



2025 UNIVERSITY CAUCUS ANNUAL MEETING

April 22, 2025

Welcome

WRC Report to Affiliates

2024 – 2025

Investigations and Remediation at Collegiate Factories 2024 – 2025

Global Scope

36 Investigations and Remediation Efforts
in 15 Countries

El Salvador
Haiti
Honduras

Ethiopia

Bangladesh
India
Pakistan
Sri Lanka

Cambodia
China
Myanmar
Indonesia
Thailand
Philippines
Vietnam

THE WRC INVESTIGATED WORKER COMPLAINTS AT THESE LICENSEES' SUPPLIER FACTORIES

ADIDAS
CHAMPION
CHARLES RIVER APPAREL
COLOSSEUM
COLUMBIA
CUTTER & BUCK
FANATICS
GEAR FOR SPORTS
GORILLA MARKETING
GRAPHIC COW

IMAGE SOURCE
ITS GREEK TO ME
KANGA
KNIGHTS APPAREL
LAKESHIRTS
LEAGUE
LULULEMON
MITCHELL & NESS
MV SPORT
NEW AGENDA

NEW BALANCE
NIKE
OUTERSTUFF
PETER MILLAR
RALPH LAUREN
UNDER ARMOUR
USCAPE APPAREL
VINEYARD VINES

Back Pay in 2025 (*So Far*)

- Style Avenue: \$630,000
- Stretchline: \$4 million
- Base Textile: \$325,000
- Industrial Hana: \$1 million
- Dignerone: \$700,000
- KOA Modas: \$400,000
- Haiti Premier Apparel: \$70,000

TOTAL: \$7.1 Million

**Completion of Full
Severance
Distribution at
Style Avenue
(El Salvador)**

Remediation of Severance Theft at Stretchline Central America

- In November 2024, the factory announced its closure without paying an estimated \$4 million in severance
- The WRC pressed the factory to honor its obligations
- The factory reversed course and paid workers in full—more than \$13,000 per employee



Remediation of Illegal Firings

GEAR
FOR SPORTS.

OUTER
STUFF Ltd

Grupo Merlet
(El Salvador)



Pungkook
Indonesia One
(Indonesia)

 **lululemon**

Remediation of Other Violations

- Investigations at PT Semarang and PT Batang in Indonesia found pervasive gender-based violence and harassment
- The factory level unions, Ontide, the WRC, AFWA, and GLJ signed groundbreaking agreement to establish a comprehensive program to address violence and harassment at the factories



Aseel Universal Garments (Jordan)

Indians in Jordan protest, face police action

TNN / Updated: Jan 10, 2024, 05:56 IST



Tamil Nadu

120 Indians facing exploitation in Jordan return with help from US- based organisation

Worker Rights Consortium, an US-based labour rights monitoring organisation facilitated the return of 120 Indian workers who faced exploitation by their employer from Jordan after TNM highlighted their plight.



Indians stuck in Jordan arriving at the Delhi airport.

Q&A

WRC STAFF

WRC STAFF BY THE NUMBERS



11

HEADQUARTERS
STAFF



18

FIELD
STAFF



25

LANGUAGES
SPOKEN

Bangladesh's 'Second Independence': Opportunities, Challenges, and WRC's Response

Unprecedented Mass Uprising

- Bangladesh quota reform movement, began June 2024 by university students
- July violence and killings of protestors and civilians utilized same tactics employed against garment workers
- More than 2,000 killed and 20,000 injured
- Movement expanded to focus on authoritarian regime—mobilized under a single demand for the resignation of Sheikh Hasina
- By August 5, Hasina resigned and fled to India
- On August 8, Muhummad Yunus appointed by students as Chief Advisor to the Bangladesh Interim Government

Aftermath of Uprising

- Symbiotic relationship between previous authoritarian regime and the garment industry
- Protests continued, including by garment workers
- Interruption in manufacturing and operation of main shipping port led to concerns about industry shrinking
- Taskforce established to synthesize garment worker demands
- Acceptance and implementation of (some) demands

Opportunities to Advance Workers' Rights

- 11 independent commissions established by interim government, including Labor Reform Commission
- Open dialogue about role of international brands
- Rapid revision of labor law to maintain ILO Roadmap commitments

WRC Response

- Brand outreach focused on responsible sourcing and ongoing commitment to industry
- Continued focus on false criminal cases against workers being dropped
- Examination of opportunities for reform and support for processes in Bangladesh to focus on these

Bangladesh Delegation November 2024



WRC Consultation Process

January 2025

- Significant awareness of Base Textiles funds disbursement among manufacturers
- Consultation with workers, unions, civil society groups, academics
- Support development of Labor Reform Commission recommendations
- Strategy to drop criminal complaints bore fruit

Key Recommendations

- Basic wage vs. minimum wage
- Emergency wage and benefit fund
- Garment industry stakeholder committee including brands to focus on commercial purchasing practices
- All wage payments via bank transfer (with option for women to opt out)
- Permanent labor commission with four departments brought under the umbrella

Next Steps

- Release report focused on brand past practices, build on commission's recommendations
- Brand support for implementation is vital
- Documentation of unfair brand purchasing practices
- Monitor impacts of (possible) US tariffs on Bangladesh garment industry

Q&A



International Accord for Health and Safety in the Textile and Garment Industry

Key Elements of Pakistan Accord

Brands must:

- Require suppliers to provide unfettered access to structural, electrical, and fire safety engineers
- Require suppliers to implement all renovations directed by engineers
- Ensure financial feasibility
- Cease business with any factory that fails to comply

Legal enforceability of brand commitments



Pakistan Accord

- 130 Brands (53 Licensees)
- 530 Factories (80+ Collegiate)
- 566,000 Workers (80,000+ Workers at Collegiate Factories)
- 66 Safety Engineers and Case Managers
- 209 Factories Inspected (29 Collegiate)
- Immediate Actions at Most Inspected Factories





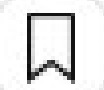
Examples: Critical Findings at Collegiate Factories

- “Columns in main building are highly stressed under observed loads. The overhead water tank shall be emptied *immediately* and load restrictions applied at each floor, pending completion of the DEA for this building.”
- “Locking devices on doors at emergency escape routes.”
- “Hot Spots within electrical panels at cable termination points, there are signs of overloading.”

Inspectors Certified Pakistani Factory as Safe Before Disaster



Share full article







At least 289 killed as fire in Pakistani garment factory rages

Reza Sayah, CNN

🕒 2 minute read · Updated 1:33 PM EDT, Wed September 12, 2012



Pakistan factory fire kills hundreds

01:38

Where issues are identified in the report, they are grouped by topic, not in order of importance. Please note that these actions should be completed as soon as practically possible and certainly within the time frame noted. A summary of the main concerns identified during the inspection is as follows (non-exhaustive):

- Egress doors and/or gates were locked or lockable along egress routes and at exit discharge points.
- Exit stairways not protected by fire and smoke resistant construction and protective assemblies e.g. fire doors
- Exit access through adjoining storage areas and Boilers installed along access routes.
- Buildings are not protected by Automatic Sprinkler system.
- Exterior exit discharge pathway to public way exposed directly to hazards or unprotected openings.
- Fire pump, driver & controller, etc. is not a tested and listed system.

- We have removed locking devices from all the doors.
- We have removed all the sliding doors from means of escape.
- Fire rated separation of stairs will be completed, including brickwork/fire rated assemblies, according to proposal previously reviewed by Accord.
- Fire rated separation of high-risk areas will be completed, including brickwork/fire rated assemblies, according to proposal previously reviewed by Accord.
- Factory will provide sprinkler system...in compliance with NFPA 13 and reviewed previously by Accord.

