safety, much remains to be done.

By the end of 2022 workers at many factories were yet to have proper access to safe exits, fire alarm systems and workplaces with structural integrity.

Safety Committee and Safety Training Program

From March 2020 to the end of 2021, the workplace programs were implemented remotely to reduce the risk of spreading Covid-19. The Safety Committee trainings and meetings were conducted via teleconference, and the trainers distributed informational materials on Covid-19

1. These inspections include all factories that have been inspected in 2022. Any discrepancies in the numbers presented in the Accord and RSC Annual reports can be attributed to differences in their respective reporting cycles. The RSC Annual Report for 2021-22 encompasses the time frame from June 2021 to May 2022, while the Accord's reporting period spans from January to December 2022. These reporting periods account for the variations in statistics related to inspections, remediation efforts, and workplace programs.

prepared by the World Health Organisation (WHO) and the Government of Bangladesh. Onsite Safety Committee Training sessions were resumed by RSC trainers in December 2021.

By the end of 2022, the Safety Committee and Safety Training Program (SCST) had commenced at 1,230 International Accord factories with almost 2 million workers. Out of the 11,721 safety committee members in these factories, 10,705 completed the full 8 session training curriculum on workplace safety.

Complaints mechanism

Since its start in 2014, workers at covered factories had filed approximately 5,736 complaints through the Accord signatories' Complaints Mechanism by December 2022 (implemented by the RSC since June 2020). A wide range of issues were raised by complainants including fire and building safety related issues; workplace violence, non-payment of separation from employment benefits, and maternity pay and cover.

New worker health and safety program in Pakistan

Since the International Accord took effect on 1 September 2021, the signatory companies mandated the Accord Secretariat to conduct a feasibility assessment to explore new country programs beyond Bangladesh. The feasibility criteria for new country programs included, amongst others: the interest of brands, presence, and volume of signatory brands in the country, local stakeholder support, the extent to which existing mechanisms adequately regulate safety, and the extent to which there is scope to improve workplace health and safety.

Based on the outcomes of brands surveys, desk research and in-depth interviews conducted in 2021, Sri Lanka, India, Morocco, and Pakistan emerged as the four priority countries for new Accord programs.

In 2022, the Accord Secretariat met with key stakeholders from industry, government, trade unions, brands, and civil society in all four priority countries for in-depth stakeholder consultations. Based on this, the Accord Steering Committee agreed to proceed with drafting a program framework as a basis to further engage with Accord brand suppliers and other stakeholders, and to conduct pilot safety assessments to inform the possible start of an Accord program in Pakistan.

In December 2022, the signatories agreed to establish a new workplace safety program in Pakistan for an initial term of three years, starting in January 2023. The resulting agreement is called the Pakistan Accord on Health & Safety in the Textile & Garment Industry (Pakistan Accord) and outlines the envisaged program scope and key provisions to which company signatories commit. At the time of writing this report (November 2023), the Pakistan Accord had been signed by more than 80 global brands and retailers sourcing from Pakistan. The latest list of signatories can be found [here](#).

These brands together represent more than \$ 2.5 billion of export value, sourcing from more than 500 garment and textile facilities.

The Pakistan Accord builds on key elements of the International Accord, including promoting respect for freedom of association, an independent administration and implementation by the Accord offices, equal decision-making powers between brands and trade unions, a high level of transparency, provisions to ensure remediation is financially feasible, Safety Training and Safety Committee training and an independent complaints mechanism for workers. More details on the scope and key elements of the Pakistan Accord as outlined in Chapter 4: Implementation Progress of this report. The Accord signatories are committed to implement the Pakistan Accord in close collaboration with their business partners in Pakistan.



New International Accord 2023

At the time of writing this report, representatives from global trade unions and brands have agreed to renew the International Accord for an extended three-year term, with an automatic renewal of another three years making it the longest Accord commitment to date. The negotiations took place between July – October 2023. This renewed agreement builds upon the principles of the Accords from 2013, 2018 and 2021.

Key new features of the International Accord include:

- A framework agreement with the CSSPs for Bangladesh and Pakistan as Addendums.
- Participating brands will sign both the International Accord framework agreement and the relevant CSSP Agreements for their chosen countries (Bangladesh and/or Pakistan).
- A commitment to expand the work of the International Accord to other countries based on (i) up-to-date feasibility studies including relevant developments in garment producing countries, particularly heightened safety risks; and (ii) meeting pre-defined criteria, such as number of initial inspections completed and CAPs developed, related to the most recently established expansion country.

An Addendum for Bangladesh, the Bangladesh Agreement on Health and Safety in the Textile and Garment Industry was agreed to continue the commitments of the signatories to the health and safety program in Bangladesh, implemented through the RMG Sustainability Council (RSC).

Looking ahead

As we present the milestones and takeaways from 2022, we also consider 2023 as an important year that marks a decade since the Rana Plaza factory collapse in April 2013, and the signing of the first Bangladesh Accord in May 2013. With this anniversary, it is important to remember that the journey to worker health and safety is far from over. The road ahead remains filled with complex challenges to successfully implement our programs in Bangladesh and Pakistan and new opportunities to make a lasting impact in other garment producing countries where workplace safety risks persist. The health and safety of workers remains our mission and we are determined to make robust impact on improving health and safety within the garment and textile industry.

We want to express our gratitude to our signatories, staff, and all our supporters throughout the world and from diverse backgrounds. Our collective dedication and unwavering commitment have been the driving force behind the progress made by the Accord over the years.

We look forward to continuing the Accord's work in the coming years and expand our programs, starting with the Pakistan Accord, to more garment and textile factories, so they become and stay safe for millions of workers. We also look forward to continuing our engagement with policy makers, social partners, business and human rights constituents, and academia to support the Accord model of transparency and accountability and consider its relevance for sectors and countries.

Sincerely,
Joris Oldenzien,
Executive Director, International Accord

BACKGROUND TO THE INTERNATIONAL ACCORD

Purpose

The International Accord for Health and Safety in the Textile and Garment Industry promotes safe workplaces through independent safety inspections, training programs, and a complaints mechanism to address workers' health and safety concerns.

The International Accord is a legally binding agreement between more than 200 brands and two global trade unions, IndustriALL Global Union & UNI Global Union, to ensure worker health and safety within the textile and garment industry. It came into effect on 1 September 2021, as the successor to the 2013 and 2018 Accords on Fire and Building Safety in Bangladesh.

The Accord on Fire and Building Safety in Bangladesh 2013 (Bangladesh Accord)

The Accord on Fire and Building Safety in Bangladesh 2013 was created to advance workplace safety and address the prevalence of seriously harmful factory accidents in the textile and garment industry in Bangladesh. The agreement was initially signed by some 40 brands and retailers, two global trade unions, IndustriALL and UNI, and eight Bangladeshi trade unions, and many more brands and retailers joined shortly in the following months. Over 220 companies signed the five-year Accord, and by May 2018, the work of the Accord had contributed to significantly safer workplaces for millions of Bangladeshi garment workers.

The Accord on Fire and Building Safety in Bangladesh 2018 (Transition Accord)

To maintain and expand the achievements of the 2013 Accord, over 190 brands and retailers signed the 2018 Transition Accord with the global unions. The 2018 Transition Accord lasted three years and included a commitment to transfer the implementation of Accord programs to a national regulatory body. In May 2019, the Accord signed a Memorandum of Understanding with the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) to set up a national, tri-partite organisation governed by brands and retailers, trade unions, and manufacturing associations, the RMG Sustainability Council (RSC), to carry forward the achievements on workplace safety in Bangladesh.

International Accord for Health and Safety in the Textile and Garment Industry 2021 (International Accord)

This agreement was established in September 2021 as the International Accord for Health and Safety in the Textile and Garment Industry, initially signed by 77 brand signatories. By December 2022, the number of signatories to the International Accord had risen to 188.

The International Accord remains committed to the fundamental components that drove the success of the Accords of 2013 and 2018, including respect for freedom of association, independent administration and implementation, a high level of transparency, provisions to ensure remediation is financially feasible, Safety Committee training and worker awareness program, and an independent complaints mechanism for workers.

By signing the agreement, the signatories have committed to support the workplace safety programs in Bangladesh through cooperation with the RSC and establish Country Specific Safety Programs (CSSPs) in at least one other country based on the outcome of feasibility studies.

The International Accord is governed by a Steering Committee consisting of equal representation of trade union and company representatives, with two NGO witness signatories as observers.

Funding

Each signatory company contributes funding based on the number of factories producing for the company and in proportion to the annual volume of its garment production in Bangladesh (and other countries with new CSSPs), with a maximum contribution of €350,000 per year for each year of the term of the 2021 International Accord.

Transparency & Accountability

Transparency and accountability form the backbone of advancing workplace health and safety under the Accord. By publishing inspection reports and corrective action plans on a factory-by-factory basis, safety complaints and periodic reports of the Accord Steering Committee, the International Accord promotes transparency and accountability amongst brands, trade unions, factories and workers in the textile and garment supply chain.

As part of the signatories' commitment to transparency and accountability,² the International Accord publishes [Quarterly Aggregate Reports](#) and makes the following information public on its website:

- [The list](#) of International Accord-covered factories and their safety remediation progress, together with the status of the safety training program.
- [The list](#) of suppliers ineligible³ for business with Accord signatory companies, due to failure to implement workplace safety measures.
- [The complaints](#) raised by workers and their representatives with the Accord signatories' complaints mechanism.

2. International Accord Article 28.

3. <https://internationalaccord.org/factories/#factory-search> Apply filter 'Remediation status: ineligible'.

INTRODUCTION

The International Accord promotes safe workplaces through independent safety inspections, factory remediation, training programs, and a complaints mechanism to address workers' concerns on occupational health and safety.

Alignment with the UN Guiding Principles

The International Accord aligns with the UN Guiding Principles (UNGPs) on Business and Human Rights. Through the workplace safety programs, brands seek to prevent and mitigate risks at garment and textile factories, prioritising one of the most salient human rights risks in their supply chains: the risk to loss of lives and irremediable injuries by fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures.

The Accord Complaints Mechanism, now implemented by the RMG Sustainability Council (RSC) in Bangladesh, meets the effectiveness criteria for Non-Judicial Grievance Mechanisms (UNGP Article 31, Pillar III – Access to Remedy). In 2020, the Accord Secretariat reviewed the effectiveness of the OSH Complaints Mechanism using the criteria for non-judicial grievance mechanisms prescribed by the UNGPs. A summary of this analysis is available [here](#).

Parties to the 2021 International Accord agreed to explore the expansion of the Accord's scope to cover other human rights due diligence (HRDD) requirements and set up a working group for this purpose. At the time of writing this report, the [HRDD Working Group has been established](#) with 10 brand signatories to identify human rights due diligence responsibilities issues that could potentially be addressed by the International Accord.

Continued commitment to workplace safety in Bangladesh

Signatories to the International Accord continue their commitment to promoting safer garment and textile factories in Bangladesh through the RSC. The RSC is an independent, national, and tri-partite safety monitoring organisation for the Ready-Made Garment (RMG) sector in Bangladesh that continues to implement the safety inspections and remediation program, safety committee and safety training program, and the complaints mechanism previously implemented by the Accord liaison office. The signatories recognise the independence of the RSC and share a common vision for the growth of the RSC to becoming a sector-wide program in Bangladesh.

