

## **Minutes of the WRC Board Meeting January 27, 2023**

The meeting was held at Georgetown University and on Zoom.

Present at the meeting in person were Michael Ferrari, Alixe Holcomb, Kyle Muncy, Cal Watson, and Craig Westemeier of the University Caucus; Jill Esbenshade, Julie Farb, Mark Levinson, and Mark Pearce of the Advisory Council; Shreya Basu, Kelsey Coleman, and Maddy Rogers, of USAS.

Board Members attending via Zoom were Julie Martínez Ortega of the Advisory Council, Rachel Duffy of the University Caucus, and Nicole Snyder and Carmen Metoyer of USAS.

WRC staff members in attendance in person were Scott Nova, Ben Hensler, Jessica Champagne, Sarah Reed, and Kimberly Capehart. Thulsi Narayanasamy attended via Zoom.

Observers in attendance in person were Leigha Ellis and Makayla Heiser of USAS.

Guest speakers on Zoom, Zehra Khan and Joris Oldenziel, joined the Pakistan Accord section of the agenda.

Angeles Solis of the Advisory Council was absent.

The meeting was called to order at 9:05 a.m. by the Board Chair, Shreya.

### **Pakistan Accord on Health and Safety in the Textile and Garment Industry**

Scott reviewed the history and implementation of the Bangladesh Accord, noting the unprecedented, life-saving progress in building safety in a garment industry that covers millions of workers. He highlighted that brands and auditing firms, for over 20 years, certified factories without examining the most important building safety issues: structural integrity and enclosed stairwells/safe egress. He discussed the building safety hazards in the garment industry in Pakistan noting that the worst mass fatality fire in the global history of apparel production occurred in Pakistan in 2012.

He discussed the extension of the International Accord on Safety and Health in the Textile and Garment Industry into Pakistan, explaining that Pakistan was a key priority for expansion due to the prevalence of multi-story industrial buildings and a history of fatalities. He informed the board of the terms of the Accord agreement—including the length of the agreement, the obligations of the brands, and the complaint mechanism that will be implemented.

Zehra Khan, of the Home-Based Women Worker's Federation of Pakistan, described the hope that the Pakistan Accord brings to the garment workers in Pakistan. She noted the recent flood in Pakistan created additional hazards and challenges for garment workers—due to housing displacement, food insecurity, and unemployment due to factory closures. She also noted that while Pakistan has health and safety laws and committees, the laws are not enforced and the committees do not have the power to conduct factory inspections. Zehra added that she hopes the

Accord will protect all the textile and garment workers in the supply chain, including home-based workers. She explained that the Accord has a training component for workers that will further keep them safe. She also described a shift in the industry to a growing number of informal workers.

Joris Oldenziel, Executive Director of the Accord, reviewed the timeline of the development of Pakistan Accord, beginning in September 2021. He noted the International Accord's expansion effort began with feasibility studies of several countries, followed by extensive discussion within the Accord Steering Committee, leading to a decision to expand in Pakistan. Joris described the close consultation process with key stakeholders, including brands, unions, nongovernmental organizations, employers, and Pakistan government, in the development of the Accord in Pakistan. He noted the four key pieces of the program: inspections and remediation, workplace safety training, a complaint mechanism, and government capacity building. Prior to the launch of the Accord, Joris highlighted a number of administrative steps that are being taken in order to thoughtfully enter this space, including scoping the project and the budget, piloting programs, and building engagement with brands, industry associations, unions and worker groups, and European embassies and other governmental officials. He noted the number of brands that have signed on to the Accord so far and briefly mentioned the next steps the Accord plans to take.

Kyle inquired if the list of the factories covered by the Pakistan Accord will be publicly available. Joris replied that the Accord factory list and the Corrective Action Plans (CAPs) will be publicly available, as in Bangladesh.

Mark L. asked if factories in Bangladesh that do not follow the CAPs on schedule are having trouble finding buyers. Joris noted anecdotal evidence that factories with high remediation rates are more sought after, but he does not have definitive data.