CLC Licensee Contract Amendments



- One small institution (not a WRC affiliate) opted out of Accord clause inclusion in license agreements, all others accepted
- All licensees have had new Accord requirement clauses added to renewed contracts
- All licensees will have renewed contracts including this language by June 30, 2024
- Any licensee producing collegiate licensed apparel in Pakistan is required to become a signatory of the Pakistan Accord
- Any licensee producing collegiate licensed apparel in Bangladesh is required to become a signatory of the International Accord

PAKISTAN ACCORD SIGNATORIES

- 130 brand signatories
- 53 licensees
- At least 80 factories
- 25 licensee signatories:
 1. 47 Brand
 2. adidas
 3. Artisans
 4. Campus Ink
 5. CI Sport
 6. Colosseum
 7. Concepts Sports (College Concepts)
 8. David Peyser Sportswear (MV Sport/The Game)
 9. Eternal Fortune Fashion
 10. Fanatics (Top of the World, Mitchell & Ness, Nike)
 11. GearCo (Unrivaled Teamwear)
 12. Image One (Luttrell Investments)
 13. L2 Brands (Ouray, League, Legacy)
 14. Lakeshirts (Zephyr Graf X)
 15. Little King (Keyser Little King OK)
 16. Maryland Screen Printers (Eighty8 Apparel)
 17. Midwest College Marketing (Koozie, Scribe OpCo)
 18. Outerstuff
 19. Pel Industries
 20. Perrin (New Agenda)
 21. Royce Apparel
 22. TRT Classics (Tobacco Road Tees)
 23. T-shirt International
 24. Uscape
 25. Vantage Apparel (Vantage Custom Classics)

LICENSEES YET TO SIGN PAKISTAN ACCORD

Licensees newly sourcing in country

1. FISLL Media LLC
2. HBCU Glam LLC
3. Nfinity Athletic LLC

Licensees yet to sign

1. 978 Jerseys
2. Amigo Provisions Company
3. Assist 2 Score
4. Audacity Apparel
5. BBUB Greek Gifts (Tones of Melanin)
6. Bend Active
7. Chicka-D
8. Donecia's Crafts

9. Dynasty Apparel
10. Field Grade Supply Company
11. Follett Higher Education Group
12. Gold Country (Signature Concepts)
13. JimiHack
14. Landway International
15. Little Earth Productions
16. Novus Clothing Company
17. Paladin Sports USA
18. Players Incorporated
19. Powell Lacrosse
20. Rebirth Sports
21. Recess Apparel
22. Sole Food Brand
23. Top Promotions
24. Verbero

Accord Expansion: Where to Next?

<u>Country</u>	<u>Workers</u>	<u>Collegiate Factories</u>
India	4,500,000	116
Sri Lanka	350,000	17
Morocco	200,000	1
Cambodia	850,000	37

Q&A



Hong Seng Knitting: Developments

- Nike Remediation Plan
- FLA Statement of Findings/ Recommendations
- Status

Nike Remediation

- 100% of wages for each lost day for all affected workers
- Same as WRC 2020 recommendation
- Doubles FLA investigator's recommendation
- 3,300+ workers eligible
- WRC estimate: \$320,000+



FLA Report and Statement of Findings

December 2024

- Findings
 - No finding of a systematic violation of workers' rights
 - No finding that the police complaint was retaliatory
- Recommendations
 - 50% of lost wages
 - No interest
 - \$1,746 for worker-leader



FLA Revised Statement of Findings

February 28

- “The investigator determined that the leave without pay practice...did not comply with FLA standards.”
- “[R]egardless of legality, retaliation is unacceptable ...[P]unishing or threatening a worker who posts information on social media is unacceptable...”
- No accompanying revisions to recommendations:
 - 50% of wages
 - No interest
 - \$1,746 for worker-leader



Nike Plan

- Doubles FLA back wage recommendation
- Does not improve remedy for worker leader
- Does not address interest and involves less than ideal payment process



Kyaw San Oo

- Why is fair compensation so crucial?
- Why is \$1,746 inadequate?
- What is the rationale for denying fair compensation?

Q&A



Council on Ethics for the
Norwegian Government
Pension Fund



U.S. Department of Labor



City of Los Angeles



City and County
of San Francisco

Monitoring for the Cities of Los Angeles and San Francisco



Thai Garment Export
(Thailand)



Popular International
Garment
(Myanmar)



PT Gaha Green
(Indonesia)



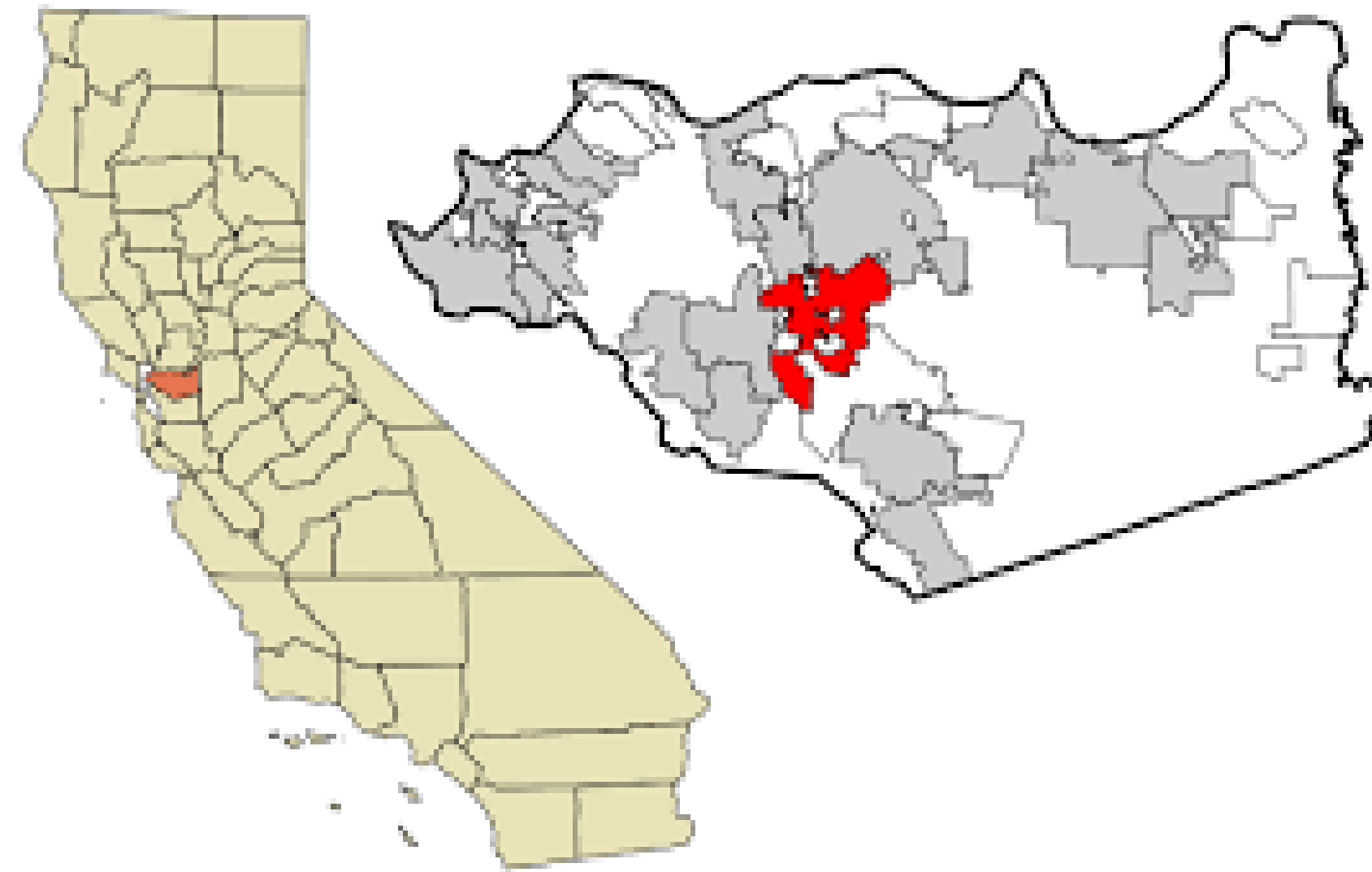
Northstar
Manufacturing
(Thailand)

