

**Minutes of the WRC Board Meeting
October 7, 2025**

The meeting was held at Georgetown University and on Zoom.

Present at the meeting in person were Sam Harasen, Alixe Holcomb, Kyle Muncy, Cal Watson, and Craig Westemeier of the University Caucus; Mark L. and Mark P. of the Advisory Council; Erika Alfaro, Lainie Beauchemin, El Besjak, Saesha Jindal, Madison McCartha, and Brooke McMullan of USAS.

Board Members attending via Zoom were Jill Esbenshade and Julie Martinez Ortega of the Advisory Council, and Michael Ferrari of the University Caucus

WRC staff members in attendance in person were Scott Nova, Ben Hensler, Jessica Champagne, Rola Abimourched, Ariana MacMartin, and Kimberly Capehart.

WRC staff members Liana Foxvog and Sarah Reed attended via Zoom.

Observers in attendance in person were Shreya Basu of USAS; Katie Nguyen and Giselle of SILS, and Meg Davies, WRC legal intern.

Casey Shillito of CLC joined as an observer for the Tariff discussion via Zoom.

Julie Farb and Angeles Solis of the Advisory Council were absent.

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

Ratification of New Members and Election of Officers and Audit Committee

Election of New Board Members

On August 26, 2025, Grace moved, and Fiona seconded, to ratify the following board members via email:

- Erika Alfaro
- Lainie Beauchemin
- El Besjak
- Saesha Jindal
- Madison McCartha
- Brooke McMullan

A vote was held remotely. A majority of board members voted in favor via online form by September 5, 2025; there were no nay votes.

Election of Officers

Madison nominated Brooke to be the Board Chair. Erika seconded. All board members voted in favor. Jill nominated Mark L. to be Treasurer. Craig seconded. All board members voted in favor. Craig nominated Kyle to be the Secretary. Alixe seconded. All board members voted in favor.

Election of Audit Committee

El nominated Lainie for the USAS seat on the Audit Committee. Madison seconded. All board members voted in favor. Sam nominated Kyle for the University Caucus seat on the Audit Committee. Craig seconded. All board members voted in favor. Jess reminded the Board that as Treasurer, Mark L. automatically serves on the Audit Committee.

Approval of Agenda and Minutes from the April Board Meeting

Madison moved to approve the agenda. El seconded. All board members voted in favor.

Madison moved to approve the April minutes. El seconded. All board members voted in favor.

Executive Director's Report

Personnel Updates – Jess Champagne

Jess provided an update on WRC staffing to the board.

Mark L. asked about how staff are trained and if there are global in-person meetings. Scott noted that there is an in-person global meeting every three years. Jess described the onboarding and training procedures and added that the WRC also has in-person regional meetings for staff.

Accord Updates – Scott Nova

Scott reviewed the status of the Pakistan Accord, highlighting the significant collegiate sourcing from the country and high safety risks. He noted that one non-collegiate factory inspected recently was so dangerous, from a structural standpoint, that the Accord immediately ordered the evacuation of the building. The board asked, and Scott answered, a number of questions about workers' rights when a factory closes, technical aspects of building inspections, brand responsibilities under the Accord, and the possibility of its expansion to new countries.

Policies – Ben Hensler

Ben presented a motion to update the WRC's Articles of Incorporation to reflect the WRC's new address. Kyle moved to approve the edit. Craig seconded. All board members voted in favor.

Ben presented a motion to update the WRC's Document Retention Policy to provide clarity on electronic versus physical retention standards. Mark P. moved to approve the edits. Mark L. seconded. All board members voted in favor.

Koa Modas – Scott Nova

Scott provided an overview of the Koa Modas factory in Guatemala that had been operating for 25 years and closed in early 2025. Scott reported that when the factory closed, the total amount

owed to workers was nearly \$6 million, and the owner was bankrupt and paid workers nothing. The WRC has a long history of engagement with the factory's direct buyer, Sae-A, which was buying for Target. The WRC documented all arrears. Scott explained that after a lot of back-and-forth, and after the WRC and workers rejected various proposals from Sae-A that fell well short of the full amount owed, the WRC was able to convince Sae-A to commit to pay the workers. In the end, he said, workers received 94% of the total owed. Scott explained that if this were a collegiate case the WRC would have had to require 100% payment as remediation, because that is what university codes require, but that the factory was not collegiate and the union wanted to accept 94% in order to expedite payment.

Scott highlighted that this case marks \$13.3 million secured for 8,600 workers across 11 factories so far in 2025. This achievement represents the WRC's success through years of work in bringing about a fundamental shift in industry norms. Scott emphasized that prior to the WRC's work on wage and severance theft, brands were not held accountable in any meaningful way for arrears owed to workers at contract factories. Now, he said, it is possible in the majority of cases to secure payment for workers and that, at collegiate factories, the WRC has been able to do this in almost all cases.

Hong Seng – Scott Nova

Before discussing the Hong Seng case, the Board was notified of a potential conflict of interest, since Craig is also a member of the Board of the Fair Labor Association (FLA) and the WRC and the FLA had taken conflicting positions on the case. Madison moved to allow Craig to participate in the discussion. Mark L. seconded. All Board members voted in favor.