The work of the RSC, as stipulated in a Transition Agreement and Article 24 of the Articles of Association, builds on the operations and protocols of the 2013 and 2018 Accord on Fire and Building Safety in Bangladesh, including inheritance of the Accord's Bangladesh based assets and human resources, protocols, procedures, and standards, as agreed between the 2018 Accord Steering Committee and the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) in the Transition Agreement signed in January 2020.

The Accord Secretariat in Amsterdam supports, coordinates, and liaises with the RSC to ensure that the brand obligations under the Accord agreement are fulfilled. The Secretariat is particularly mandated to monitor and enforce adherence by the signatories to the Escalation Protocol as it applies to their suppliers in Bangladesh, and to monitor compliance if a signatory's supplier indicates that completion of the remediation is not financially feasible. The Secretariat shall refer any cases of unmet finance requests to the International Accord Steering Committee (SC).

By the end of 2022, the programs implemented by the Accord Secretariat and the RSC covered over 2.3 million workers and approximately 1,566 factories in Bangladesh.⁴

4. This number includes the factories with the following statuses: Active, Inactive Responsible, Pending Closure (with responsible brands).



Signatories to the International Accord continue the health and safety program in Bangladesh through the RMG Sustainability Council (RSC). Photo: International Accord Secretariat

Exploring new country programs

From September 2021, the Accord Secretariat began feasibility studies with signatories and stakeholders to explore the potential and feasibility for health and safety inspections, factory remediation, and worker training programs in major textile and garment exporting countries beyond Bangladesh. From November 2021 to February 2022 the Secretariat conducted surveys of company signatories, desk research of industry data, and interviews with key stakeholders in the countries identified as potential priorities for expansion.

In February 2022 the Accord Steering Committee decided to conduct in-depth feasibility studies in four countries: Sri Lanka, Pakistan, Morocco, and India. Between March and October 2022 the Secretariat visited these countries to meet stakeholders for discussions on the feasibility and desirability of establishing safety programs aligned with the principles of the Bangladesh Accord across their garment and textile industries.

The **feasibility criteria** for determining where and when expansion is appropriate included:

1. Scope of safety risks and potential impact
2. Interest of brands and trade unions
3. The presence and volume of signatory brands in the country
4. Gaps in monitoring and enforcement of safety standards
5. Support from key local stakeholders, including government, industry, and trade unions
6. Opportunities for cooperation and capacity building
7. Costs associated with program implementation



Engineers conducting pilot safety assessments at factories in Pakistan. Photo: International Accord Secretariat

Based on an assessment of these criteria, the Accord Steering Committee agreed to conduct pilot inspections as part of the feasibility study in Pakistan to inform the possible establishment of a workplace safety program there.

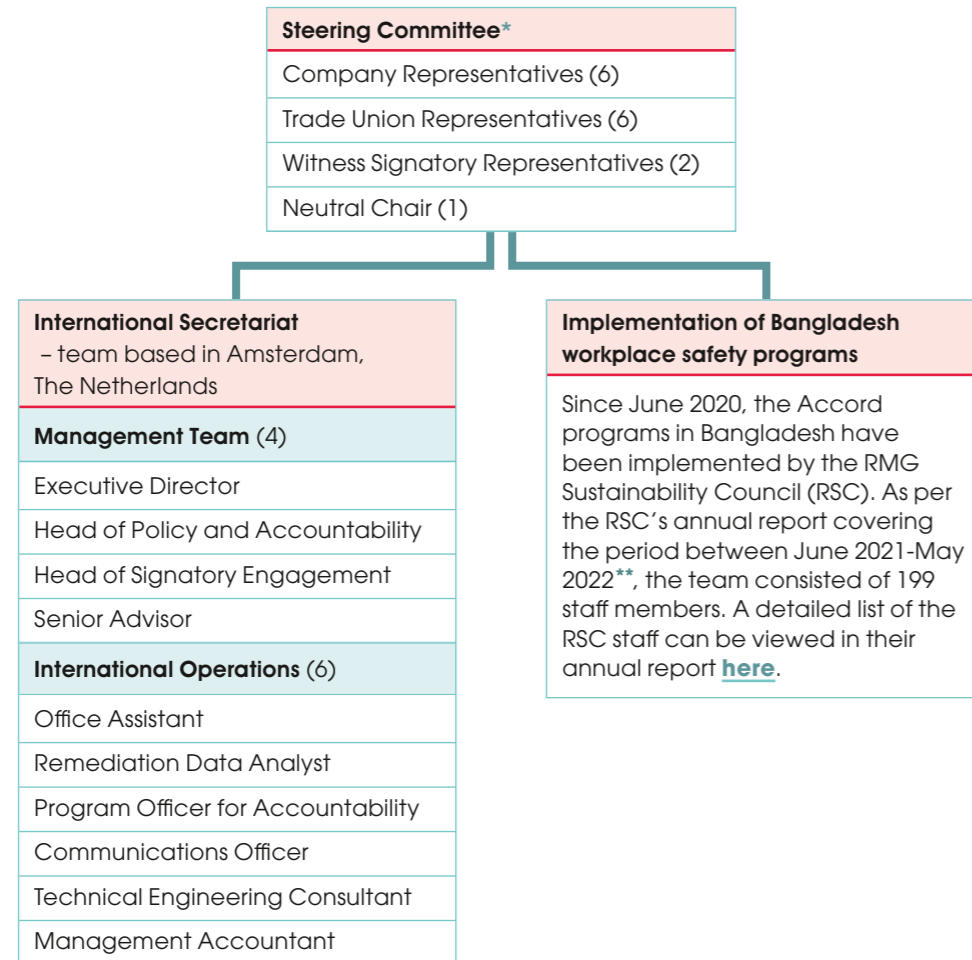
The International Accord and a team of the engineering company, Arup, conducted pilot safety assessments at seven garment and textile factories in Karachi and Lahore, Pakistan, between 28 November to 9 December 2022. The engineers evaluated the existing fire, structural, electrical, and boiler safety measures at these factories to inform the possible establishment of a new workplace safety program there.

In December 2022, the International Accord Steering Committee agreed to set up a new country program in Pakistan. The Pakistan Accord for Health and Safety in the Textile and Garment Industry was presented and explained to the Accord brands at a Brand Caucus meeting on 14 December 2022. At the time of writing this report, the International Accord Secretariat is working with brands, trade unions and stakeholders in Pakistan to roll-out the Pakistan Accord across the 500+ facilities producing for Pakistan Accord signatory companies. The Accord has appointed the senior management positions including the Chief Safety Officer, established its office in Karachi, and commenced with the initial inspections program.

Chapter 4: Implementation Progress of this report includes detailed information about the Pakistan Accord.

IMPLEMENTATION PROGRESS

Organisational development



Accord organogram
(as of 31 December 2022)

* The Accord Steering Committee comprises three representatives and three alternates each from both the brands and unions. You can find the list of the Steering Committee representatives and alternates in the Board of Directors section of this report.

** Read the RSC's Annual report here:
<https://www.rsc-bd.org/storage/app/media/RSC%20Annual%20Report%202021-22.pdf>

Developments in governance

Articles of Association

In February 2022, the deed to amend the name of the Foundation to International Accord and the Articles of Association to reflect the content and purpose of the International Accord was passed. The amendments incorporated the renewed objectives of the Foundation, namely the establishment of new workplace safety programs and the potential expansion of the agreement's scope to address additional Human Rights Due Diligence (HRDD) issues in the textile and garment industry.

Steering Committee Elections

Given the change in composition of the company caucus and the new mandate of the International Accord Steering Committee (SC) under the 2021 International Accord, a new round of SC elections was held between February-March 2022. This election aimed to provide all brand signatories an opportunity to nominate representatives for a position on the SC. Company signatory representatives were invited to apply for one of the Steering Committee Board positions or one of the Steering Committee Alternate positions.

Following the call for nominations in February-March 2022, we welcomed **Jorge Alonso Campo from Inditex** and **Michael Reidick from C&A** as new additions to Steering Committee and expressed our gratitude toward Indalecio Perez from Inditex and Bernardo Cruza from El Corte Ingles for their contributions to Accord SC over the past years.

The Accord Governance Regulations provide that the Steering Committee is the executive decision-making body of the International Accord Foundation. It exercises all powers of the Foundation, including but not limited to:

- Selection, contracting, compensation and review of the performance of the Executive Director.
- Oversight and approval of the Budget;
- Oversight of financial reporting and hiring of auditors;
- Oversight and approval of inspection program;
- Such other functions as are provided in the Accord; and
- Other such management duties as may be required.

Under the Governance Regulations, SC Company Members shall serve a term of two years. Upon the expiration of this two-year period, all six representatives of signatory companies serving on the SC shall be (re)appointed by the signatory brands through an election process. A candidate who receives the majority of votes cast for an open SC Company Member position will be (re)elected. In cases of only one qualified candidate applying, that candidate is automatically deemed elected.

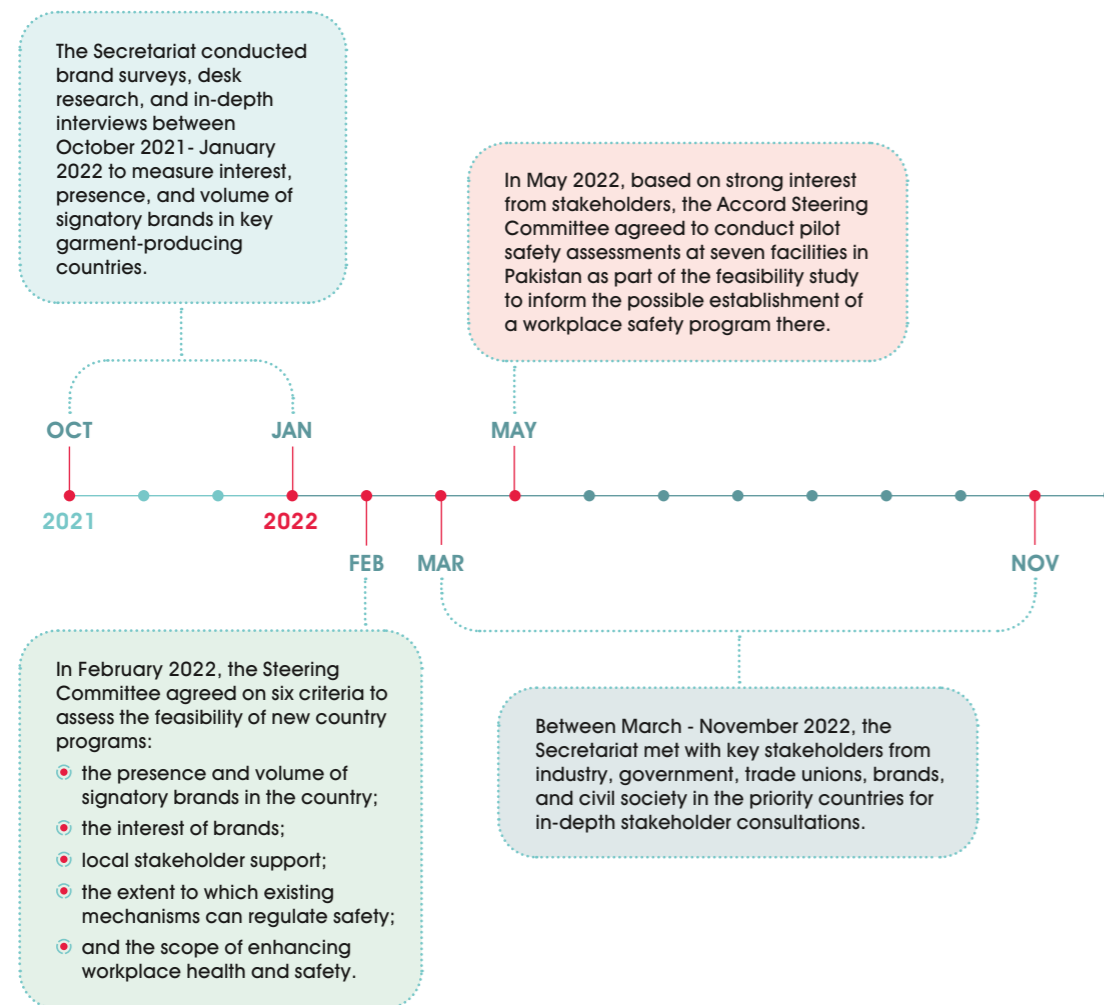
● Pakistan Accord on Health and Safety in the Textile and Garment Industry

Context

Assessing the feasibility of a program in Pakistan

Since October 2021, the Accord Secretariat has assessed the feasibility of expansion through signatory surveys, desk research, interviews, and local stakeholder consultations. Pakistan emerged as a priority country, in part because of its importance as a garment and textile sourcing country for the Accord brands, the opportunity to improve factory safety standards and support local capacity-building efforts to comply with international Occupational Safety and Health (OSH) standards.