Independent Monitoring for US Department of Labor



Walnut Creek
Willows LLC

Walnut Creek, CA





**WORKER RIGHTS CONSORTIUM
FACTORY ASSESSMENT
HANSAE VIETNAM CO., LTD. (VIETNAM)**

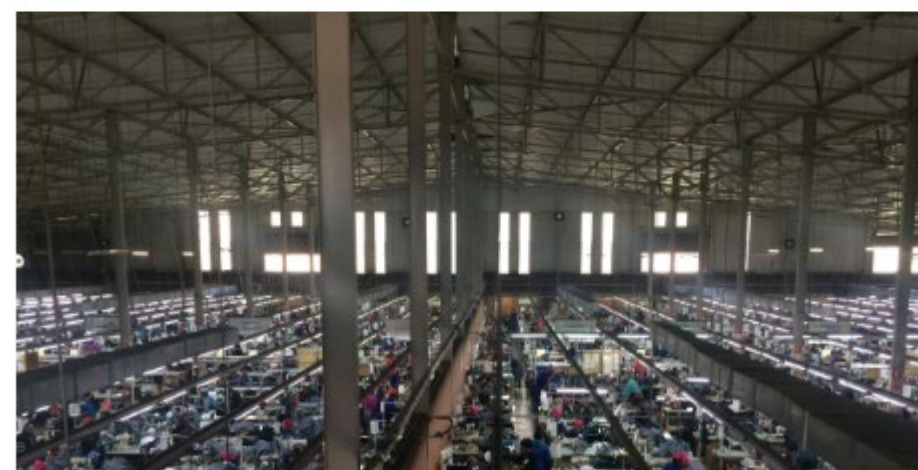
FINDINGS, RECOMMENDATIONS, STATUS UPDATE

December 6, 2016



**WORKER RIGHTS CONSORTIUM ASSESSMENT
re: GENDER-BASED VIOLENCE AND HARASSMENT AT
NIEN HSING TEXTILE CO., LTD (LESOTHO)**

FINDINGS, RECOMMENDATIONS, AND STATUS



August 15, 2019

Investigations for Norwegian Pension Fund

Norwegian Pension Fund one of the world's largest funds

Contracted with the WRC since 2015

The parent companies of factories are the focus of investigations and actions taken by the Fund

**WORKER RIGHTS CONSORTIUM
FACTORY ASSESSMENT**

*Honeys Garment Industry Ltd. (Myanmar/Burma)
Findings, Recommendations, and Company Response*



November 4, 2021

Q&A

Break

Tariff Turmoil:

**What's Going On,
What Comes Next,
and What Will All
of This Mean for
Businesses,
Consumers, and
Worker Rights?**

	“Reciprocal” Tariff (Suspended)	Apparel Exports to US as % of All Exports	Total Apparel Employment (Thousands)	Hourly Minimum Wage
Lesotho	50%	20%	30	\$ 0.69
Cambodia	49%	17%	844	\$ 1.04
Vietnam	46%	4%	3,153	\$ 0.99
Sri Lanka	44%	13%	766	\$ 0.40
Myanmar	44%	3%	900	\$0.41
Bangladesh	37%	17%	4,297	\$0.52
Thailand	36%	1%	403	\$1.34
Indonesia	32%	2%	3,387	\$1.08
Pakistan	29%	13%	1,612	\$0.67
India	27%	2%	4,500*	\$0.78

Source: OTEXA, UN ComTrade, Cambodia General Department of Customs and Excise, Bangladesh Export Promotion Board, Katalyst Institute, *WRC estimate for export workers

Tariff for Major Collegiate Suppliers

Cotton T-shirt

	Original Tariff %	Current %	“Reciprocal” %
China	24	169	169
Vietnam	16.5	26.5	62.5
India	16.5	26.5	42.5
Pakistan	16.5	26.5	45.5
Mexico	0	0	0
Indonesia	16.5	26.5	48.5
Bangladesh	16.5	26.5	53.5
Cambodia	16.5	26.5	65.5
CAFTA-DR	0	10	10
Philippines	16.5	26.5	33.5

Source: Harmonized Tariff Schedule, Executive Order 14257 of April 2, 2025



\$25 T-Shirt from Guatemala

Current Tariff = \$0

New 10% Tariff = +\$0.40

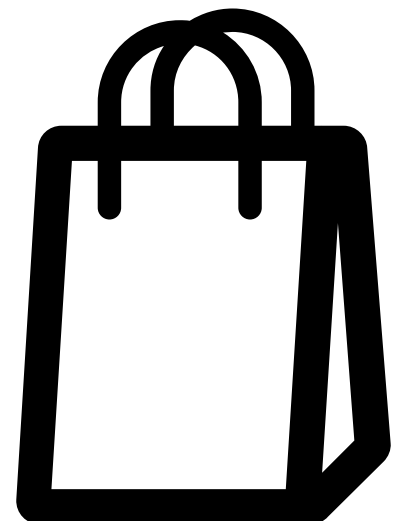
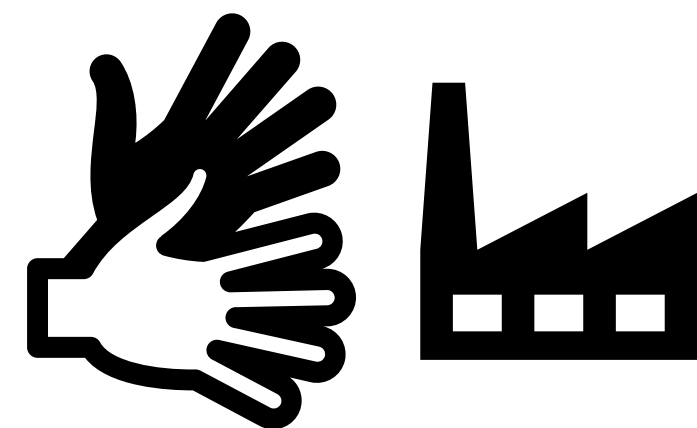
Cost/Price