Scott provided a brief update on Hong Seng. He spoke about the reports by the WRC and the FLA. He reported that the WRC remains in contact with workers and that the commitments Nike has made have largely been honored. Scott reiterated that the current Nike remediation plan, while it does provide substantial compensation to workers, is not adequate and that, most importantly, it does not fully resolve retaliation faced by the worker-leader Kya Saw Oo, who was the target of a bogus criminal complaint, made by the factory, which forced him to flee Thailand. Scott noted the chilling effect such retaliation has on other workers, at Hong Seng and beyond. As such, Scott said that Nike is not in compliance with university codes of conduct. The board had dialogue around student engagement with Nike and with the FLA

Nien Hsing – Scott Nova

Scott reminded the board about ground-breaking the Gender-Based Violence and Harassment (GBVH) agreement at the Nien Hsing factory in Lesotho and the risk it faced due to the new tariffs. He provided a brief description of the African Growth and Opportunity Act (AGOA), which allows duty-free exports to the US. AGOA expired on September 30 and there remains uncertainty regarding its renewal. Scott noted that as of last week, all garment products exported from Lesotho now face a 31.5% tariff, significantly impacting all of Lesotho's garment factories, including Nien Hsing. Scott expressed concern that Nien Hsing may be unable to absorb this cost increase, which could cause the factory to close.

Tariff Twists and Turns: Where Are We Now? – Sarah Reed

Sarah reviewed the saga of the Trump Administrations tariffs, first announced in April 2025. She discussed the current tariff rates in several garment producing countries. She described the volatility in the Administration’s tariff decisions. She referenced the Supreme Court case, noting that a decision could come in this calendar year, affecting most of the tariffs. Even if the tariffs are overturned, Sarah explained that the Trump administration could use other statutes to re-invoke some of the tariffs.

Sarah also described brands’ responses to tariffs, including pressing factories to absorb tariff costs and in some cases to hold some orders without payment. Sarah noted that, historically, this kind of downward pressure on factories that already operate on razor-thin margins exacerbates labor rights violations.

Casey Shillito, Senior Director of Corporate Responsibility & Innovations at the Collegiate Licensing Company (CLC), spoke, by invitation, to the Board. She explained that two-thirds of universities using CLC as their licensing agent are allowing the increases in tariffs to be excluded from the product price when royalties are calculated. She stated that 723 supplier factories have been inactivated this year, up from 500 last year. She said that while CLC is seeing more factories being deactivated in their system, it is hard to draw a clear connection to tariffs as there has also been unrelated consolidation of licensees and their supply chains. She concluded that CLC expects to have a clearer picture of the impact at the end of the year.

University Caucus board members shared their experience, noting that the collegiate industry is seeing major shifts since the Covid-19 pandemic, and tariffs are one issue of many.

Collegiate Factory Case Roundup – Rola Abimourched

Rola provided a broad overview of the WRC’s work over the past year, highlighting that so far there have been 29 investigations in 14 countries. She described four cases in depth, to exemplify the breadth of the WRC’s work.

Salva Sewn

Rola provided an overview of a case from El Salvador of an unlawful dismissal involving a worker with a disability. Rola reported that the investigation revealed the worker, who had a physical disability, was unlawfully terminated after seeking support from union representatives regarding her supervisor harassing her around her disability. Rola explained that following the WRC’s engagement with Unrivaled Teamwear, Salva Sewn reinstated the worker and paid full back wages, thus remedying the violation of the university codes of conduct.

Santa Ana Apparel

Rola reported that a WRC investigation determined that Santa Ana Apparel, owned by Fruit of the Loom, violated university codes of conduct by unlawfully terminating five workers who had recently been elected as union officers. After the WRC intervened, Rola stated that the company remedied the violations by reinstating all five employees with full back pay and by taking

additional steps to affirm its commitment to respecting workers' right to freedom of association at the factory. Rola also noted that Fruit of the Loom has been closing many of its operations in Honduras, which raises particular concerns since the industry in Honduras shows a much higher level of respect for freedom of association than other countries in the region.

Fairway Apparel

Rola reported that Fairway Apparel, a factory in Haiti, closed operations in August 2024. Rola described that at the time of closure, the factory paid only half of the severance legally owed to its 500 employees and violated Haitian law and university codes by failing to pay the remaining amount of \$155,000. Rola indicated that after the WRC engaged with the factory buyer Champro, Champro agreed to pay the outstanding severance owed to the workers.

Metro Wear 2

Rola provided an overview of a mass freedom of association violation at Metro Wear 2, a factory in the Philippines. Rola indicated that the WRC's investigation uncovered severe and persistent violations of workers' associational rights, including attempts by the factory to use coercion to dissuade workers from voting for a union and discriminatorily targeting union members, including five union officers, for dismissal. She described that, after months of engagement with the factory, worker representatives, and lululemon, Sports City International (SCI), the parent company of Metro Wear 2, committed to fully address the violations of university labor standards identified by the WRC. Rola detailed that these commitments include the reinstatement with back pay of unlawfully fired union leaders, a promise to bring laid-off workers back to work promptly without discrimination based on union membership, and a commitment to respect the outcomes of the democratic union election. Rola noted that SCI also agreed to bargain in good faith, as required by national law, and to reinstate another illegally fired worker from a sister factory linked to SCI's broader campaign to prevent workers from exercising their associational rights.

University Students Against Sweatshop board members described their solidarity campaigns and engagement in support of workers' rights on this case.

Brooke asked for more details on Fruit of the Loom's closure of factories in Honduras, including the closure of Jerzees Nuevo Dia and opportunities for the workers from the closed factories to be placed elsewhere. Ben replied that he does not think Fruit of the Loom will rescind the decision to close Jerzees Nuevo Dia. Scott added that there is a commitment from Fruit of the Loom to support new jobs for terminated workers, however, they are not required to ensure all workers have new jobs.

Executive Session

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