The feasibility study included the following steps:



Engineers conducting pilot safety assessments at factories in Pakistan.
Photo: International Accord Secretariat



Pilot safety assessments

The International Accord pilot project was initiated in September 2022 with the goal of understanding the key considerations for establishing an effective safety inspection and remediation program with garment and textile suppliers in Pakistan. The main objectives of the pilot were:

1. To gain first-hand information on safety conditions in different types of factories.
2. To identify the common remediation challenges where support (technical, financial) may be needed.
3. To do preliminary assessment of engineering capacity to conduct safety inspections and support safety remediation in the industry.

The pilot activities included one-day safety assessments at seven garment and textile factories in Karachi and Lahore, meetings with a range of engineering and fire safety experts in Pakistan, and follow-up discussions on remediation feasibility with participating factories.

The report provides an aggregated summary of findings from the safety assessments, giving insight to the potential safety improvements needed in the wider industry. Key areas where measures are needed to ensure minimum life safety standards include:

- Structural design checks & preparation of accurate building drawings.
- Fire-separated construction and sufficient protected exit routes to allow safe egress in case of fire.
- Proper installation & testing of fire alarm & fire suppression systems to ensure full functioning in case of emergency.
- Electrical system design and installation conforming with code requirements, as well as maintenance & cleaning regimes to prevent electrical hazards.
- Maintenance and repair of boilers and their associated systems to mitigate the risk of serious accidents.

The pilot provided valuable insights to safety conditions in the garment and textile industry in Pakistan and areas where suppliers may need most support to meet and maintain safety standards. In addition, it gave the Accord an indication of how to work with various stakeholders to develop an effective safety inspection and remediation program for all factories in Pakistan supplying to Accord signatory companies.

The detailed findings from the Pilot Factory Assessments can be downloaded [here](#).

Announcing the Pakistan Accord

On 13 December 2022, the International Accord Steering Committee concluded an agreement to establish the Pakistan Accord. **The decision to expand to Pakistan was announced during a signatory brand caucus meeting on 14 December 2022.**

Joint Statement by Company Members of the International Accord Steering Committee

H&M, Inditex, C&A, PVH, and Bestseller



The International Accord is preparing for continued engagement with Pakistani stakeholders in the coming weeks, as we take steps towards the establishment of a Pakistan Accord office and the commencement of programs.

We, together with our Accord brands' colleagues, are committed to supporting our suppliers in meeting the highest safety standards. This includes efforts to establish local governance structures that ensure industry and local brand and union participation in decision-making in every phase of the program.

The International Accord aims to protect the health and safety of millions of workers while helping the industry achieve sustainable growth in exports. With the signing of the Pakistan Accord and our brands' commitment to this new safety program, we are renewing our commitment to a long-term sourcing relationship with Pakistan.

The Pakistan Accord provides an opportunity both to increase the visibility of the efforts already made by many manufacturers to invest in fire and building safety measures in recent years and deepen and expand them throughout Pakistan's garment and textile sector, making it an increasingly attractive option for buyers across the globe.

We encourage all brands around the world to sign the Pakistan Accord agreement and join us in our collective commitment to raise the safety standards at supplier factories in Pakistan.

Accord Steering Committee Member Brands,
BESTSELLER, C&A, H&M, Inditex, Otto Group, and PVH Corp.

Background

The Pakistan Accord on Health and Safety in the Textile and Garment Industry (Pakistan Accord) is a legally binding agreement between clothing brands & retailers and trade unions. It is a Country-Specific Safety Program (CSSP) of the International Accord for an initial term of three years, starting in 2023.

The full Pakistan Accord is available [here](#).

Goals

The Pakistan Accord aims to ensure worker health and safety in the garment and textile supply chains of company signatories sourcing in Pakistan. The health and safety programs under the Pakistan Accord will be established to achieve the following goals:

- Enhanced compliance with fire (including the handling of hazardous substances), electrical, structural and boiler safety standards within the Pakistan textile and garment industry.
- Trained safety committees and informed workers who address and monitor health and safety at factories.
- A trusted avenue for workers to raise health and safety concerns through an effective complaints mechanism.
- Collaboration with local government institutions, ILO - Better Work Pakistan and other similar initiatives to build capacity and enhance a culture of health and safety in the Pakistan textile and garment industry.

Scope

The Pakistan Accord covers all Cut-Make-Trim (CMT) facilities, namely all Ready-Made Garment (RMG), home textile, fabric and knit accessories suppliers, producing product for the signatory companies. Furthermore, fabric mills in Pakistan that are within the supply chains of the signatories are covered. The timing and process of implementing Pakistan Accord programs in fabric mills that are not part of integrated facilities shall be subject to agreement of the International Accord Steering Committee at a later stage.

At the time of writing this report, over 80 global brands and retailers including Inditex, H&M, Hugo Boss, Mango, KiK, and Puma had signed the Pakistan Accord. These brands source over US\$ 2,5 billion worth of goods from more than 500 facilities in Pakistan.

The latest list of Pakistan Accord signatories is available [here](#).

The list of covered factories in Pakistan is made public and regularly updated on the [Factories](#) and [Transparency & Accountability](#) pages of the Accord website.

Governance

The International Accord Steering Committee (SC), as the governing body of the International Accord, will monitor signatories' fulfilment of the Pakistan Accord and oversee management of the Pakistan Accord until a national governance body is established. The national governance body will be composed of national constituents including industry, brand representatives, trade unions and others upon agreement. The mandate and composition will be determined through a consultative process involving members of the International Accord Steering Committee and those constituents.

In addition, the Pakistan Accord intends to collaborate with national government institutions, ILO Better Work Pakistan and GiZ to build capacity in Pakistan and enhance a culture of health and safety in the industry.

Programs

The purpose of the Pakistan Accord is to promote workplace safety through independent inspections, remediation, training programs, and recognition of workers' rights to refuse unsafe work and raise health and safety concerns. The Pakistan Accord includes four key programs which will be rolled out in a phased manner at Accord covered factories, as per the summary of the Implementation Plan provided in the next section of this chapter.

The Pakistan Accord will implement the following programs at all covered factories:

1. Safety Inspections & Remediation Program

An independent Chief Safety Officer (CSO) expertly qualified in fire and building safety will execute the Pakistan program of thorough and credible safety inspections of all Pakistan Accord covered facilities. Factories will be assessed based on national and internationally recognised workplace safety laws and standards developed in consultation with local academics and experts.

After the initial fire, electrical, structural and boiler safety inspections, factories develop a Corrective Action Plan (CAP) with the support of brands, comprising remedial actions and timelines. Aligned with the Accord's transparency and accountability efforts, these CAPs will be regularly updated and published online.

2. Safety Committee & Safety Training Program

Building on the program enshrined under the International Accord, an extensive worker health & safety training program will be adapted and implemented through the Pakistan Accord. The training program will be delivered by skilled personnel for all workers in factories covered by the program.

This program will cover basic health & safety procedures and precautions, the importance of workers' rights to organize around health and safety, the role of safety committees to be established in Accord covered factories, and how workers address voice health & safety concerns.

The training program will be developed in consultation with stakeholders and factory training experts in Pakistan and is expected to include around 8 modules for the Safety Committee and 3 sessions for all employees, followed by ongoing support for the Safety Committees to effectively play their role in monitoring and upholding safety standards.

3. Safety Complaints Mechanism

The Pakistan Accord will establish an independent safety complaints mechanism for all workers working in factories supplying signatory companies to raise concerns about health and safety risks securely, confidentially and obtain remedy.

Workers and their representatives at Pakistan Accord-covered factories will have access to an independent complaints mechanism to remedy health and safety concerns. Workers will be able to raise complaints in a timely, secure and if they prefer, anonymous fashion. The complaints mechanism is one way to ensure workers' can exercise their right to refuse unsafe work and follows the principles for effective grievance mechanisms outlined in the United Nations' Guiding Principles on Business and Human Rights.

4. Capacity Building

The International Accord Secretariat will seek to collaborate and coordinate with the Provinces of Sindh and Punjab in the implementation of each parties' respective programs as they pertain to health and safety in Pakistan's textile and garment industry.

Funding of the Programs

Signatory companies will fund the Accord programs with each company contributing its equitable share according to a formula established by the SC subject to a minimum contribution of US\$2,500 and maximum contribution of US\$185,000 per year.

Implementation Plan - Summary

This Phased Implementation Plan for an Accord Country-Specific Safety Program in Pakistan was approved by the International Accord Steering Committee on 13 December 2022 to serve as a basis for further discussions with Pakistani stakeholders.

Background

Based on the outcome of the feasibility studies and Pakistan Accord, the Accord Steering Committee agreed on the phased implementation of the Country-Specific Safety Program (CSSP) for Pakistan from January 2023. The implementation of the Pakistan Accord will be subject to local stakeholder consultation and on the Steering Committee's assessment of completion of preceding phases based on success indicators. The Pakistan Accord's Implementation Plan may be adapted according to progress and local contingencies.

