

Sterling Apparels Ltd.

Baron, Earpur Union, Ashulia, Dhaka.

Issues Identified, Action Taken and achieved Results of Social Compliance Monitoring

Goal Setting Month: January-17

Reviewed No: 03

Last Reviewed Date: 26.12.17

Next Reviewing Date: 26.04.18

| Goal Setting Date | SL | Identified Issues | Action to be taken | Responsible Person | Monitoring Person | Timeline | Targeted Reviewing Date | Action Taken | Reviewed Result |
|-------------------|----|--|---|---|---|----------|-------------------------|--|---|
| Jan-17 | 01 | ACCORD Initial Findings Completion | Priority basis CAP remediation | 1. Structural Engineer 2. Electrical Engineer 3. Safety Officer | 1. Executive Director 2. General Manager 3. Manager-HR, Admin & Compliance 4. Asst. Manager-Compliance | Jun-18 | Jul-18 | All Findings of Structural are Completed. Discision is taken to complete the Hydrant system & Fire alarm system within June-18 | All Findings of Structural are Completed. Total 5 findings of Electrical & Fire are Pending |
| Jan-17 | 02 | Using Labor Broker | As per labor law-2006, Rules-2015 & HIGG Module | Officer-HR | 1. Executive Director 2. General Manager 3. Manager-HR, Admin & Compliance 4. Asst. Manager-Compliance | Dec-17 | Apr-18 | Contracted with a Labor Broker | Done |
| Jan-17 | 03 | Treatment of Special classes of worker | As per labor law-2006, Rules-2015 & HIGG Module | Officer-HR & Welfare | 1. Executive Director 2. General Manager 3. Manager-HR, Admin & Compliance 4. Asst. Manager-Compliance | Dec-17 | Apr-18 | We have included in the induction training manual | Done |
| Jan-17 | 04 | Workers are paid directly into their bank account | Discussed with management | 1. Head of Finance 2. Manager-Accounts | 1. Executive Director 2. General Manager 3. Manager-HR, Admin & Compliance | Dec-20 | Apr-21 | Discision Pending | 0% |
| Jan-17 | 05 | Time Keeping system | Discussed with management | Officer-Payroll & IT | 1. Manager-HR, Admin & Compliance 4. Asst. Manager-Compliance | Dec-17 | Apr-18 | Maintained through electronic system | Done |
| Jan-17 | 06 | Red-flag/alert system when workers are at risk of excessive overtime | Establishing red-flag alert system | Officer-IT | 1. Manager-HR, Admin & Compliance 2. Asst. Manager-Compliance | Dec-17 | Apr-18 | Maintained through electronic system | Done |

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|--------|----|--|---|-----------------------------|--|--------|---------|---|------|
| Jan-17 | 07 | Production/Capacity is reviewed several times per day | By Meeting with related personnel | Officer-IE& Manager | 1. General Manager 2. Manager-HR, Admin & Compliance 3. Asst. Manager-Compliance | Dec-17 | Apr-18 | Maintained through Documents | Done |
| Jan-17 | 08 | Facility monitors production capacity and factors in regular and overtime working hours prior to accepting orders from customers | By discussing with Merchandising team | 1. Asst. Manager-Compliance | 1. General Manager 2. Manager-HR, Admin & Compliance | Dec-17 | Apr-18 | Maintained through Documents | Done |
| Jan-17 | 09 | Written reminders of Grievance system are distributed to workers | By distributing grievance system to workers | Officer-HR & Welfare | 1. General Manager 2. Manager-HR, Admin & Compliance 3. Asst. Manager-Compliance | Dec-17 | Apr-18 | Ditributed | Done |
| Jan-17 | 10 | Supervisors verbally encourage workers to use grievance system | Meeting with supervisor & By workers survey | Officer-HR &Welfare | 1. Manager-HR, Admin & Compliance 2. Asst. Manager-Compliance | Dec-17 | Apr-18 | Meeting with supervisor & By workers survey | Done |
| Jan-17 | 11 | Paid Time off for classes | Discussed with management | Officer-HR & Payroll | 1. Manager-HR, Admin & Compliance 2. Asst. Manager-Compliance | Dec-17 | Apr-18 | Has given paid time off for classes | Done |
| Jan-17 | 12 | Awareness on personal finance and balancing a budget | 1. Training/Counselling 2. Feedback 3. Savings Record | Officer-Welfare | 1. Manager-HR, Admin & Compliance 2. Asst. Manager-Compliance | Dec-20 | Aril-21 | Training/Counselling is providing in a continuously | 5% |
| Jan-17 | 13 | Development of shared/joint training efforts | By sharing with other facilities | 1. Asst. Manager-Compliance | 1. General Manager 2. Manager-HR, Admin & Compliance | Dec-17 | Apr-18 | Fire safety training already conducted by FSCD | Done |
| Jan-17 | 14 | Donating for lfter purpose to a Mosque | Discussed with management | 1. Asst. Manager-Compliance | 1. General Manager 2. Manager-HR, Admin & Compliance | Dec-17 | Apr-18 | Donated | Done |
| Jan-17 | 15 | All information on the social performance of the facility is shared publicly. | Discussed with management | 1. Asst. Manager-Compliance | 1. General Manager 2. Manager-HR, Admin & Compliance | Dec-17 | Apr-18 | Publicly disclosed | Done |