

Minutes of the WRC Board Meeting January 31, 2020

Present at the meeting are Rachel Duffy, Michael Ferrari, Alixe Holcomb, Kyle Muncy, and Craig Westemeier of the University Caucus; Jill Esbenshade (via phone), Julie Farb, Mark Levinson, and Julie Martinez Ortega, of the Advisory Council; Elizabeth Carroll, Delaney Ho, Kimberly Johnson, Shromona Mandal, Clara Raftery (on Zoom), and Juliana, Swift of USAS. Julie Su of the Advisory Council was absent.

WRC staff members in attendance are Scott Nova, Ben Hensler, Jessica Champagne, Rola Abimourched, Chelsea Rudman, Vincent DeLaurentis, Penelope Kyritsis, Kimberly Capehart, and Laura Gutierrez.

Observers in attendance included: Erik Smulson, Georgetown University.

Meeting was called to order at 9:04 by Board Chair, Juliana Swift.

Agenda Review

Kyle requested an addition to the schedule. He is interested in learning more about the USAS board members' annual USAS meeting. This was approved by the board.

Approval of Minutes of October Board Meeting

Mark Levinson motioned to approve the minutes. Mike Ferrari seconded the motion. There was no opposition to the approval of the minutes.

Executive Director's Report

WRC in Media – Scott Nova

The WRC has been featured in several news articles on topics including severance, gender-based violence and harassment, transparency, forced labor, and other investigations.

Pure Cotton – Ben Hensler

Pure Cotton was a factory in Los Angeles that produced collegiate apparel for Hype and Vice. California state inspectors cited the factory for wage theft. The inspectors notified the WRC that the factory would not pay, and workers would not get the money owed to them. The WRC reached out to the collegiate licensee, Hype and Vice, and asked them to pay. Hype and Vice were not able to pay the wages owed in full, due to genuine financial constraints, but they agreed to pay one-half of the amount owed. The LA Garment Worker Center agreed to distribute the funds to the workers they were able to identify. The WRC thanks Alixe for her engagement with Hype and Vice on this issue.

Pandora Production – Ben Hensler

Pandora is a factory in Thailand that recently produced jewelry for the collegiate supply chain. While they no longer hold university licenses, they still hold licenses for large companies such as Disney. The WRC's investigation of this factory found that there was a retaliatory firing of workers for unionizing. Despite this action, workers persisted and were able to negotiate a

collective bargaining agreement. After a second mass firing of union members, workers went through the Thai courts in order to gain reinstatement. Thai courts ruled the firings were illegal, however, they allowed the factory to simply pay a fine to the workers rather than reinstate them. The WRC continues to press Pandora to reinstate the workers.

Lesotho – Rola Abimourched

The WRC continues to work with NGOs, unions, brands and Nien Hsing Textile in Lesotho to implement the new agreements on gender-based violence and harassment in the workplace. Progress includes the forming of the independent investigative body to respond to complaints and scheduling training for workers and management on program elements.

Open Apparel Registry (OAR) – Rola Abimourched

Rola provided an update on the work of the OAR, which is an open-sourced database that collects and publishes data on apparel and shoe factories globally. They are aggregating all the available factory disclosures globally. They are working to uniquely identify and track factories globally. The WRC serves on the Board.

Transparency Pledge – Rola Abimourched

The Transparency Pledge reached out to 72 companies encouraging them to sign a pledge to make public their supply chains. Seventeen companies so far are in full alignment with the pledge. The Transparency Pledge is also reaching out to multi-stakeholder initiatives requesting them to require their members to publish their supply chain.

Norwegian Pension Fund Ethics Council – Scott Nova

Scott provided an update on the WRC's work with the Norwegian Pension Fund.

Factory Monitoring of Los Angeles and San Francisco – Ben Hensler

Ben provided an update on the WRC's work with the cities of Los Angeles and San Francisco.

Digital Security – Vincent DeLaurentis

The WRC takes digital security seriously for the safety of both WRC staff and the workers interviewed. Losing the trust of the garment workers would undermine the integrity of the WRC's work and investigations. The WRC continues to implement best practices in digital security and stay abreast of new developments.

Alta Gracia – Scott Nova

Reduced orders from Follett and B&N have led to substantial layoffs at Alta Gracia. If this continues. Board members suggested that both licensing directors and USAS work to urge universities to increase their orders. A board member recommended sending an email to schools encouraging a dialogue between schools and Alta Gracia.

Website – Kimberly Capehart

The WRC embarked on modernizing and improving the user experience for the WRC website. The renovations to the website include a greater ability to search factory investigations, communications to affiliates, reports, media posts about the WRC, and other content throughout the site.

Forced Labor in Xinjiang and the Implications for Collegiate Apparel – Scott Nova

The WRC is pleased to report that Badger, the university licensee who was found to be sourcing apparel from Hetian Taida, has paid the first installment in the agreed upon amount to the identified Uyghur aid groups.

Further investigation into the Xinjiang crisis has revealed multiple forms of forced labor being experienced by members of the Uyghur population and other citizens in Xinjiang. This is a systematic governmental operation of concentration camps and forced labor as a means of social control.

Xinjiang produces 19 percent of the world's cotton. About 5 percent of all the yarn spun in China is produced in Xinjiang. Several key Chinese firms have received government subsidies in order to set up factories in Xinjiang.

Better Cotton Initiative (BCI) has publicly acknowledged the risk of sourcing cotton from Xinjiang but has insisted that it is better to remain in the region in order to “improve conditions” there.

CLC reached out to 32 of the largest licensees asking them to submit complete disclosures of the entire supply chain for China, including where the cotton is being sourced. After four months of engagement, none of these 32 licensees have complied fully with this request.

Workers in Xinjiang cannot speak freely about working conditions under the current repressive regime. Thus, there is no way to determine if any factories in Xinjiang are in compliance with university codes of conduct and/or US law regarding forced labor. The only conceivable way to ensure compliance with university licensing requirement prohibiting the use of forced labor at any level of the supply chain is to ensure there are no materials from Xinjiang. The WRC is working to develop guidance for licensees.

The garment industry's response to this situation has been weak. There has been no substantial moves to challenge China or cease sourcing from Xinjiang.

Set the Date:

May 29, 2020

Executive Session

An executive session was held to discuss confidential financial and other sensitive matters.

USAS Discussion of Annual Meeting

Kyle queried about the description, purpose, and goals of the USAS annual meeting. USAS Board Members shared that 200-400 students attend. The meeting includes a review of strides made in campaigns, a discussion of what strategies have worked over the last year, and an opportunity to plan future campaigns. The meeting and planning are very egalitarian. Solidarity

and collaboration are key. There is usually an action during the meeting as well. USAS members apply annually to be board members for the WRC, and all USAS members are given an opportunity to vote for whom they would like to represent them. There are regional organizers who reach out to new campuses to encourage student activism.

The Accord and South Asia Building Safety Update

The Ready-Made Garment (RMG) Sustainability Council (RSC) was recently created in an effort to continue the work of the Accord. This Council does not include binding agreements for brands and would be made up of 1/3 brands, 1/3 employers, and 1/3 labor representatives. This is a very different agreement than the Accord and will present new challenges.

The WRC is making working to extend and expand the Accord to an international South Asia Accord. There is a draft being circulated.

Delaney motions to adjourn the meeting.

Julie F. seconds.

No opposition.

The meeting was adjourned at 3:53 p.m.