Purpose

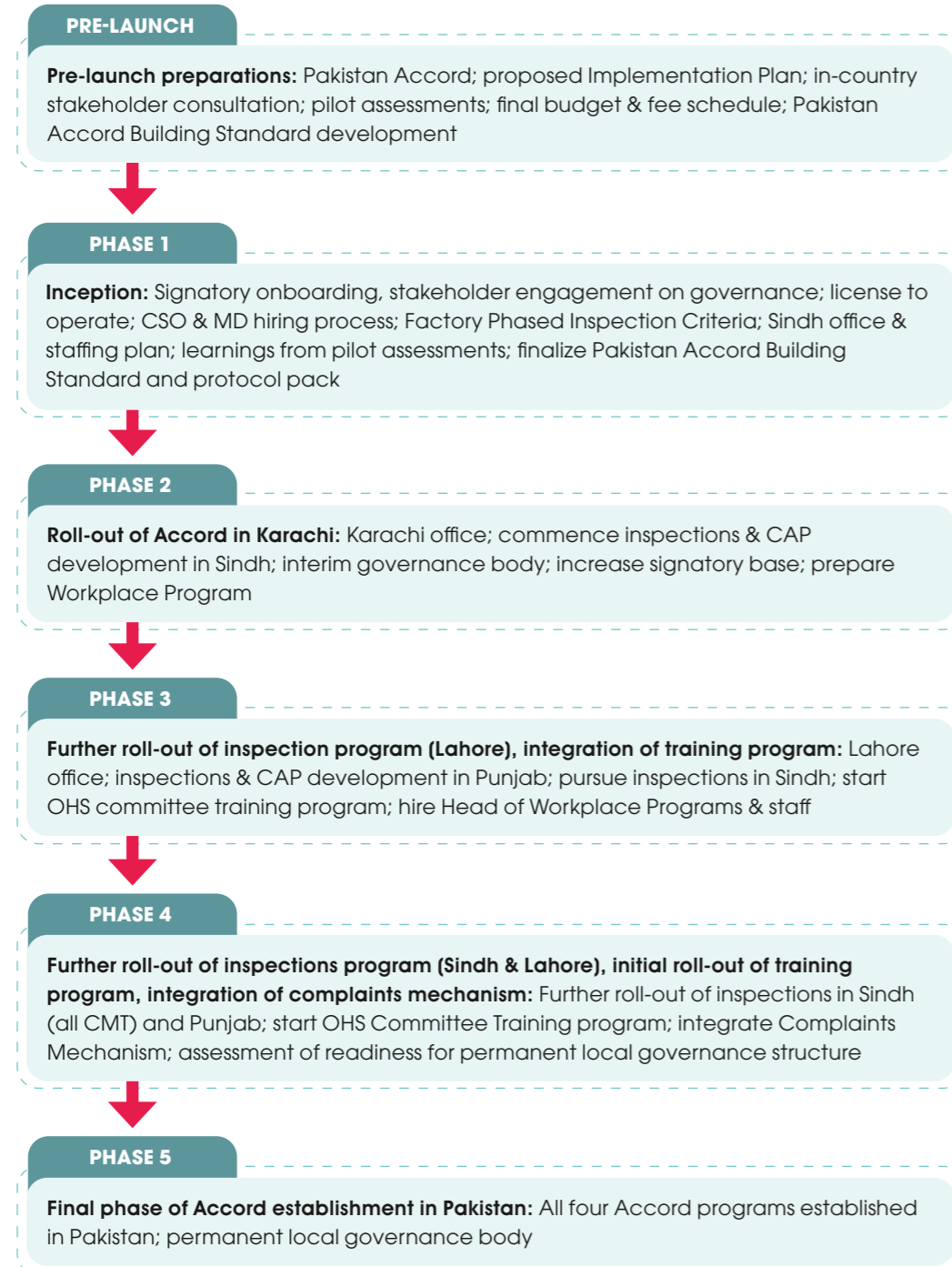
The purpose of this Implementation Plan is to ensure a realistic and phased approach to the establishment of an Accord in Pakistan with the support of key stakeholders. Based on the feasibility study, the following Accord programs will be implemented in Pakistan in a phased manner:

1. Inspections & Remediation
2. OSH Committee Training
3. Worker Complaints Mechanism
4. Capacity Building

This Implementation Plan also proposes the establishment of a local interim advisory body to form a permanent governance structure representing brands, industry and trade unions, and others upon agreement. Timing will be subject to progress in discussions with local stakeholders.

Phases

The Accord programs in Pakistan will be implemented in phases over the course of the three-year term of the Pakistan Accord, whereby after completion of each phase, progress is reviewed, and adjustments are made for the rolling-out of next phases in close collaboration with key stakeholders.



Independent inspections and safety remediation in Bangladesh

Inspections Program

All factories listed by International Accord signatory companies receive initial inspections and regular follow-up inspections to monitor and verify remediation. Following the initial inspection, factory owners with support from the company signatories develop a Corrective Action Plan (CAP) detailing the planned remediation with a clear timeline and financial plan. These CAPs are regularly updated and published online⁵ with details on remediation progress reported by factories and/or identified by engineers who have conducted follow-up inspections on fire, electrical, structural and boiler safety at factories covered by the International Accord.

At the start of 2022, RSC engineers had conducted over 26,368 follow-up inspections at covered factories in Bangladesh to monitor remediation progress and verify that the corrective actions had been completed correctly.

From September 2021, the International Accord Steering Committee decided to discontinue covering factories which were not supplying to Accord brands when the new agreement came into effect on 1 September 2021. Therefore, the Accord no longer reports on the follow-up inspections at such factories. The RSC continues to cover these factories which have no business with Accord brands. This change in scope partly explains the cumulative number of follow-up inspections rose to 30,798 by the end of 2022. As of 31 December 2022, 12,119 follow-up inspections were on fire safety, 11,763 on electrical safety and 6,916 on structural safety.

	1 JAN 2022	31 DEC 2022	
Fire	10,180	12,119	Breakdown of follow-up inspections as of December 2022
Electrical	10,502	11,763	
Structural	5,686	6,916	
TOTAL	26,368	30,798	

Targeted fire safety inspections

In addition to regular follow-up inspections, RSC engineers also conduct targeted inspections. The targeted fire safety inspections at covered factories include Testing & commissioning verification inspections (T&C VIs), Pre - T&C VIs and Negative Suction non-compliance-related inspections. By the end of 2022, Accord engineers (now RSC) had conducted over 1,148 Pre - T&CVIs, 915 T&CVIs, 230 T&CVIs final verification inspections and 247 negative suction non-compliance-related inspections at covered factories.

	TARGETED FIRE SAFETY INSPECTIONS	JAN 2022	DEC 2022
Targeted fire safety inspections at covered factories in 2022	T&CVIs	645	1,148
	Pre-Testing & commissioning verification inspections (T&CVIs) visits	793	915
	T&CVI Final Verification Inspections	116	230
	Negative suction non-compliance-related inspections	238	247
	TOTAL	1,786	2,540

5. Information about the CAPs for each Accord covered factory is available under the 'Factories' page of the International Accord website: <https://internationalaccord.org/factories/#factory-search>

Boiler safety inspections

A Boiler Safety Pilot Program in 2018-2020 found significant safety hazards including non-compliant or missing boiler components/parts and a lack of certification. In 2021, the RSC began integrating boiler safety into the inspection and remediation programs, through training an engineering team dedicated for boiler inspections and conducting the preliminary visual boiler inspections prior to more extensive inspections which require boiler shutdown for internal inspections and hydrostatic pressure tests. In 2022, RSC conducted 1,198 preliminary visual boiler inspections. This inspection program will continue at all International Accord-covered factories.



Temporary evacuations

Based on the Accord signatories' requirements, 84 factory buildings were temporarily evacuated since the inspection program began in 2014 through December 2022; out of which 6 such evacuations were in 2022.

These temporary evacuations took place as the initial or follow-up inspections revealed a severe and imminent risk of fire, electrical or structural hazards. Most of the temporary evacuations in 2022 were initiated due to fire incidents and cracks in structural columns.

In these cases, the RSC Chief Safety Officer required the responsible Accord company signatories to ensure the factory owner evacuates the building and stops production until it is determined the building is safe to resume work in.

Remediation Outcomes

The completion of safety remediation at the 1,566 factories supplying to Accord company signatories is monitored through regular follow-up inspections. The Accord Secretariat further conducts targeted remediation review meetings with individual signatory companies to identify high priority factories where remediation must be accelerated.

In 2022, the remediation progress of safety issues identified during initial and new inspections in International Accord covered factories was 90%, with 832 factories with a remediation rate above 95%.⁶ While the remediation progress at covered factories has been steadily increasing for

6. More information on the remediation status of the factories in Bangladesh is available on the 'Bangladesh' and 'Factories' pages of the International Accord website. <https://internationalaccord.org/countries/bangladesh/>

the past few years, this rise has been minimal. Thus, several factories have yet to ensure proper access to safe exits, fire alarm systems and workplaces with structural integrity. Additionally, 30% of the covered factories completed their initial Corrective Action Plans (CAP) in 2022, with 826 factories being behind schedule.

	FADS	SUPS	Progress and completion rates of common remediation items
Factories where FADS/SUPS is required	1,440	1,167	
Fire system verified as installed to standard and fully functional	426	281	
Fire system installation or verification outstanding	1,014	886	

Ensuring Remediation is Financially Feasible

The International Accord requires signatory companies to negotiate commercial terms with their suppliers which ensure that it is financially feasible for factories to maintain safe workplaces and comply with the remediation requirements instituted by the RSC's Chief Safety Officer. The Secretariat shall be informed and monitor compliance if a signatory's supplier indicates that completion of the remediation is not financially feasible.

Signatory companies use various mechanisms to make it financially feasible for their supplier factories to remediate including guaranteed order volumes for longer periods, higher volumes, soft loans, order pre-payment to improve cash-flow or direct cash assistance.

Finance requests

If remediation is not financially feasible, the factory and/or responsible brand(s) may raise a remediation finance request, which may be raised at any time during the remediation process. In such cases, the factory may indicate to the RSC or the Accord Secretariat, either verbally or via email, that the factory does not have the financial resources to remediate within the timelines set out in the CAP. The Factory Remediation Coordinator (FRC) is then tasked to inform the factory of the Accord's protocol and procedures, and the documents required to proceed with a finance request. The factory shall then confirm whether it wishes to proceed with raising the finance request.

The Accord Secretariat with the support of the RSC will strive to arrange a finance request meeting within 2 to 4 weeks from the factory having confirmed the request for support. The factory and all responsible Accord brands shall participate in this meeting, both active and inactive responsible brands.

Throughout this process, the Secretariat will be responsible for facilitating discussions between the factory owner/management and the responsible brand(s) and supporting in the establishment of a finance plan that ensures remediation is made financially feasible. The finance plan will include a work plan with remediation timelines agreed by the CSO.

If the factory provides all relevant documents in support of its request for support but the responsible brand(s) does not respond or the process does not result in a mutually acceptable agreement that ensures timely completion of the remediation, the Accord Secretariat will refer the finance request to the Steering Committee. The Steering Committee will review the finance request and decide whether the brand is in breach of its obligations under the 2021 International Accord. If the factory does not follow up or cooperate during the finance request process, the factory's request will be dismissed.

By December 2022, the Accord received 186 finance requests, out of which 76 have been resolved, 58 have been dismissed, and 10 are pending.

Factory Remediation Fund

The Accord Factory Remediation Fund was established in 2017 to support covered factories that no longer had any Accord signatory companies as customers. In July 2019, the Fund became available to all Accord-covered factories meeting certain criteria, including those that produce for Accord company signatories.

The funds made available through the Remediation Fund were distributed in several instalments, subject to factory cooperation, proof of payment towards remediation works, and verified completion of the remediation commensurate with each preceding instalment. The Factory Remediation Fund closed on 31 May 2020 and the International Accord Secretariat continues to monitor the Factory Remediation Fund disbursement, subject to a Fund Agreement with each factory.