\$4 ➡ \$5

\$5 ➡ \$11

\$11 ➡ \$25

\$25

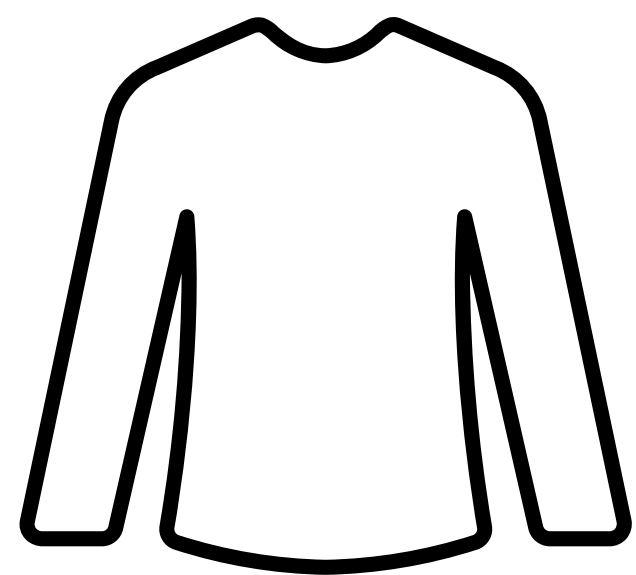


Net Profit

\$0.15

\$1.10

\$2.50

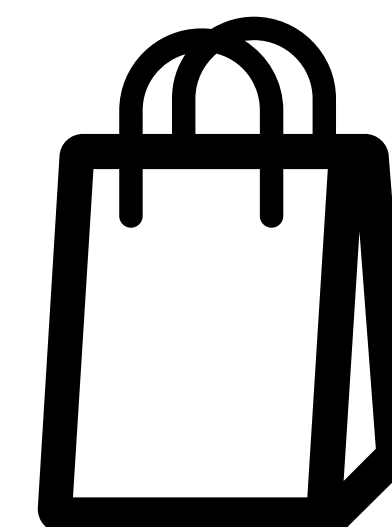
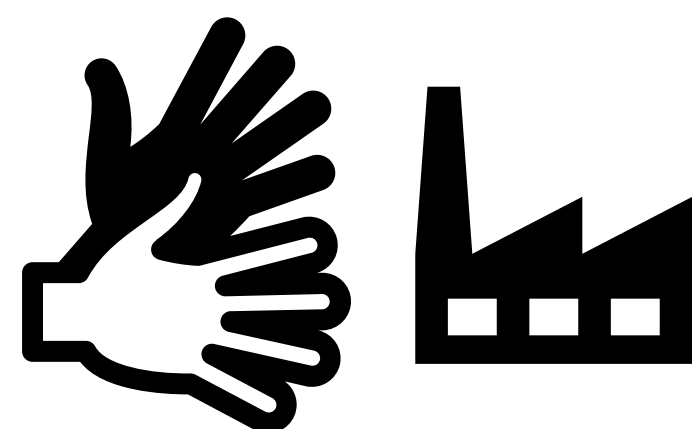


\$25 T-Shirt from Cambodia

Current Tariff = \$0.75

New 49% Tariff = + \$1.96

Cost/Price	\$3.75 ➡ \$4.50	\$5.25 ➡ \$11.50	\$11.50 ➡ \$25	\$25
------------	-----------------	------------------	----------------	-------------



Net Profit

\$0.15

\$1.20

\$2.50

Possible Responses by Brands & Retailers

- Demand retroactive discounts from suppliers
- Hold delivery, awaiting tariff outcome
- Delay payments
- Cancel orders (force majeure)
- Demand discount on new orders
- Demand other concessions
- Shift production to other countries

Possible Impacts on Workers

- Late wage payments
- Mass layoffs (without severance?)
- Excessive overtime
- Verbal or physical abuse related to production targets
- Deterioration in health and safety conditions
- Freedom of association violations

Cancellations, Delays, Discounts

africanews.

Lesotho: Textile industry hangs in the balance following new U.S. Tariffs



Major garment producer Bangladesh says US buyers halting orders

THE JORDAN TIMES

New US tariffs could lead to job losses, industry shutdowns - report

TheJakartaPost

US tariffs spark layoff concerns, risk expanding informal sector

Just Style

Cambodia fashion sector fears US tariffs will stop export growth

“This will have a direct impact on workers – factories may shut down, massive layoffs are already looming . . . there may be a rise in harassment and violence. [Buyers] must ensure that the burden of price hikes does not fall on workers.....”

- Nazma Akter and Khadiza Akter, SGSF Union, Bangladesh

New Developments in Student Labor Rights Activism:

What Is SILS?

Lunch

Quiz

Sweatshirts and Smokescreens:

Grappling with Management Deception in Labor Rights Investigations

Thailand's auditing industry fails to protect migrant workers: activists

Labor groups say factory inspections gloss over harsh conditions of Burmese and other migrant workers.



Corporations are paying for worker abuse audits that are 'designed to fail', say insiders

READ NEXT: President Xi Aims to Cement 'Iron Clad Friendships' in Asia Amid US Tariff Drama



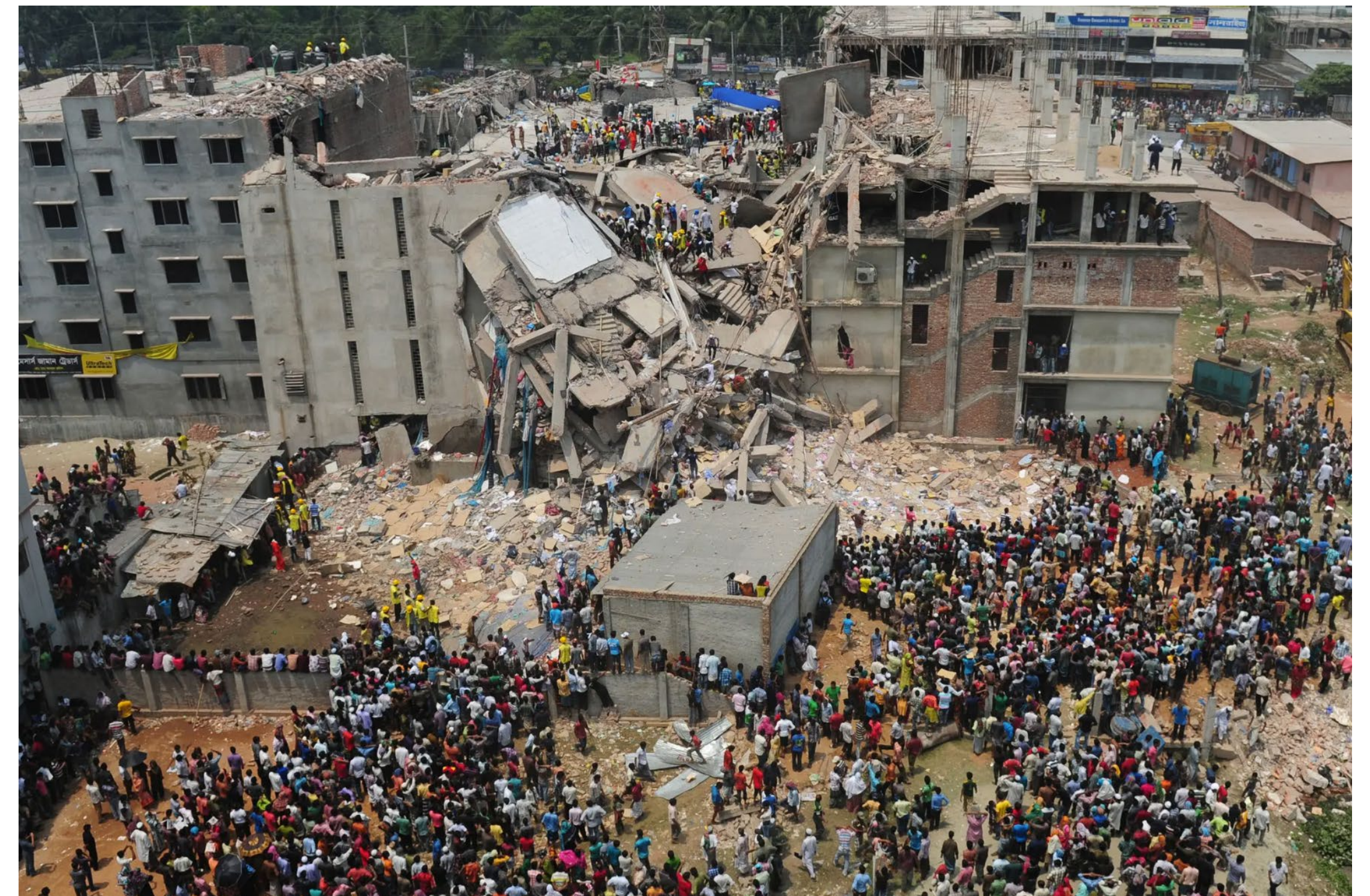
MENU

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Are Poor Social Audits Fueling Migrant Worker Abuse in Mauritius's Garment Industry?