Jill asked if there were other unintended but positive effects from the Accord, such as improved wages or other improved working conditions. Joris explained that occupational health and safety is broadly defined in the Accord complaint mechanism and can include overtime hour complaints, maternity leave, gender-based violence and harassment, other harassment and abuse, and freedom of association violations relating to safety complaints. The complaint process has had substantial benefits for tens of thousands of workers. Joris added that wages have not been directly impacted by the Accord. Jill asked how collegiate brands can support the Accord. Joris noted several large US brands that have production in Pakistan. He commented that the selling point for the Accord is that it will be the only viable building safety program in Pakistan.

Jess asked Zehra about the future efforts of the Home-Based Women Worker's Federation of Pakistan. Zehra reviewed the challenges currently facing home-based workers. She said her union is exploring ways to expand solidarity from international nongovernmental organizations.

Scott credited USAS and the university codes of conduct for paving the way for the Accord model and for the high number of collegiate licensees who have signed onto the Bangladesh Accord. Scott discussed the importance of moving forward in Pakistan for collegiate licensing, noting that there are 48 licensees sourcing from 79 factories in the country, many of which likely

have significant building safety hazards. Responding to a question from Mark P., Scott described the extensive worker input into the Pakistan expansion.

Kyle asked if signatories to the International Accord have to sign the Pakistan Accord. Scott replied that signing onto the Pakistan program is optional for International Accord signatories

### **Approval of Minutes from the October Board Meeting**

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Alix moved to approve the October Board Meeting minutes. Mark P. seconded. All board members voted in favor.

### **Executive Director's Report**

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#### ***Brief Personnel and Case Updates – Scott Nova***

Scott informed the Board that the WRC is working to fill two vacancies at the WRC: the Director of Outreach and the Field Representative in India. He also discussed the potential creation of a new position: Case Coordinator for Southeast Asia.

Scott briefly reviewed the recent successes at Shahi Exports and KGG which remedied freedom of association and severance violations.

#### ***Trax – Ben Hensler***

Ben provided an update on Trax Apparel, which the WRC found had illegally terminated, and refused to reinstate, leaders of an independent labor union. Ben reviewed that, after including union leaders in a mass layoff, Trax later rehired the vast bulk of those laid off but refused to rehire any of the union leaders, an anomaly that could not plausibly be explained except by discriminatory targeting. Ben reported that after the WRC engaged with adidas, which makes collegiate goods at Trax, a mediation was held, but Trax management only offered to reinstate half of the fired leaders and with only partial back pay. Ben explained that the union acceded to this, because management made it clear that if the union did not, then it would rehire none of the leaders, an illegal position. Ben summarized several pieces of evidence within the investigation which demonstrated that Trax had engaged in freedom of association violations. Ben described the WRC's recommendations for remediation, which include reinstating additional workers who wish to return; full back pay to all eight fired leaders; and insuring that reinstated workers can return to their original work locations. Despite further extensive engagement with adidas, Ben explained that adidas has refused to acknowledge the violations of Cambodian law and university labor codes, including attempts by the factory to bribe the union to abandon its demand for full reinstatement.

Scott reviewed the challenges of engaging with adidas, and similarly Nike, as another large licensee that has sometimes resisted university code enforcement. There was significant discussion of concerns about obstacles to remediation in cases involving these two licensees.

#### ***Centexsa – Ben Hensler***

Ben reviewed the successful remediation of gender-based violence and harassment (GBVH) at Centexsa, a factory in Guatemala, that supplied collegiate apparel to Gear for Sports (Hanesbrands). Ben described the protracted sexual harassment and abuse of two women

workers, both of whom were punished for fighting back against the harassment. Ben explained that after the WRC documented the violations and engaged with buyers and the factory owners, the factory agreed to full remediation, which included the dismissal of the harassing manager, reparations for the workers who were targets of the harassment, and the development, in coordination with the factory's union, of a protocol to address gender-based violence and harassment in the workplace and a committee to address future instances of sexual harassment.

### **Discussion: Current Trends in University Logo Apparel Supply Chains**

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Sarah asked the Board for insight into current trends within the collegiate apparel industry. There was extensive discussion of this topic, including consolidation among licensees, geographic shifts in sourcing, and how licensees view the collegiate market versus the professional sports leagues.

### **Executive Session**

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

The meeting was adjourned at 3:03 p.m.