Details on the status of the FRF as of 31 December 2022, are shared below:

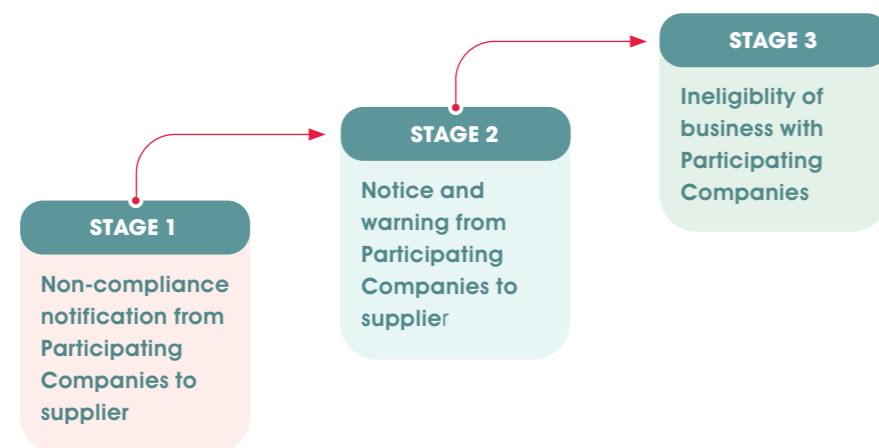
TOTAL FUNDING	DEC 2022
Committed	\$1,405,796
Disbursed	\$1,091,987

Funding status of Factory Remediation Fund as of December 2022

Non-compliant suppliers

Supplier factories failing to participate in the workplace safety programs prescribed by the legally binding 2021 International Accord between global companies and unions, go through a notice and warning (escalation) procedure under Article 30⁷ of the 2021 International Accord. As part of the Bangladesh-based functions transitioning to the RSC on 1 June 2020, the implementation of the escalation protocol and procedures has become the responsibility of the RSC Acting Chief Safety Officer (CSO), with the Accord Secretariat monitoring and enforcing adherence by the signatories to the Escalation Protocol.

The escalation procedure consists of three stages:



7. Under the 2013 and 2018 Accords, the notice and warning process was implemented in accordance with Article 21 and Article 16 respectively.

Examples of factory non-compliance that could trigger the implementation of the escalation protocol include:

- Refusal to temporarily evacuate a critically unsafe factory.
- A lack of progress in finalising corrective action plans or executing required safety renovations.
- Refusal to resolve worker complaints on occupational safety and health (OSH) issues.
- A lack of cooperation with Accord (now RSC) trainers, case handlers, OSH complaint handlers, and/or engineers.

Factory escalations and de-escalations in 2022	Count
Stage 1	242
Stage 2	110
De-escalations	328

If no action is taken following the first warning or the Accord signatories do not see adequate progress, the supplier factory will be escalated to stage two and the signatory companies in the factory will be required to issue a warning letter to the supplier. At this stage, mandatory meetings are held with the Factory Management, the responsible signatory companies, and the Accord Secretariat and the RSC to discuss the issue at hand. If the factory meets all the requirements within the specific timelines of the non-compliance notifications, the factory will be de-escalated. In 2022, 95 suppliers were de-escalated from Stage 1 and Stage 2.

If the requirements are not met, the factory will be escalated to stage three and signatory companies will terminate their business relationship with this factory and the factory becomes ineligible to produce for other Accord signatory companies. The application of group ineligibility, as applied until May 2019, means that the number of supplier factories ineligible for business with Accord signatories is larger than the number of factories escalated to stage three. As of 31 December 2022, the total number of ineligible supplier factories was 328. The application of group ineligibility was replaced by the commitment of the BGMEA and BKMEA to withhold issuance of the Utilisation of Declaration (UD) disallowing the factory to export their products.

Ineligibility for Accord company production applies for a minimum period of 18 months and until the conditions for requalification have been met. The Accord works with its company signatories to ensure that any affected workers are offered employment with safe suppliers. Factories made ineligible as per Article 24(a) of the International Accord are handed over to the Inspector General of the Government of Bangladesh’s Department of Inspection for Factories and Establishments. The factories’ inspection reports and Corrective Action Plans are handed over for the Inspector General’s attention and authority to address the ongoing safety concerns at these factories.

Workplace programs

Signatories to the International Accord recognise that factories cannot be maintained as safe workplaces without the active participation of workers. Through safety training, worker awareness activities and an independent complaints mechanism for workers and their representatives, the Accord signatories encourage workers at covered factories to help monitor and address safety in their factories on a day-to-day basis.

Under the International Accord, workers at covered factories have the following rights:

- The right to refuse unsafe work
- The right to participate in the work of their factory Safety Committee
- The right to file a complaint when they see a safety problem in their factory
- The right to protection against reprisal for reporting safety-related matters
- The right to Freedom of Association in relation to protecting their own safety

Safety Committee and Safety Training Program (SCST)

Joint labour-management Safety Committees at covered factories are trained to address and monitor workplace safety & health and all the workers in the factory are informed about essential workplace safety & health issues. Functional Safety Committees and an informed workforce are key to ensuring that factories become and remain safe workplaces.

Since June 2020, the Safety Committee and Safety Training Program is being implemented by the RSC. This training programs⁸ covers basic safety procedures and precautions, as well as enables workers to voice concerns and actively participate in activities to ensure their own safety. Over 40 staff members in the Training department at the RSC focus on building these committees, making them effective in addressing and monitoring safety and health issues on a day-to-day basis, and integrating their responsibilities into the functions of the factory.



A Safety Committee Training in progress. Photo: International Accord Secretariat

8. More details about the programs can be found under the Workers section of the International Accord website: <https://internationalaccord.org/workers/>

The Safety Committee and Safety Training Program⁹ consists of the following components:

- Initial Meeting with Factory Management and signatories
- 8 Session Safety Committee Training Curriculum
- All Employee Meetings (AEMs)
- Factory walk-throughs
- Ongoing support for effective functioning of Safety Committees

From March 2020 to November 2021, the workplace programs were implemented remotely to reduce the risk of spreading Covid-19. The Safety Committee trainings and Safety Committee meetings were conducted via teleconference, and the trainers distributed to factories informational materials on Covid-19 prepared by the World Health Organisation (WHO) and the Government of Bangladesh. On-site Safety Committee Training sessions were resumed by RSC trainers in December 2021. Covid-19 measures were maintained during training sessions, including social distancing, wearing of masks, and non-attendance in case of symptoms.

Following an Accord Steering Committee decision on 27 April 2020, The Accord Secretariat requested all Lead Brands to provide their assigned factories with guidelines and examples based on the opinions and recommendations of global and Bangladeshi public health, OSH, and disease prevention experts. This communication included accepted measures to keep workers safe and prevent further spread of the virus. To ensure the Covid-19 measures were implemented, factories were requested to provide their Lead Brands with video or pictorial evidence, and to communicate the date of completing each measure.

By the end of 2022, the SCST program had commenced at nearly 1,230 International Accord factories with almost 2 million workers. Out of the 11,721 safety committee members in these factories, 10,705 completed the full eight session training curriculum on workplace safety.

From March 2020 and throughout 2021, All Employee Meetings (AEMs) to inform all workers in a factory about health and safety were suspended due to the pandemic. In January 2022, the RSC resumed on-site AEMs in an adapted format, whereby presentations on factory health and safety were made in the work areas of the factory with workers remaining at their workstations rather than congregating in one location. In February 2022 on-site AEMs were put on hold again due to a rise in Covid-19 cases and then resumed in March 2022 following the adapted format.

	All Employee Meeting 1: Safe evacuation and safety hazards in RMG factories	All Employee Meeting 2: Workers' rights and responsibilities with respect to a safe workplace	All Employee Meeting 3: Health hazards and the right to Freedom of Association in relation to health & safety	Number of covered factories where All Employee Meetings to inform workers of workplace safety had been conducted as of December 2022
DEC 2021	1,027	858	292	
DEC 2022	1,100	930	366	

9. As per Article 12b of the 2018 Transition Accord, the Accord Steering Committee decided that the Safety Committee and Safety Training Program shall include an 8th training session and a 3rd All Employee Meeting with a focus on common health hazards and the workers' right to Freedom of Association in relation to health & safety. These training elements have been rolled-out at factories starting in September 2019.

Safety and Health Complaints Mechanism

Signatories to the International Accord provide for an independent complaints mechanism at all covered factories. Through this mechanism, workers and their representatives can raise concerns on health and safety risks safely, and if they choose so, confidentially. The mechanism ensures that safety and health concerns at the covered factories are properly addressed and remediated, and that the right to refuse unsafe work is upheld.

Since June 2020, the complaints mechanism is operated by the RMG Sustainability Council (RSC), following the same procedures to handle complaints as developed by Accord signatories under the 2013 and 2018 Accord. Workers who utilise the Safety and Health Complaints Mechanism or who exercise the right to refuse unsafe work must not face retaliation. In such cases, the Accord signatories require that such founded violations be remedied, failing which, the notice and warning provisions of Article 16 would apply. In accordance with our commitment to transparency, once a complaint has been closed, a short summary of the complaint is published on the International Accord website.¹⁰

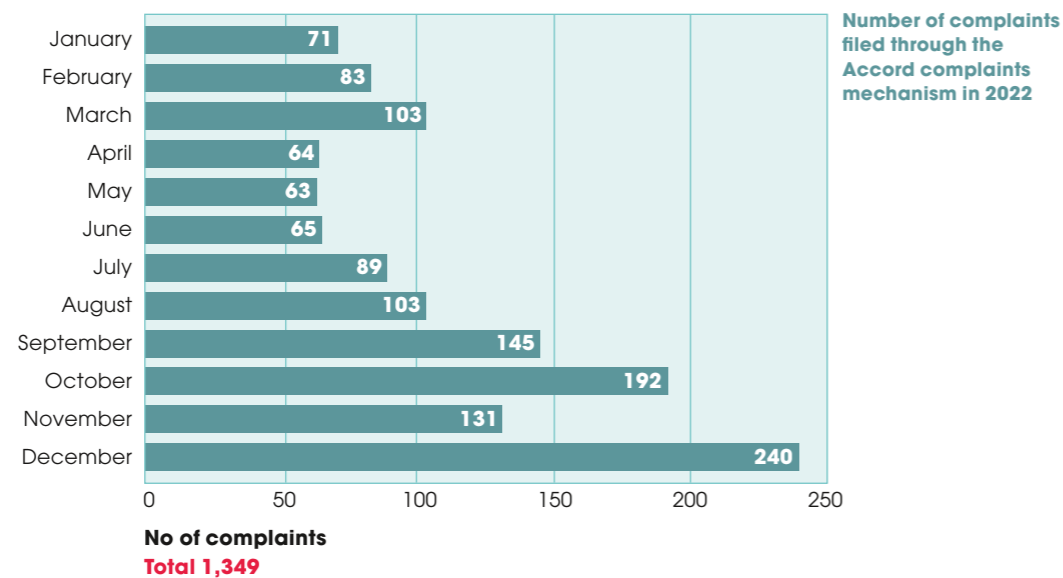
The independent complaints mechanism meets the effectiveness criteria for Non-Judicial Grievance Mechanisms (UNGP Article 31, Pillar III – Access to Remedy). In 2020, the Secretariat reviewed the effectiveness of this complaints mechanism using the criteria for non-judicial grievance mechanisms prescribed by the UNGPs. A summary of the analysis is available [here](#).