BY JASMIN MALIK CHUA  OCTOBER 17, 2024 3:30PM

Rana Plaza and Ali Enterprise



Practicality

Tick-Box Approach



Non-Compliance Table

Issue (please click on the issue title to go direct to the appropriate audit results by clause)	Area of Non-Conformity (Only check box when there is a non-conformity, and only in the box/es where the non-conformity can be found)			Record the number of issues by line*:		
	ETI Base Code	Local Law	Additional Elements (i.e. not part of ETI code)	NC	Obs	GE
0 Management systems and code implementation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
1 Employment Freely Chosen	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
2 Freedom of Association	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
3 Safety and Hygienic Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>		2	0	0
4 Child Labour	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
5 Wages and Benefits	<input checked="" type="checkbox"/>	<input type="checkbox"/>		1	0	0
6 Working Hours	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
7 Discrimination	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
8 Regular Employment	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
8A Sub-Contracting and Homeworking		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
9 Harsh or Inhumane Treatment	<input type="checkbox"/>	<input type="checkbox"/>		0	0	0
10A Entitlement to Work		<input type="checkbox"/>	<input type="checkbox"/>	0	0	0
10B2 Environment 2-Pillar		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1	0	0
10B4 Environment 4-Pillar		<input type="checkbox"/>	<input checked="" type="checkbox"/>	0	2	0
10C Business Ethics		<input type="checkbox"/>	<input type="checkbox"/>			

*Please note the table above records the total number of Non compliances (NC), Observations (Obs) and Good Examples (GE). This gives the reviewer an indication of problem areas but does not detail severities of each issue – Reviewers need to check audit results by clause.

Conflict of Interest

Auditor profile and reliance on factory management

Lack of Transparency and Accountability

Procuring false audits

“Nothing to see here!”

Hetian Taida China



W R C

WORKER RIGHTS
CONSORTIUM

DECEMBER 2018: ASSOCIATED PRESS'S FORCED LABOR FINDINGS TRIGGER WRC INVESTIGATION

AP

US sportswear traced to factory in China's internment camps

US sportswear traced to factory in China's internment camps

By DAKE KANG, MARTHA MENDOZA and YANAN WANG December 19, 2018



“The camp didn’t pay any money, *not a single cent*. Even for necessities, such as things to shower with or sleep at night, they would call our families outside to get them to pay for it.”

- Elyar, former detainee in exile

W R C

WORKER RIGHTS
CONSORTIUM



University Code Violations

- **FORCED LABOR:** Badger Sport produced apparel in a factory by workers who are detainees in a 'reeducation' internment center.
- **DISCLOSURE FAILURE:** Badger Sport failed to include Hetian Taida Apparel among the facilities disclosed by Badger to universities for production of collegiate licensed apparel.

Hotan Vocational Education and Training Center & Evidence of Badger Sport Production



Product Description	Shipper	Arrival Date	Gross Weight	Country	Shipper Address	Notify Party	Notify Address
MEN S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-12-20	26,827	CHINA	2 JINGDONG ROAD HETIAN PREFECTURE	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-11-25	25,159	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-11-10	27,760	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-10-26	25,927	CHINA	2 JINGDONG ROAD HETIAN PREFECTURE	BADGER SPORTSWEAR	STATESVILLE N C 28625 PH 70487
MEN S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-09-26	25,571	CHINA	2 JINGDONG ROAD HETIAN PREFECTURE	BADGER SPORTSWEAR	STATESVILLE N C 28625 PH 70487
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-09-02	23,674	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-07-28	23,868	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-06-27	21,600	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-05-24	24,754	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,
MEN"S 100% POLYESTER	HETIAN TAIDA APPAREL	2018-04-18	49,309	CHINA	#2 JINGDONG ROAD, HETIAN PREFECTUR	BADGER SPORTSWEAR	111 BADGER LANE STATESVILLE,

VK Garment – Mae Sot, Thailand

134 workers experiencing forced labor, sacked after speaking to auditors



We had the expectation that telling the truth to the auditors would have some things to be changes: better working condition, minimum wages and legal benefits would be paid, but it did opposite: we were fired - V.K. Garment Worker

SMETA Sedex Audit Reference: 2019THZAA407665708 Sedex Members Ethical Trade Audit Report Version 6.1

L: Is overtime voluntary?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Conflicting Information	L1: Please detail evidence e.g. Wording of contract / employment agreement / handbook / worker interviews / refusal arrangements: Based on employees' interview, if any overtime working is requested, they can refuse to work overtime time. Overtime working is based on voluntary.
Overtime Premiums		
M: Are the correct legal overtime premiums paid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A – there is no legal requirement to OT premium	M1: Please give details of normal day overtime premium as a % of <u>standard</u> wages: 150% of normal wage rate for weekday overtime and 300% of normal wage rate for statutory holiday overtime
N: Is overtime paid at a premium?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N1: If yes, please describe % of workers & frequency: All employees are paid for overtime hours at premium rate from 150 - 300% as required by law.



South China Headwear (China)

- The WRC investigated the factory in 2021:
 - Fanatics (Top of the World), Vantage Custom Classic, Infinity Headwear & Apparel, and Global Sourcing Connection
 - Serious violations of Chinese law and university codes of conduct
 - South China refused to remedy violations

2021 WRC Investigation Factory Failure to Remediate

- X Failure to grantee weekly day off
- X Excessive overtime: on average 75 hours of overtime per month
- X Punitive and illegal wage deductions



2024 Ongoing Violations at South China Headwear

LRQA's audit found that the factory had remedied the violations previously identified by the WRC, including providing workers with a weekly day off

However, WRC's investigation found:

- No guarantee of weekly rest day
- Excessive overtime – on average 94 hours of overtime per month
- Punitive and illegal wage deductions



Factories Creating False Documents

“Worker thumbprints just look similar, duh”

Artistic Apparels - Stitching Process

Artistic Apparels, Pakistan

Faked worker thumbprints on
paysheet for correcting
subminimum wage



Industrial Hana, Guatemala

Fake vendor 'guarantee letter' that
Puma fabric delivered 'by mistake'

JAMAS SERAN VENCIDOS

False Application of Labor Law

**“My pal said the law applies
differently for me, chill”**



'Worst fashion wage theft': workers go hungry as Indian suppliers to top UK brands refuse to pay minimum wage

Shortfall of 16p a day leaves children living on just rice as suppliers to Nike, Zara and H&M in Karnataka underpay by estimated £41m

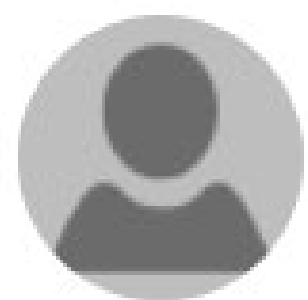


📷 A jean factory in Ballari, Karnataka. One garment worker said she only earned about half of what she needed to cover basic living costs, such as food and rent. Photograph: Bloomberg/Getty

Garment workers making clothes for international brands in Karnataka, a major clothing production hub in India, say their children are going hungry as factories refuse to pay the legal minimum wage in what is claimed to be the biggest wage theft to ever hit the fashion industry.

