

Minutes of the WRC Board Meeting February 4, 2022

The meeting was held remotely, via Zoom.

Present at the meeting were Rachel Duffy, Michael Ferrari, Alixe Holcomb, Kyle Muncy, Cal Watson, and Craig Westemeier of the University Caucus; Jill Esbenshade, Julie Farb, Mark Levinson, Julie Martínez Ortega, Mark Pearce, and Angeles Solis of the Advisory Council; Sarah Guzman, Bryanna Gonzalez, Sarim Karim, Rachana Nettem, Alek Palacios, and Ricardo Perez of USAS.

WRC staff members in attendance were Scott Nova, Ben Hensler, Jessica Champagne, Rola Abimourched, Vincent DeLaurentis, Liana Foxvog, Jewher Ilham, Kimberly Capehart, Tara Mathur, Manodeep Guha, and Nayda Medrano.

Observers in attendance included: Jess Dampier, USAS, and Nery Ramirez, former Industrias Florenzi worker.

Meeting was called to order at 11:04 EST by Board Chair, Rachel Duffy.

Board Elections

Kyle nominated Cal as a board member to the University Caucus constituency. Craig seconded the motion. There was no opposition to the approval of the nomination; all board members approved.

Mark L. nominated Mark P. as a board member to the Advisory Council constituency. Jill seconded the motion. There was no opposition to the approval of the nomination; all board members approved.

Approval of Minutes of September Board Meeting

Kyle moved to approve the September Board Meeting minutes. Julie F. seconded the motion. There was no opposition to the approval of the minutes; all board members approved.

Executive Director's Report

Karnataka, India Wage Theft – Manodeep Guha and Ben Hensler

Ben reported on the ongoing illegal refusal by garment factories in the state of Karnataka, India to implement an increase in the minimum wage. He noted that this represents the largest wage theft in the recent history of the global garment industry. Manodeep detailed that this wage theft has been occurring since April 2020, with the total arrears nearing \$60 million. He reviewed the evolution of the situation, highlighting that the garment industry was the only industry to not implement the wage increase and pay back wages after the High Court ruled that the increase must be paid. He revealed the profound impact the wage theft had on workers and their families—food instability, negative impacts on children's education, and the increasing need for workers to take out loans to pay for basic necessities, due to the pandemic-induced inflation. Ben

reviewed the engagement the WRC undertook with brands in order to garner their support in pressing factories to pay workers their legally owed wages. Ben reported that the engagement with brands and with the media was successful in pressuring the two largest garment exporters in Karnataka to pay workers the minimum wage and their back wages.

Organizational Updates – Scott Nova

Scott updated the board on the status of hiring at the WRC. He revealed that three positions have been filled: Director of Development is Vincent Holmes; Director of South Asia Manodeep Guha; and Thulsi Narayasaamy as Director of International Advocacy. Looking forward to introducing you to new staff at the next board meeting along with good news of Director of Research.

Scott reviewed the plan for the WRC to lease new office space, noting the advantages of the pending lease, both in terms of cost savings relative to the size, quality, and suitability of the space, and the improvement the space will represent over the WRC's current quarters, which will be too small to house the WRC staff once the organization returns to regular in-office work. He noted that the permit recently happened. Updated that return to work is forthcoming. And it will be hybrid. Process of negotiating with WRCSA on policy for flexibility around work from home.

Scott reviewed the DEI policy status. He noted that the staff policy is being refined and creating plan to move forward. We will keep you posted on that piece.

Winners/Centexsa – Tara Mathur

Tara reviewed the recent case of Centexsa, which involved violations of freedom of association. After the WRC engaged with SAE-A, the corporate owners of the factory, Tara reported that the company was quick to implement the remediations the WRC recommended. She added that this quick response was impacted by the extensive engagement the WRC underwent in 2021 at another factory owned by SAE-A, Winners. She discussed the ongoing violations of freedom of association at Winners that culminated in violent assaults and death threats made against workers of the union. As a result of the WRC's engagement with SAE-A, Tara reported that the factory committed to significant remedial measures.

International Safety Accord – Liana Foxvog

Liana briefly reviewed the International Safety Accord and provided an update on the status of the signatories. She highlighted which collegiate brands are currently signatories and which collegiate brands are not currently signatories. She then discussed the expansion of the Accord and highlighted recent cases of factory fires, gas leaks, and gas explosions that have occurred, many with deadly consequences.

Field Report

Industrias Florenzi – Tara Mathur

Tara reported on a garment factory located in El Salvador, Industrias Florenzi, that closed down operations in July 2020 without paying the legally required severance owed to workers. She reviewed extensive efforts of the workers to demand remediation. After the workers reached out to the WRC, Tara discussed the successful organizing by the WRC and other nongovernmental

organizations to press Barco Uniforms to sign a legally binding agreement to pay workers \$1.1 million as a humanitarian contribution. She concluded that Barco made this contribution in December 2021.

Hansoll Hyun – Rola Abimourched

Rola discussed the WRC's investigation and remediation efforts related to wage theft violations at Hansoll Hyun, a factory that was located in Indonesia. She noted that the WRC found that Hansoll Hyun violated Indonesian law and university and buyer codes of conduct by failing to pay severance, unpaid wages, and mandatory payments to Indonesia's Social Insurance Administration, resulting in workers losing access to healthcare and other employment-related benefits, including workers' compensation, life insurance, and pension funds. She reported that the WRC reached out to brands sourcing from the factory to ensure workers were paid the money they were owed. After much engagement, Rola reported that the WRC was able to secure funds from Hanesbrands and Hansoll Textile. She added that, with these two contributions, workers have received approximately 80 percent of what they are owed. She concluded that while the WRC is still seeking the remaining funds owed to workers, the funds that have been distributed so far have had a huge impact on the lives of the workers and their families.

Industrias Florenzi Guest Speaker – Moderated by Scott Nova

Worker leader, Nery Ramirez, discussed the trials and tribulations experienced upon learning of the closure of the factory she had worked at for years and the fight to receive the funds she and her fellow coworkers were legally owed.

Executive Session

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

Set Next Meeting(s) Date

Jess reported that the WRC is currently planning for the next board meeting to be in person. She also discussed a proposal to have an optional informational/educational meeting the day/evening before the official board meeting.

The Board decided to hold the next meeting on May 20, 2022, with a tentative plan to hold the meeting in person.

Mark L. moved to adjourn the meeting. Sarim seconded the motion. The meeting was adjourned at 3:43 p.m.