By the end of 2022, over 5,736 total (unique) complaints had been received under the Accord complaints mechanism. Of the total complaints received, the percentage of OSH-complaints is 37% and non-OSH complaints is 63%.

TYPES OF COMPLAINTS	NUMBER	PERCENTAGE
Occupational Safety & Health (OSH)	2,101	37%
Non-OSH (non-paid leaves, non-paid overtime)	3,635	63%
Total complaints (unique)	5,736	

Total complaints as of 31 December 2022: Nature of allegations

1,349 of the total (unique) complaints were registered in 2022, with the most complaints recorded in (Month).



10. <https://internationalaccord.org/workers/complaints-mechanism/>

By the close of calendar year 2022, 2,101 OSH-related complaints were filed by workers and their representatives at all factories with access to the International Accord complaints mechanism.¹¹ Out of which most complaints were working environment related.

Occupational Safety & Health (OSH) complaints received as of 1 December 2022: Nature of Allegations	Number
Engineering (structural/fire/electrical safety)	220
Covid-19	333
Working environment related (incl. unsafe drinking water supply, excessive heat, workplace violence, forced overtime, denial of maternity pay/leave rights, denial of sick leave, physical and sexual harassment)	1,487
Reprisal for having filed a complaint	49
Total OSH Complaints (unique)	2,089

Resolved	Number	Status of Occupational Safety & Health (OSH) complaints received as of 1 Dec 2022
	927	

Following an Accord Steering Committee decision on 28 April 2020, all complaints related to the Covid-19 health crisis are processed under the safety and health complaints mechanism. All Covid-19 related grievances are therefore included as complaints within the OSH complaints mechanism's scope in the statistics presented.

11. This number may include complaints from factories not covered by the RSC and/or the International Accord.

Stakeholder engagement

Engaging with Accord Signatories

All signatory, Brand Caucus and Regional Meetings

The Secretariat periodically conducts All signatory, Brand Caucus and Regional Meetings to inform signatories of developments regarding Accord implementation, discuss priorities for remediation completion, and share good practices. In 2022 the Accord Secretariat conducted two All Signatory Meetings, two Brand Caucus Meetings, and seven Regional Meetings. The meetings were held remotely through video conference and in hybrid form (in-person/on-line) in Amsterdam, Düsseldorf and London to accommodate for interaction with all regional clusters of signatory companies.

The agenda of these meetings mainly centered around informing brands about the progress on the in-depth feasibility studies across Pakistan, India, Sri Lanka, Morocco. In addition, the Secretariat, Accord Steering Committee and the RMG Sustainability Council (RSC) provided updates on the budget and finance on Accord operations.

Collective Efforts to drive Remediation Progress

Accord company signatories work closely together to drive remediation progress at factories. For every factory, the Accord nominates a Lead Brand to liaise with the factory on behalf of all the Accord companies responsible for remediation at that factory. This approach has allowed each company to focus their time and efforts on driving remediation in a subset of their factories. The Lead Brand is expected to visit or speak with their assigned factories regularly to discuss which safety remediation work is not yet completed and to ensure the factory receives any technical guidance they need to continue. Many companies have recruited engineers to carry out these visits and support factories in implementing their remediation. The Lead Brands are in close communication with Accord teams to update on progress which also helps the Accord prioritise follow-up inspections and verification. If a Lead Brand is concerned at lack of remediation progress, they call a meeting with the Factory Management, all Accord companies sourcing from the same factory and the Accord team to work out a realistic plan to address the factory's challenges. In this way signatory companies maximise their impact through one-to-one engagement with factories via the Lead Brand or as a collective where necessary.

Remediation Review Meetings with Signatory Companies

In 2015, the Accord Secretariat began a series of targeted remediation review meetings with signatory companies. The aim of these meetings is to support companies in implementing the Accord effectively by sharing leading practice, using the Accord data to prioritise factory engagement and to drive CAP completion. These meetings are also an opportunity for the Accord to provide specific guidance to individual signatory companies, adapted to the specific way that each company operates (e.g., retailer or importer, with or without local staff in Bangladesh). Remediation review meetings can be initiated by either the Accord Secretariat or the signatory companies, as they see fit. In 2022 the Accord held one remediation review meeting, with the intention to organise more sessions in 2023. At the time of writing this report, the Accord has organised at least five remediation review meetings in 2023 comprising detailed discussions with brands on how they can prioritise factory engagement, and drive CAP completion at their supplier facilities.

Witness Signatories' Support for Accord Expansion

In addition to trade unions and brands, the Accord was signed by four witness non-governmental labour rights organisations: Clean Clothes Campaign (CCC), the International Labour Rights Forum (ILRF), the Maquila Solidarity Network (MSN) and the Worker Rights Consortium (WRC). These organisations actively support the implementation of the Accord through CCC and WRC participation as observers in the Accord Steering Committee and through their engagement with their Bangladeshi partners. In 2022, the witness signatories advocated for the expansion of the Accord's health and safety work to the Pakistani textile and garment industry.

Engaging with Stakeholders in Priority Countries for New Accord Programs

Since the International Accord took effect on 1 September 2021, the signatory companies mandated the Accord Secretariat to conduct a feasibility assessment to explore new country programs beyond Bangladesh. The feasibility criteria for new country programs included, amongst others: the interest of brands, presence, and volume of signatory brands in the country, local stakeholder support, the extent to which existing mechanisms can regulate safety, and the extent to which there is scope to improve workplace health and safety.

Based on the outcome of brands surveys, desk research and in-depth interviews conducted in 2021, Sri Lanka, India, Morocco, and Pakistan emerged as the four priority countries for new Accord programs. In 2022, the Accord Secretariat met with key stakeholders from industry, government, trade unions, brands, and civil society in all four priority countries for in-depth stakeholder consultations.



DIRECTORS' STATEMENT

2022 was yet another milestone year in the Accord's journey.

Following a year-long feasibility study on setting up new Accord programs initiated after the International Accord was renewed in September 2021, we decided to set up the Pakistan Accord on Health and Safety in the Textile and Garment Industry (Pakistan Accord).

The Pakistan Accord is a legally binding agreement between clothing brands & retailers and trade unions. It is a Country-Specific Safety Program (CSSP) of the International Accord for an initial term of three years, starting in 2023. On 13 December 2022, the International Accord Steering Committee concluded an agreement to establish the Pakistan Accord. The decision to expand to Pakistan was announced during a signatory brand caucus meeting on 14 December 2022.

The Pakistan Accord builds on the principles that drove the success of the Accord, including respect for freedom of association, independent administration and implementation, a high level of transparency, provisions to ensure remediation is financially feasible, Safety Committee training and worker awareness program, and an independent complaints mechanism for workers. At the time of writing this report, the Pakistan Accord has been signed by over 75 global brands and signatories.

As the Accord prepared for a new program in Pakistan, the health and safety work in Bangladesh was continued by the RMG Sustainability Council (RSC). By the end of 2022, the total remediation completion rate across the 1,566 Accord covered factories was 90%.

The Safety Committee and Safety Training Program (SCST) had commenced at 1,230 International Accord factories. Out of the 11,721 safety committee members in these factories, 10,705 completed the full 8 session training curriculum on workplace safety. By 31 December 2022, almost 2 million workers had participated in the SCST program which commenced in September 2015.

The number of complaints submitted to the Accord OSH complaints mechanism increased/decreased in 2022. By the close of calendar year, workers and their representatives had filed 2,101 complaints at Accord covered factories with employment benefits, wages and covid-related grievances emerged as the key grievances.

We publish herewith the financial report for the year ending 31 December 2022, highlighting a surplus on income over expenditure of \$1,110,027. A deficit of app \$0.7 million was budgeted. The positive variance is primarily attributed to the following:

• Less costs:

- **Bangladesh operations**

The actual RSC expenses are accounted for based on contractual disbursements. These are quarterly disbursed in advance of the quarter. The budget was based on the expected monthly costs in Bangladesh. The contribution of the International Accord to the RSC's budget decreases over years as the industry associations in Bangladesh committed to an increasing percentage of the RSC budget up to 50% in five years since 2020.

- **Country Specific Safety Programs (CSSP)**

Less expenditure on pilot inspections, as pilot inspections were only conducted in Pakistan, not in other CSSP countries.

The budget for the financial year ending 31 December 2023 was expected to generate a deficit of \$ 2,242,828.

This would have resulted in having a General reserve of \$ -241,321 by the end of December 2023. However, this would have been the case if the International Accord would expire on 31 October with no extension. In October 2023, the signatories agreed to renew the agreement. This has resulted in additional income generated from the International Accord, Pakistan Accord, and Bangladesh Safety Agreement signatories.

In addition, the Pakistan Accord and contribution to the RSC show a significant underspent at the time of writing this report.

As a result, by December 2023, the financial position as of 31 December 2023 is expected to be between 900,000 and 1,100,000.

Alke Boessiger
Board Member (Alternate)
03 January 2024

Michael Reidick
Board Member (Alternate)
03 January 2024

FINANCIAL REPORT

2022

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1 BALANCE SHEET

	December 31, 2022	December 31, 2021
ASSETS	\$	\$
Tangible fixed assets	4,877	2,580
Receivables		
Debtors	750,513	310,818
Other receivables and accrued assets	34,651	1,264,662
	785,164	1,575,480
Banks and petty cash	2,408,749	1,616,940
	3,198,790	3,195,000
	December 31, 2022	December 31, 2021
LIABILITIES	\$	\$
General reserve		
Reserve value at January 1	891,480	3,045,681
Balance financial year	1,110,027	2,154,201-
	2,001,507	891,480
Current liabilities		
Creditors	7,656	29,937
Salaries, taxes, social contributions	19,461	13,833
Remaining accounts payable	55,001	35,571
Accounts received in advance	1,115,166	2,224,180
	1,197,283	2,303,521
	3,198,790	3,195,000

2 STATEMENT OF INCOME AND EXPENDITURE

	BUDGET		
	2022	2022	2021
INCOME	\$	\$	\$
Signatory fees	7,346,127	8,017,417	5,156,743
Credit interest	-	-	-
	7,346,127	8,017,417	5,156,743
<i>Total income</i>	7,346,127	8,017,417	5,156,743

	BUDGET		
	2022	2022	2021
EXPENSES	\$	\$	\$
General			
Personnel costs	847,925	1,106,536	1,163,383
Organisation costs	94,303	325,231	251,796
Banking and exchange difference costs	43,842	12,000	29,162
Group corporate costs	255,749	398,918	368,515
Bangladesh operations	4,701,818	6,308,662	5,498,088
Country Specific Safety Programs	292,462	608,000	-
	6,236,100	8,759,347	7,310,944
<i>Total expenses</i>	6,236,100	8,759,347	7,310,944
Result	1,110,027	741,930-	2,154,201-
Appropriation of result			
General reserve	1,110,027		2,154,201-

3 ACCOUNTING POLICIES

GENERAL

The financial report has been made in accordance with the Dutch Accounting Standard Board's Guideline RJK C-1 for 'Small Not for Profit Organisations'.

All assets and liabilities are stated at their face value, unless otherwise mentioned. Foreign currency amounts are valued against the exchange rate, using the website of the Belastingdienst. Exchange rate differences have been included in the result.

TANGIBLE FIXED ASSETS

Tangible fixed assets are valued at purchase price minus depreciation.

Depreciation of computers and laptops is 33.33%

LIQUID ASSETS

All cash and bank balances listed under liquid assets are discretionary.