KARNATAKA

Karnataka government defers payment of VDA for one year



Sharath Srivatsa

BENGALURU JULY 21, 2020 22:45 IST

UPDATED: JULY 21, 2020 22:45 IST

SHARE ARTICLE



PRINT



Annual minimum wage increase based on cost-of-living, due April 1, 2020

“Shocking for the workers ... [t]he VDA payable from April 1, 2020, to March 31, 2021, has been postponed ... *the demand for exemption from payment of VDA had come from industries.*”

– The Hindu
July 21, 2020

September 2020: High Court Declares Postponement Illegal, Orders Employers to Pay

KARNATAKA

HC stays govt. order to defer payment of VDA employees in MSME sector



SPECIAL CORRESPONDENT

BENGALURU SEPTEMBER 11, 2020 14:37 IST

UPDATED: SEPTEMBER 11, 2020 14:37 IST

SHARE ARTICLE



PRINT



- State high court rules postponement illegal, issues stay rendering it inoperative and the increase and arrears payable
- Other industries comply and pay workers back pay
- Garment factories defy court order, deny workers minimum wage
- Cost of living continues to rise

Brands' Non-response to 'Worst Wage Theft'

April 2020–September 2021

- No recognition of court ruling that postponement was illegal
- No action on worker complaints to brands that factories defied court
- No scrutiny of factories' false claim that the legal issue was undecided

Sent: Wednesday, October 6, 2021 3:30 PM

Subject: Re: [EXTERNAL][Request for Call] [Update] Widespread Wage Theft (Violation of Minimum Wage) by Brand Suppliers in Karnataka, India

Dear Ben,

The issue of worker compensation is of utmost importance to [BRAND]. Factories must follow local laws regarding wages to be in compliance with [BRAND'S] Global Compliance Principles. Failure to pay legal minimum wages is a critical violation of our compliance program and leads to termination of business in as little as six months.

As we previously wrote, based on all available information, we understand that a stay order is in place for the 2020 dearness allowances. We are respectfully awaiting the decision by the court for a legally binding order which we will of course enforce. Based on your email, we are in the process of conducting a further legal review with our legal team in Asia and external counsel to confirm our understanding.

In the spirit of collaboration, we very much welcome a phone call to discuss the matter in detail and share information. As you've seen over the years, [BRAND] is an action-oriented company and we are committed to finding a solution to ensure that all workers are paid fairly while respecting the legal process.

We want to allow time for our legal review. Please let us know some times that would work for you next week. Our team from Asia will be joining the call so early in the morning or late afternoon would be best to accommodate their schedules. Thank you for contacting us and we look forward to our call.

Best Regards,

Indian supplier to UK fashion brands agrees to pay £3m in unpaid wages

Shahi Exports, which makes clothes for the UK high street, has agreed to pay staff minimum wage and arrears



Shahi Exports, an Indian woven apparel and textiles manufacturer. Photograph: Shahi Exports Pvt Ltd.

India's largest garment company has paid out an estimated £3m in unpaid wages to tens of thousands of workers, after two years of refusing to pay the legal minimum wage.

Key Elements for Securing Compliance

- Worker complaint based on High Court Order
- Legal analysis and consultation with local experts in India
- Assisting international media to document impact on workers
- Regular email, phone updates to 20+ major licensees, brands, other stakeholders
- Intensive collaboration with key customers to engage top supplier, Shahi

DENIM CLOTHING COMPANY, PAKISTAN



GARMENT WORKERS PROTESTING AGAINST THEIR EMPLOYER THE DENIM CLOTHING COMPANY, WHICH SUPPLIES FOR THE GLOBAL BRAND H&M, WERE ALLEGEDLY MET WITH BRUTAL POLICE FORCE IN KARACHI, PAKISTAN ON OCT 11. PHOTO: FAWAD HAZAN

VICE World News

They Make Clothes for H&M. Pandemic Lockdowns Pushed Them Deep Into Poverty.

Are poverty and police violence the price of fashion?

By **Rimal Farrukh**
ISLAMABAD, PK

October 22, 2021, 9:19am [Share](#) [Tweet](#) [Snap](#)



[Share](#) [f](#) [t](#) [r](#) [p](#) [e](#)

Karachi: Hundreds of workers staged a protest against Denim Clothing Company after they were sacked from their jobs.



KARACHI: The National Trade Union Federation Pakistan (NTUF) and Home-Based Women Workers Federation (HBWWF) on Sunday organised a protest to raise their voice against the dismissal of more than 4,000 workers of a denim manufacturing company, said to be one of the largest producers of garments for many international fashion brands.

Violet Apparel, Cambodia

**Factories making false
claims about worker
'consent'**

**“They said they didn’t want
their legally owed wages,
promise”**

Supplier pays “largest ever” severance sum

PT
Kahoindah

Factory owner coerced
to workers to sign
resignation letters
to cheat them of
severance.



GOATS AND SODA

The \$4 Million Severance Payout That Almost Didn't Happen

DECEMBER 15, 2019 · 7:00 AM ET

By Tim McDonnell



JNB, Guatemala

Factory coerced workers to sign new employment contracts with falsified dates of hire, fired workers who refused

[HOME](#) > [TOPICS](#) > [LABOR](#)

Five-Figure Pay Day: Guatemalan Target Supplier Settles Worker Dispute

BY JASMIN MALIK CHUA 

MARCH 3, 2023 8:11AM

Jasmin Malik Chua

MORE STORIES BY JASMIN

- \$2 Billion of Home Textiles Up in the Air in India Amid Tariff Tumult
- Why REI Retracted Support of Interior Secretary Doug Burgum
- UN Development Agency's Tariff-Fueled Global Trade Outlook Far From Reassuring

[VIEW ALL](#)



**Factories making false
claims about working
conditions**

Suditi Industries, India

- Sumerra/ALGI audit for CLC:
 - Found workers locked in factory, noted some safety hazards
 - But not able to interview locked-in workers
- SMETA/Intertek audit for factory:
 - Did not find any serious violations
- WRC investigation:
 - Interviewed illegal subcontract workers
 - Found subminimum wages
 - Flagged factory as a deadly firetrap
- Factory response:
 - Tried to deny illegally subcontracted workers even existed
 - Produced fake fire safety 'certifications'

campdavid.





Northstar Manufacturing, Thailand

Peter Millar, Mizuno, Jako

Workers' passports
confiscated

Trapped in overcrowded
dormitories

Worked up to 30 days per
month

Paid only half minimum
wage

Real vs. fake pay slips

Pay slips workers provided to WRC:

**Pay slips
management
provided to WRC:**



“Hidden” factory dormitory

- 300 workers in small dorm next to factory
- Concealed entrance.
- No clean water.
- No privacy (CCTVs).

Figure 8: Concealed Former Entryway to Worker Dormitory Area
The original construction (blue arrows), new wall in former entry
(red arrow), and now-removed metal gate (yellow arrow))



Figure 6: Pool Supplying Water for Worker Dormitory

Dormitory conditions - 2017



Area in Dormitory

Compensation for workers

- Factory agreed to pay 16 workers 1.15 m. THB (\$34,000)
- Average = \$2,125/worker or 7.75 months wages each
- Majority of funds paid in Sep./Oct., to be completed Nov.

