

Boohoo founder Carol Kane wins shareholder vote amid new “slavery” claims

The co-founder of online fashion group [Boohoo](#) today beat off a shareholder revolt and won overwhelming support from investors for her re-election to the board.

A proxy shareholder group has called on [investors](#) to oust Carol Kane over the [Leicester](#) “modern [slavery](#)” [scandal](#), but the [majority](#) of investors voted for her to stay on at today’s AGM.

A total of 88% of shareholders who voted polled in favour of Kane’s re-election in what was seen as a major defeat for the “anti Kane” camp.

The shareholder proxy group Glass Lewis, which advises big investors on how to cast their AGM votes, had said Kane should be kicked off the board for failing to prevent the poor treatment and low pay of workers in its Leicester suppliers’ factories.

Speaking after the vote, John Lyttle, chief executive, said he was “delighted” at the result, adding: “Carol plays an integral role in establishing the identities that sit behind each of the brands on our multi-brand platform.”

He claimed her commitment to the group as a co-founder would be crucial in making sure the company sees through the necessary changes to end poor working conditions.

However, today three labour rights groups issued a joint statement accusing Boohoo of failing to take meaningful [action](#) to resolve issues of low pay and poor [working conditions](#) in

Leicester.

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 suppliers 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.”

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.”

They 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.