ACCOUNTS RECEIVABLE AND ACCOUNTS PAYABLE

Receivables, liabilities and accruals are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

ACCOUNTING POLICIES FOR DETERMINING THE RESULT

Income

Income consists of signatory fees.

The signatory fee is calculated from a scale based on on the Brands FOB value of goods exported from Bangladesh.

Situation until August 2022

The signatory fees are invoiced for the period September-August. So 4/12th was income for 2021 and 8/12th is income for 2022.

Situation starting September 2022

The signatory fees are invoiced for the period September 2022-October 2023. So 4/14th is income for 2022 and 10/14th is income for 2023 (deferred income).

Result

The result is the difference between income on the one hand and expenses at historical cost on the other hand, taking into account the above valuation principles.

4 SPECIFICATION OF THE BALANCE SHEET: CURRENT ASSETS

Tangible fixed assets

1 January		
Purchase value	28,265	
Accumulated depreciation	25,685	
Book value		2,580
Changes during financial year		
Investments	5,148	
Depreciation	2,851	
		2,297
31 December		
Purchase value	33,413	
Accumulated depreciation	28,536	
Book value		4,877
	December 31, 2022	December 31, 2021
	\$	\$

Receivables

Debtors

Debtors	801,249	840,432
Provision doubtful debtors	50,736-	529,614-
	750,513	310,818

Debtors: \$801,249 is the outstanding amount by the end of 2022.

Other receivables and accrued assets

VAT	-	1,409
To be invoiced	236	1,216,790
Paid in advance	21,529	33,577
Deposits	12,886	12,886
	34,651	1,264,662

Banks and petty cash

ING EUR	304,183	180,324
ING USD	2,106,058	1,437,608
ING savings	-	-
Deposits in transfer	1,491-	992-
	2,408,749	1,616,940

EXPLANATION OF THE BALANCE SHEET: CURRENT LIABILITIES

	December 31, 2022	December 31, 2021
	\$	\$
General reserve		
<i>Accumulated reserves</i>		
Reserve at January 1	891,480	3,045,681
Result	1,110,027	2,154,201-
Reserve at December 31	2,001,507	891,480
<i>The result of 2022 is added to the General reserve.</i>		
Creditors		
Miscellaneous	7,656	29,937
	7,656	29,937
Salaries, taxes and social contributions		
Social taxes	19,461	13,833
	19,461	13,833
Remaining accounts payable		
VAT	4,396	-
Auditor	35,972	22,058
Remaining accounts payable	14,633	13,513
	55,001	35,571
Accounts received in advance		
Deferred income	1,115,166	2,224,180
	1,115,166	2,224,180

Deferred income is 3/7th of the invoiced signatory fees of the year September 2022 - October 2023 related to 2023.

• OFF-BALANCE-SHEET RIGHTS, OBLIGATIONS AND ARRANGEMENTS

Rent commitments

The International Accord Foundation has a rental agreement in the Netherlands for Prins Hendrikkade 25 2, Amsterdam which is for an indefinite period and has a notice of 6 months. The remaining obligations amounts to \$ 23,883, the amount payable within one year is \$ 23,883 and after five years \$ 0.

RMG Sustainability Council (RSC)

The Accord and the RSC signed a cooperation agreement for the period June 2020 to 31st May 2021 for an amount of \$ 6,6 million. Following the expiration of this cooperation agreement and the signing of the International Accord, the International Accord Foundation and the RSC signed a funding agreement for the period 1st September 2021 to 31st August 2022. The signatories to the International Accord agree to continue the health and safety program in Bangladesh through the RMG Sustainability Council ("RSC"). The International Accord Secretariat supports, coordinates and liaises with the operations of the RSC in order to ensure that the obligations under the International Accord agreement are met. For the first year of this agreement, the Foundation shall collect the funds necessary for the implementation of this agreement, including implementation costs for the parties. The Foundation will transfer the funds necessary to the RSC, as per the approved RSC budget. In 2022 a total of \$ 4,474,179 was transferred to the RSC.

Factory Remediation Fund

The Steering Committee developed a Factory Remediation Fund in 2017 for Accord-covered factories that require financial support to meet the International Accord's remediation requirements. The funds made available through the Remediation Fund are distributed in several instalments, subject to factory cooperation, proof of payment towards remediation works and verified completion of the remediation commensurate with each preceding instalment. The International Accord Secretariat monitors the Factory Remediation Fund expenditure and coordinates the disbursements of each fund instalment.

As per 31-12-2022 the total outstanding commitments (contractual agreed amounts minus disbursements) amounts to \$ 87,700.

Litigation filed by Accord inspected factory owners or other parties

- 1) A money (damages) suit filed by a factory owner in May 2014 challenging actions taken by the Govt of Bangladesh over acute structural safety concerns identified in an Accord structural inspection, where the Accord is 1 of 7 co-respondents, in 2021 had negligible progress in the Bangladesh courts. At the close of calendar year 201, the case remained pending before the Court of Joint District Judge, Dhaka, Bangladesh. Accord views this case as primarily against the MoLE, Govt of Bangladesh. The MoLE, Govt of Bangladesh has formally submitted to the Court that the money (damages) suit is not maintainable in the law. Accord remains confident about the legality of its actions.
- 2) 1 local engineering firm providing structural engineering analysis services to Accord covered factories filed 2 writ petitions against the Accord after the Accord refused to accept work product of this firm from covered supplier factories. The Accord stopped accepting work product performed by this firm when it was discovered they had submitted fraudulent data in some of their structural analyses and had violated ethical practices of the engineering profession in their work. These 2 writ petition cases were ongoing, with no substantive developments, at the close of 2022.
- 3) In Oct. 2018, a factory owner filed a writ petition against the Accord in the Bangladesh High Court challenging the implementation of first stage notice & warning provisions related to the slow pace of safety remediation completion of one of the owner's factories. The case was ongoing at the end of calendar year 2022 with no court hearings held subsequent to the Oct. 2018 filing by the factory owner.
- 4) General comment on litigations / court cases: The Accord remains confident on its position related to the money (damages) suit (see point 1 above) given that GoB requirements related to the Review Panel were followed and that the GoB itself has formally stated the case is not maintainable under the law and is without merit.

The Accord is advised by our counsel that our positions related to the other above-described pending suits / cases are strong based on the merits or our arguments and associated facts and related to the fact that the Accord operations in Bangladesh have transitioned to the RSC on 1 June 2020.

In the event of a future court order going against the Accord and with the Accord office in Bangladesh legally closing in 2020, the petitioner would be required to attempt to enforce the order in the Courts of the Netherlands or would be required to file a separate case in the Courts of the Netherlands. The Accord is confident that our arguments and associated facts would prevail in any such legal actions filed in the Courts of the Netherlands.

5 STATEMENT OF INCOME AND EXPENDITURE - EXPLANATION INCOME

INCOME	BUDGET		
	2022	2022	2021
	\$	\$	\$
Signatory fees	7.346.127	8.017.417	5,156,743
	7.346.127	8.017.417	5,156,743
Credit interest	-	-	-
	-	-	-

Signatory fees 2022 is 8/12th of the total signatory fees of year 9 (2021-2022) and 4/14th of the total signatory fees of year 10 (September 2022 - October 2023).

• STATEMENT OF INCOME AND EXPENDITURE - EXPLANATION EXPENDITURES

EXPENSES	BUDGET		
	2022	2022	2021
	\$	\$	\$
Personnel expenses			
Gross salaries	416.098	453.003	608,552
Remuneration foreign employees	169.541	183.731	249,719
Social contributions	60.415	67.951	73,190
Pension contributions	40.395	45.851	67,228
Allowances	2.299	6.900	89,320
Received sickness pay	-	-	-
Severance liability & projected leave cash out	-	75.675	30,352
Temporary work-force/consultants	101.831	193.925	13,134
Travel & subsistence	39.549	66.500	19,791
Other staff costs	17.796	13.000	12,097
	847.925	1.106.536	1,163,383

● **STATEMENT OF INCOME AND EXPENDITURE - EXPLANATION EXPENDITURES (CONTINUED)**

There are 6 board members which are unremunerated.

The executive team consisted of 1 person in 2022

The average FTE for 2022 was 5.5 (2021: 6.6).

No severance liability was incurred, as the International Accord was signed in September 2021 and therefore the operations of the International Accord Foundation continued throughout 2022.

Less travel costs incurred because of a focus on establishing the Pakistan Accord instead of additional travel to other potential expansion countries.

Less expenditure on temporary work-force/consultants as Accord Technical Advisor was contracted less than budgeted as the Accord focused on the research and signatory engagement as part of the feasibility study on expansion.

EXPENSES	BUDGET		
	2022	2022	2021
	\$	\$	\$
Organisation costs			
Communications	36,439	50,167	80,227
Rent	45,746	49,831	49,449
Office supplies	4,210	12,750	4,419
Computer maintenance and installation	4,329	4,000	5,494
Costs doubtful debtors	–	196,559	108,660
Insurances	728	8,625	707
Depreciation	2,851	3,300	2,840
	<u>94,303</u>	<u>325,231</u>	<u>251,796</u>
Banking and exchange difference costs			
Banking costs and exchange differences	43,842	12,000	29,162
	<u>43,842</u>	<u>12,000</u>	<u>29,162</u>

Costs doubtful debtors have been budgeted for, but actual costs have been less than in 2021 due to good debtor management with help from the Board members.

Banking costs are mainly due to the exchange differences in 2022.

	BUDGET		
	2022	2022	2021
	\$	\$	\$
Group corporate costs			
Brands and Steering Committee meetings	9,891	32,250	4,107
Website development and support	28,338	48,738	2,179
Public relations	16,014	13,625	8,968
Legal advise	26,695	74,056	70,618
Bookkeeping and payroll administration	21,057	29,250	31,160
Audit costs	34,475	28,000	36,012
Fair Factories Clearinghouse (FFC)	82,020	143,619	187,323
Insurances	27,259	29,380	28,148
Brands Association	10,000	–	–
Miscellaneous	–	–	–
	<u>255,749</u>	<u>398,918</u>	<u>368,515</u>
Bangladesh operations			
Meetings and business entertaining	–	–	–
Facilities	–	–	–
Motor pool	–	–	–
Supplies & equipment	–	–	15,275
Training	–	–	–
Consultants/contractor support	–	–	–
Inspections	–	–	–
Operations people costs	–	–	–
Inactive remediation fund	32,665	200,000	341,374
Travel and Subsistence	–	–	–
RSC expenses	4,669,153	6,108,662	5,141,439
	<u>4,701,818</u>	<u>6,108,662</u>	<u>5,498,088</u>

A smaller portion of the funds for the Inactive Factory Remediation Fund was accessed in 2022 in part due to the ongoing impact of the pandemic on the recipient factories' ability to advance / complete remediation and in part related to the suspension of field inspections (due to the pandemic) to verify completion of remediation required for distribution of subsequent tranches of funds to recipient factories.

The actual RSC expenses are accounted for based on contractual disbursements. These are quarterly disbursed in advance of the quarter. The budget was based on the expected monthly costs in Bangladesh. The contribution of the International Accord to the RSC's budget decreases over years as the industry associations in Bangladesh committed to an increasing percentage of the RSC budget up to 50% in five years since 2020.