Q&A

Open Discussion



Council on Ethics for the
Norwegian Government
Pension Fund



U.S. Department of Labor



City of Los Angeles



City and County
of San Francisco

Monitoring for the Cities of Los Angeles and San Francisco



Thai Garment Export
(Thailand)



Popular International
Garment
(Myanmar)



PT Gaha Green
(Indonesia)



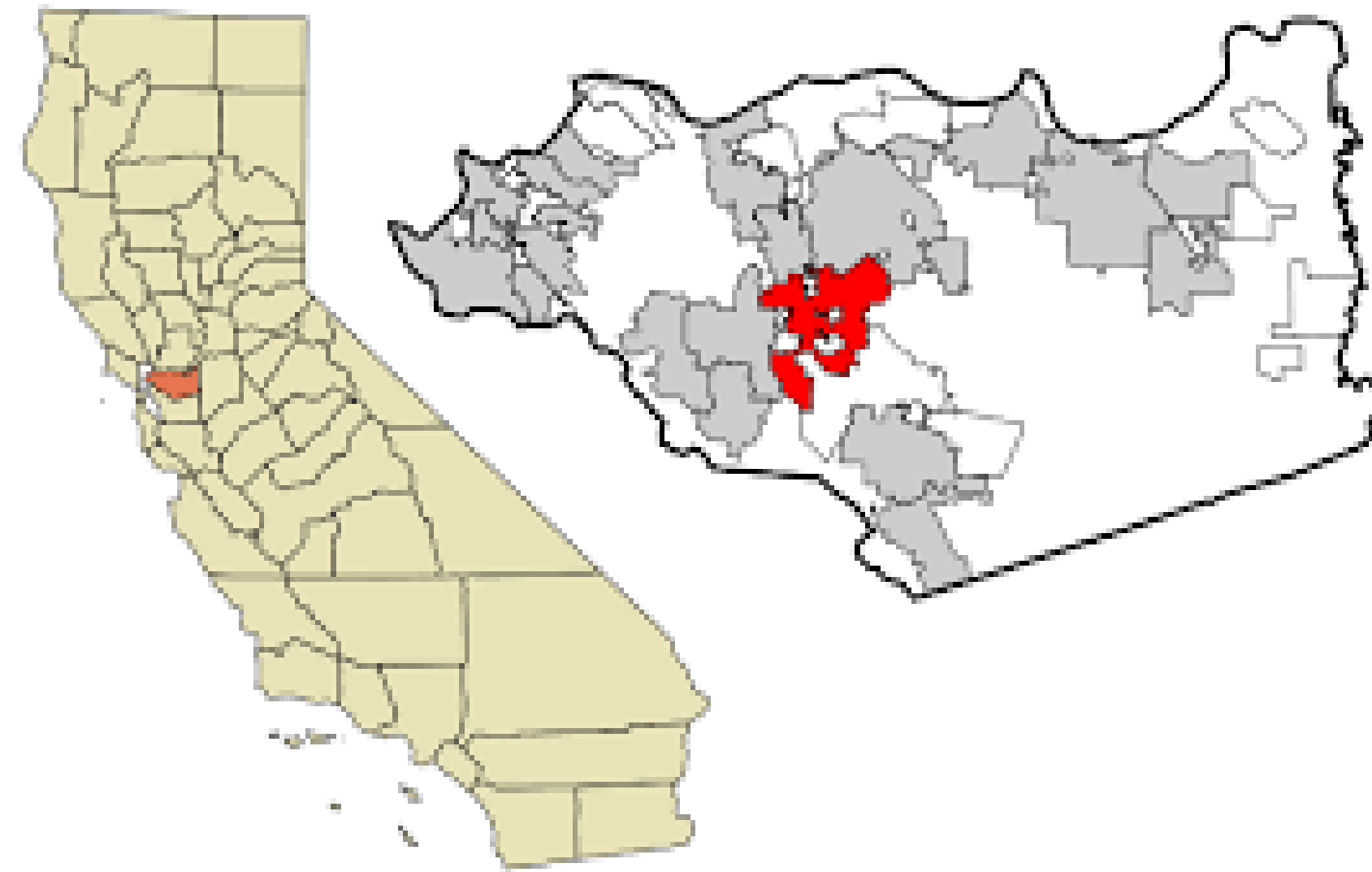
Northstar
Manufacturing
(Thailand)

Independent Monitoring for US Department of Labor



Walnut Creek
Willows LLC

Walnut Creek, CA





**WORKER RIGHTS CONSORTIUM
FACTORY ASSESSMENT
HANSAE VIETNAM CO., LTD. (VIETNAM)**

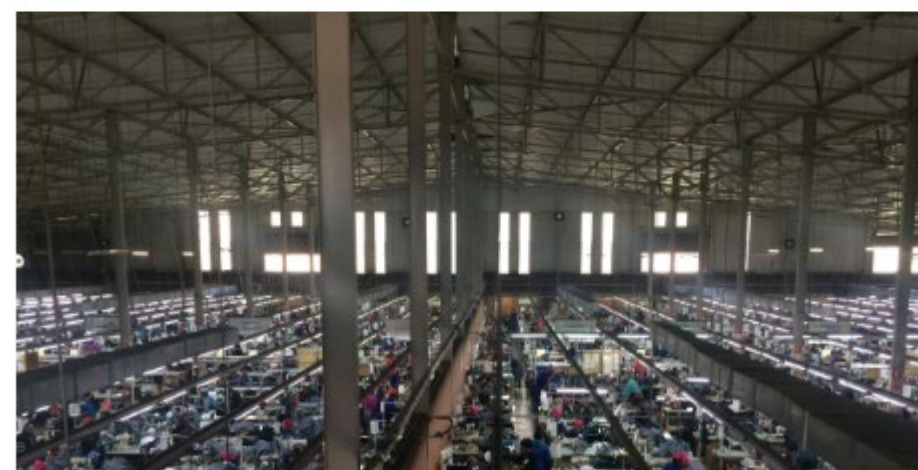
FINDINGS, RECOMMENDATIONS, STATUS UPDATE

December 6, 2016



**WORKER RIGHTS CONSORTIUM ASSESSMENT
re: GENDER-BASED VIOLENCE AND HARASSMENT AT
NIEN HSING TEXTILE CO., LTD (LESOTHO)**

FINDINGS, RECOMMENDATIONS, AND STATUS



August 15, 2019

Investigations for Norwegian Pension Fund

Norwegian Pension Fund one of the world's largest funds

Contracted with the WRC since 2015

The parent companies of factories are the focus of investigations and actions taken by the Fund

**WORKER RIGHTS CONSORTIUM
FACTORY ASSESSMENT**

*Honeys Garment Industry Ltd. (Myanmar/Burma)
Findings, Recommendations, and Company Response*



November 4, 2021

Q&A

The Central Java Gender Justice Agreement:

**How University
Codes Led to a
Groundbreaking
New Program**



Ontide Indonesia

- Located in Central Java
- Supply collegiate apparel to Fanatics, including Nike licensed apparel
- Supply non-collegiate apparel to H&M

PT Semarang Garment

- 3,725 workers
- Workers formed one union, affiliated to SPSI federation

PT Batang Apparel

- 2,500 workers
- Workers formed three unions, affiliated to SPN, SPSI, and KASBI federations

Findings:

Semarang Garment

- Frequent sexual harassment including unwanted touching by machine mechanics
- Supervisor engaging in verbal abuse and financial extortion
- General manager engaging in routine unwanted touching and in verbal abuse

Findings: Batang Apparel

- Frequent sexual harassment including unwanted touching by machine mechanics
- Managers and supervisors engaging in verbal abuse
- Supervisors engaging in verbal abuse and financial extortion
- A pattern of protecting perpetrators and failing to protect victims



Workplace Comments by Managers, Supervisors, and Mechanics

If you don't want to be my girlfriend, I can make things uncomfortable for you at the factory.

