## Boohoo founder Carol Kane set to overcome shareholder row amid new "slavery" claims

Online fashion group <u>Boohoo</u> was today set to hold its <u>AGM</u> with co-founder Carol Kane expected to overcome a shareholder revolt to block her re-election as a <u>director</u>.

A proxy shareholder group has called on <u>investors</u> to oust her over the <u>Leicester</u> "modern <u>slavery</u>" <u>scandal</u>, but the <u>majority</u> of investors are expected to vote for her to stay on.

Meanwhile, three labour rights groups issued a joint statement accusing Boohoo of failing to take meaningful <u>action</u> to resolve issues of low pay and poor <u>working conditions</u> at factories in its Leicester supply chain.

Business & Human Rights Resource Centre, Labour Behind the Label and ShareAction said they had found "little evidence" Boohoo had addressed problems in its buying practices that caused poor labour practice. Namely, the company's insistence on paying supplies low prices that drive illegally low wages.

The groups said: "Boohoo and enforcement agencies are trying to place the blame solely on exploitative suppliers, thus ignoring the central role Boohoo and similar brands play in generating and continuing the root causes of labour abuses and exploitation."

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They added that Boohoo had not offered to refund workers in the supply chain for the wages they had been underpaid and accused it of shifting UK work to Italy, Morocco and Pakistan where it could be "exporting a business model that results in poor labour practices in other countries."

It called on Boohoo to provide evidence that all workers are getting paid the minimum wage, engage with trade unions to ensure organising within factories can take place and to move its shares from the lightly regulated Aim market to the main market of Stock Exchange and sign up to the UK corporate governance code.

Boohoo responded that it was an "absolute failure" of the three rights groups not to recognise any of the "substantial action" taken by the group by judge Sir Brian Leveson, KPMG and others to improve Boohoo's supply chain work.