	BUDGET		
	2021	2021	2020
	\$	\$	\$
Country Specific Safety Programs			
Travel to potential CSSP countries	54,577	63,000	-
Programs, meetings, roundtables in potential CSSP countries	19,681	44,000	-
Local consultants in potential CSSP countries	22,603	55,000	-
Materials and translation	2,420	46,000	-
Pilot inspections in potential CSSP countries	193,180	400,000	-
	<u>292,462</u>	<u>608,000</u>	<u>-</u>

Less expenditure on pilot inspections, as pilot inspections were only conducted in Pakistan, not in other CSSP countries.

6 OTHER INFORMATION

- **6.1 STATUTORY PROVISIONS GOVERNING PROFIT APPROPRIATION**
The articles of association of the Foundation do not stipulate any provisions governing the appropriation of profit.
- **6.2 APPROPRIATION OF RESULT**
By decision of the board the positive result of \$ 1,010,027 will be added to the general reserve.

INDEPENDENT AUDITOR'S REPORT

To: the management of Stichting International Accord Foundation.

A. Report on the audit of the financial statements 2022 included in the annual report.

Our opinion

We have audited the financial statements 2022 of Stichting International Accord Foundation based in Amsterdam, the Netherlands.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Stichting International Accord Foundation at 31 December 2022 and of its result for 2022 in accordance with the 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations') of the Dutch Accounting Standards Board).

The financial statements comprise:

1. the balance sheet as at 31 December 2022;
2. the statement of income and expenditure for 2022; and
3. the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting International Accord Foundation in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. Report on the other information included in the annual report.

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Oranje Nassaulaan 1
1075 ah Amsterdam
Telefoon 020 571 23 45

E-mail info@dubois.nl
www.dubois.nl
KvK nummer 34374865

Dubois & Co. Registeraccountants is een maatschap van praktijkvennootschappen. Op alle opdrachten die aan ons kantoor worden verstrekt zijn onze algemene voorwaarden van toepassing. Deze voorwaarden, waarvan de tekst is opgenomen op de website www.dubois.nl, bevatten een aansprakelijkheidsbeperking.



The other information consists of:

- Foreword from the executive director
- Background tot the International Accord
- Introduction
- Implementation
- Implementation progress
- Director's statement
- Board of directors
- Executive leadership
- List of signatories

Based on the following procedures performed, we conclude that the other information is consistent with the financial statements and does not contain material misstatements. We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements. Management is responsible for the preparation of the other information, being the Management Board's report in accordance with Guideline for annual reporting 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations').

C. Description of responsibilities regarding the financial statements

Responsibilities of the management for the financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Guideline for annual reporting 'RJ-Richtlijn C1 Kleine organisaties zonder winststreven' (Guideline for annual reporting C1 'Small not-for-profit organisations'). Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the organisation's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting, unless management either intends to liquidate the organisation or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the organisation's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a organisation to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 18 December 2023

Dubois & Co. Registeraccountants

Signed on original by:
G. Visser RA

BOARD OF DIRECTORS (AT THE TIME OF WRITING THIS REPORT)

	MEMBERS	ORGANISATION	APPOINTED ON
BOARD	Atle Høie	IndustriALL Global Union	17 January 2022
	Felicity Kate Davies	Bestseller	15 April 2021
	Michael Bride	PVH	16 October 2020
	Amirul Haque Amin	National Garment Workers Federation	28 June 2019
	Mathias Bolton	Uni Global Union	13 January 2017

	MEMBERS	ORGANISATION
ALTERNATES	Alke Boessiger	Uni Global Union
	Christina Hajagos-Clausen	IndustriALL Global Union
	Michael Reidick	C&A
	Jorge Alonso	Inditex
	Kamrul Anam	Bangladesh Textile & Garment Workers League
	Jochen Jutte-Overmeyer	Otto Group

BOARD OF DIRECTORS IN 2022

	MEMBERS	ORGANISATION	APPOINTED ON	RESIGNED ON
BOARD	Masarrat Quader	H&M	30 March 2022	1 March 2023
	Indalecio Perez	Inditex	4 August 2020	1 March 2023

EXECUTIVE LEADERSHIP

Joris Oldenziel, Executive Director



LIST OF SIGNATORIES (AS OF 31 DECEMBER 2022)

Company Signatories

- A** 1 Adidas Group
- 2 Åhléns AB
- 3 ALDI North
- 4 ALDI South
- 5 All We Wear Group
- 6 America Today
- 7 American Eagle Outfitters Inc.
- 8 APG and Co
- 9 Artsana (Chicco)
- 10 ASOS
- B** 11 Baumhuetter International GmbH
- 12 Bel-Confect
- 13 Bel&Bo Fabrimode NV
- 14 Benetton
- 15 BESTSELLER
- 16 Boohoo group PLC
- 17 Brand Co Management Ltd
- 18 Brands Fashion GmbH
- 19 Bristol B.V
- 20 Brothers AB
- C** 21 C&A
- 22 Carrefour
- 23 Cassis - Paprika
- 24 Chicca Body-Fashion GmbH & Co. KG
- 25 Colosseum
- 26 Coop Switzerland
- 27 COTTON ON GROUP
- 28 Country Road Group Pty Ltd
- D** 29 David Jones Pty Ltd
- 30 David Peyser Sportswear
- 31 Daytex Mode GmbH
- 32 DELTEX Handelsgesellschaft mbH
- 33 DGN Marketing Services Ltd.
- 34 Distra Warenhandelsgesellschaft mbH & Co. KG
- 35 DK Company Vejle A/S
- 36 DPDB Group - Fully Fashion / Knits Only
- E** 37 El Corte Inglés
- 38 Ellos Group Sweden AB
- 39 Ernsting's family GmbH & Co. KG
- 40 ESPRIT
- F** 41 Face to Face
- 42 Fanatics
- 43 Fast Retailing Co. Ltd.
- 44 Fat Face Ltd
- 45 Florett Textil GmbH & Co. KG
- 46 Forever New Clothing
- 47 Fristads AB
- 48 Fruit of the Loom
- G** 49 G-Star
- 50 G.A. Operations S.p.A.
- 51 G.Gueldenpfennig GmbH
- 52 GALERIA Karstadt Kaufhof GmbH
- 53 GEBRA Nonfood Handelsgesellschaft mbH & Co. KG
- 54 Gina Tricot
- 55 GS Global Sourcing Limited
- 56 Gymshark Ltd
- H** 57 HAKRO GmbH
- 58 HALO
- 59 Hanson Im- und Export GmbH
- 60 HAVEP
- 61 Heinrich Obermeyer GmbH & Co. KG (Blue Seven)
- 62 HEMA
- 63 Hennes & Mauritz AB (H&M)
- 64 Holland House Fashion BV
- 65 Horizonte Textil GmbH
- 66 HUGO BOSS AG
- 67 Hummel A/S
- 68 Hunkemöller B.V
- I** 69 ICA Special AB
- 70 ID Rexholm A/S
- 71 Indiska Magasinet AB
- 72 INDITEX
- 73 Inter-Sun AS
- 74 INTERSPORT AB
- J** 75 JBC
- 76 JOGILO N.V.
- 77 John Lewis
- 78 Julius Huepeden GmbH
- 79 Juritex
- K** 80 KappAhl
- 81 Kesko Corporation
- 82 Kid ASA
- 83 KiK Textilien
- 84 Kmart Australia
- 85 Knights Apparel - Hanesbrands
- L** 86 L. ten Cate
- 87 LC Waikiki
- 88 Lidl (Gesellschaft und Umwelt International)
- 89 Lindex
- 90 Loblaw Companies Limited
- 91 Low Land Fashion International B.V.
- 92 LPP S.A
- M** 93 Mad Engine Global, LLC
- 94 Mainpol GmbH
- 95 MANGO
- 96 Marks & Spencer
- 97 Matalan
- 98 Medici Fashion DMCC / The Source
- 98 METRO AG
- 100 Migros
- 101 Mitchell & Ness LLC
- 102 MONOPRIX
- 103 Montane Ltd
- 104 Mosaic Brands Limited
- 105 MQ MARQET AB
- 106 MS Mode

- N** 107 N Brown Group
- 108 NA-KD (Nakdcom One World AB)
- 109 Nelly NLY AB
- 110 New Frontier GmbH
- 111 New Look Retailers Ltd
- 112 New Wave Group AB
- 113 NEXT
- 114 Nutmeg (Wm Morrison Supermarkets plc)
- O** 115 O'Neill
- 116 Oberalp Group
- 117 OLYMP Bezner KG
- 118 Original Marines
- 119 Orsay GmbH
- 120 Otto Group
- 121 Ouray Sportswear
- 122 Outerstuff Ltd
- 123 OVS S.p.A.
- P** 124 Padma Textiles Ltd.
- 125 Peak Performance AB
- 126 Pepe Jeans India Limited
- 127 Perrin, Inc
- 128 Polarn O. Pyret AB
- 129 Prénatal Moeder & Kind B.V
- 130 Prénatal Retail Group (Prénatal: BimboStore; Mawi)
- 131 Primark (ABF)
- 132 Princess-Gruppen AS
- 133 PUMA
- 134 PVH
- 135 PWT Brands (Texman)
- R** 136 Reima Oy
- 137 Retail Holdings Pty Limited
- 138 RETAILPRAXIS GmbH
- 139 River Island
- S** 140 S. Oliver
- 141 Sainsbury's
- 142 Salling Group
- 143 Sandryds
- 144 Schijvens Confectiefabriek Hilvarenbeek B.V
- 145 Schmidt Group
- 146 Seidensticker Group
- 147 SOK VASTUULLISUUS / SOK SUSTAINABILITY
- 148 SOLO INVEST SAS
- 149 Stadium AB
- 150 Suprema Strick- und Wirkwarenfabrik GmbH
- T** 151 T. Kwaspen BV
- 152 Takko Holding GmbH
- 153 Tally Weijl AG
- 154 Target-Australia
- 155 TCC Global N.V.
- 156 Tchibo GmbH
- 157 TED Baker
- 158 Tesco
- 159 Tex Alliance
- 160 Texsport BV
- 161 TH Clothes
- 162 The Cookie Company Group
- 163 The Just Group
- 164 The Sting B.V.
- 165 The Very Group
- 166 Tokmanni Oy
- 167 Top Grade Int.
- 168 Trademark Textile A/S
- 169 Tricorp Workwear
- 170 Triumph
- 171 TVM Europe
- U** 172 UHLSPORT GmbH
- 173 Uscap Apparel
- V** 174 VAN DER ERVE
- 175 Varner Group
- 176 VDR Fashion Group B.V.
- 177 Voice Norge
- W** 178 W Republic Apparel
- 179 WE EUROPE BV
- 180 Wibra Supermarkt B.V.
- 181 Woolworths Australia
- 182 Workwear Group
- 183 Wünsche Services GmbH
- Y** 184 Y'Organic BV
- Z** 185 Zalando SE
- 186 Zeeman textielSupers B.V.
- 187 Zephyr Headwear

● **Union Signatories**

IndustriALL Global Union
UNI Global Union

● **Witness Signatories**

Clean Clothes Campaign
Global Labour Justice - International Labour Rights Forum
Maquila Solidarity Network
Worker Rights Consortium

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November 2023



**INTERNATIONAL ACCORD
FOR HEALTH AND SAFETY IN THE TEXTILE
AND GARMENT INDUSTRY**