Line 9 is full of old women only—no one here is beautiful. If there were anyone beautiful here, the machine would be repaired immediately.

Your ass is big! It's because you have a lot of sex with your husband.

Do you want to marry me? If you want to marry me, I will give you money and your work will be a lot more comfortable.

Hey! This is a beauty! She looks like a player—you can see it in her eyes.

Threats and Retaliation Not Remediation

“I like [supervisors]
Aan and Endang! If
they leave, for sure
you will have to
leave too!”

- Production
Manager

“Watch out! if I
hear someone
reporting again, I
will punish them!”

- Endang
(Supervisor)

Consequences for Perpetrators

Ten supervisors, managers, and mechanics dismissed—including Semarang's chief mechanic

Three perpetrators, including Semarang general manager, resigned before being dismissed

Batang general manager disciplined

Seven supervisors and managers, and all mechanics at both factories, received written warnings

Additional investigations launched, some of which resulted in additional disciplinary measures



Restitution

- Reinstatement of women workers who resigned due to harassment
- Repayment of illegal wage deductions

Creating New Systems



New system for assigning mechanics, eliminating opportunity for abuse of power

Semarang: Factory-level labor-management agreement to address GBVH

Negotiating an Agreement

- Four unions: SPSI Semarang, SPSI Batang, SPN Batang, KASBI Batang
- Ontide
- Fanatics
- WRC, Asia Floor Wage Alliance, and Global Labor Justice
- LION (Local Initiative for OSH Indonesia)

Coming Together for a Solution

The Labor-Management Agreement Is Enforced through University Codes of Conduct



October 1, 2024

Kukdong Corporation
F 6,7M322 Nonhyeon-ro Gangnam-gu
Seoul, Republic Of Korea

Dear Kukdong Management and Labor Unions,

We would like to congratulate your collaborative efforts to successfully reach a programmatic Collective Agreement (CA) on how to address issues of gender-based violence and harassment at the workplace. Through good faith efforts, you have reached a consensus on the best methods to remediate these issues, and we look forward to observing your success in operationalizing programming.

Fanatics is committed to supporting the success of the CA. In the event of unsettled disputes or a failure to adhere to the CA in the workplace, Fanatics is prepared to hold Kukdong accountable to good faith fulfillment of its portion of the CA in alignment with Fanatics' Workplace Code of Conduct and any applicable University Codes. Through our additional support, we hope that you will have the resources you need to sustainably implement the CA in its entirety.

Regards,

A handwritten signature in blue ink, appearing to read 'Joe Monahan', written over a faint, circular official stamp.

Joe Monahan
President of Fanatics Brands



Incorporates C190
Definitions



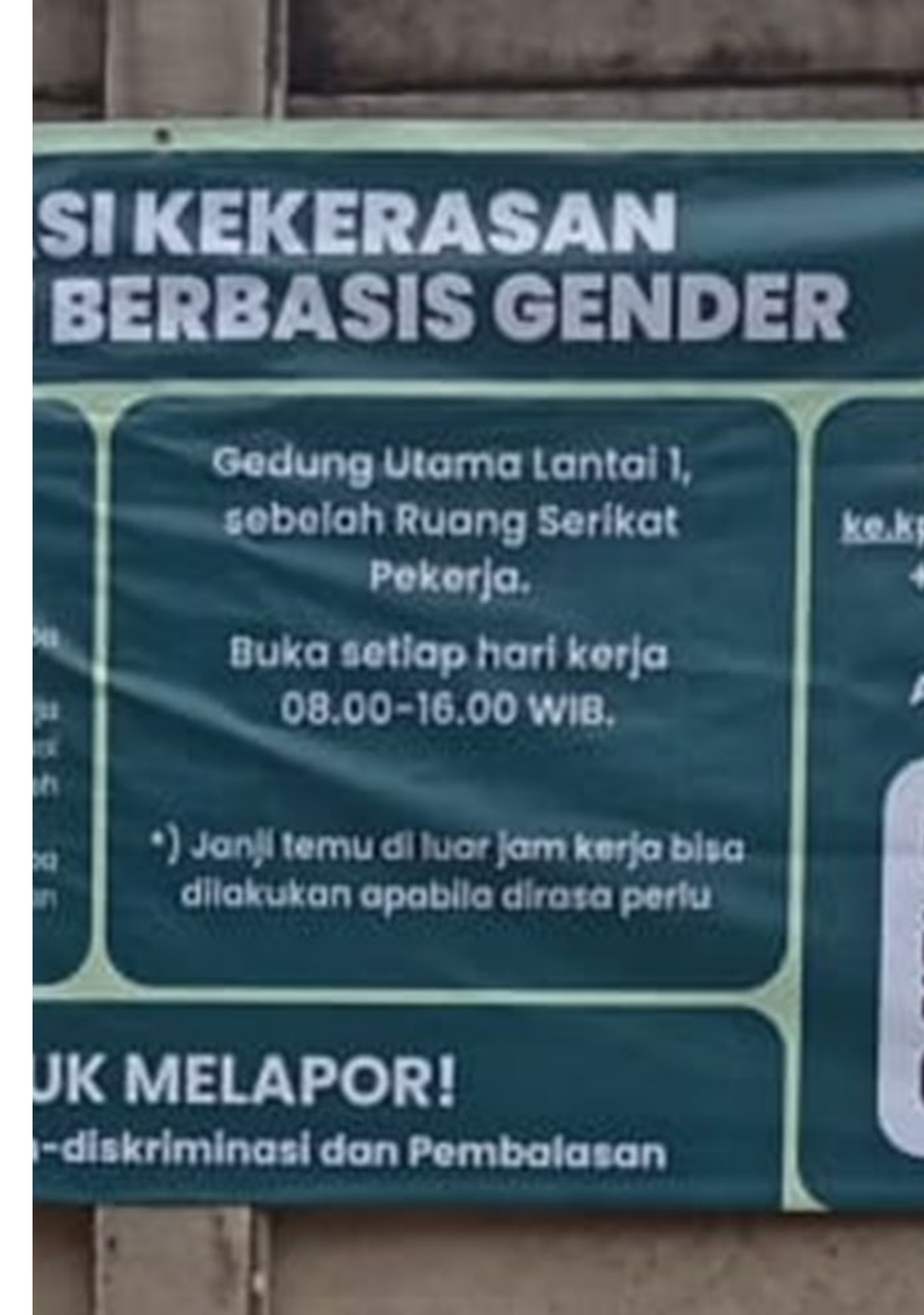
Anti-retaliation
Protections for
Complaints and
Witnesses



Enforceable Protections
for Associational Rights

Establishes Anti-GBVH Committees in the factories with members
from worker representatives and management

Comprehensive education and awareness program with workers taking the lead



Grievance mechanism with worker and management representation and opportunity for independent investigations

Clear process for disciplining perpetrators

Accommodations and counseling for workers who experience GBVH

International dialogue with Fanatics, Ontide, unions, WRC, AFWA, and GLJ

“I feel more courageous, confident, and optimistic.”

Thank You!