



Thank you for joining! The webinar will start in a couple of minutes.

SLCP 2024 – 2028 Strategy and legal independence

Tuesday 5 September 2023

- Please note that this webinar is being recorded.
- Slides and recording will be posted online (Signatory Portal).
- All attendees are requested to observe Chatham House Rules and follow Anti-trust Guidelines.
- Please use the Q&A function to ask questions to the speakers.







Interactive webinar: SLCP 2024-2028 Strategy & legal independence





Welcome & agenda



Welcome by SLCP Council Chair



Jonathan Obermeister Independent Chair



Agenda

1. Setting the scene

- 2024 2028 Strategy development process
 - ✓ Context from Council and Strategy Committee
 - ✓ Timing and signatory consultation
 - ✓ Taking into account trends and impact for SLCP

2. Key components 2024-2028 Strategy

- Building blocks
 - ✓ Mission and Vision
 - ✓ SLCP Strategic Aims and Value Drivers
 - ✓ SLCPs role as enabler

3. Establishing SLCP legal entity

- Rationale establishing Stichting SLCP/ independence
- Governance 2024+

4. Signatory voting

Voting instructions

5. Feedback and questions

• Q&A







Setting the scene



Current 2019-2023 strategy

Celebrating where we are today!

266 Signatories – August 2023

51 Brands | Retailers

46 Manufacturers

105 Audit Firms

30 MSIs | Standard Holders | Civil Society

5 Consultancies

8 Service Providers

7 Agents

12 Industrial Associations

2 National Governments







Current 2019-2023 strategy

Celebrating where we are today!





SLCP Council 2023

Representative for Manufacturers

Michael Cai

Décor (Suzhou)



Abhishek Bansal

Arvind Group

Jeremy Lardeau

Sustainable Apparel

Coalition



Nikhil Hirdaramani

Hirdaramani

Mayank Kaushik





Independent Chair



Jonathan Obermeister

MSIs

Rep for Audit Rep for Firms



Margot Sfeir ELEVATE

Rep for Civil Society



Leonie Abraham **Better Buying** Institute

Inditex Target Corporation Columbia Sportswear

Representative for Brands/Retailers



Expert Seats







Anna Burger

Dan Danielsen

Steve Harris

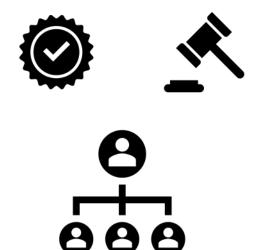


SLCP – Looking to the future

Our Strategy and becoming an independent organization



New five-year Strategic Plan (2024-2028)



Independent legal entity



SLCP 2024 -2028 Strategy development

Reconfirm Positioning & Staged Approach

- Evolution rather than revolution
- Build, scale and optimize
- 2023 priorities development of new Strategy:
 - ✓ Redefinition of the relevance SLCP in 2030.
 - ✓Test/finetune scope of SLCP: do the current workstreams hold till 2030?
- New five-year Strategy:
 - √2024-2025 detailed plan,
 - ✓2026-2028 high level (mid-term evaluation)





Signatory consultation process



Signatory survey

Initial high-level input for the new strategy



Interactive webinars

Strategy Committee and Secretariat to meet with signatories to present and discuss the survey results on **16 May**.



In-person meeting in Copenhagen

To present our first draft (high level) strategy on **Monday 26 June** (in the week of the Global Fashion Summit)



Your input and feedback

To create a new five-year Strategic Plan, SLCP has set out to evaluate its current position.

To do so, SLCP gathered signatory input from April – June 2023.

Survey feedback

- Support 'evolution rather than revolution'
- Room for a more inspiring vision
- SLCP could go beyond comparability for further impact
- SLCP to streamline process to meet facility verification cycles, and simplify the CAF
- Emphasis on improvement actions /capacity building and trust in data

Webinar and in-person feedback

- SLCP is going in the right direction
- Needs to be clear in what it is
- Emphasis on the importance of accurate data
- Engaging and adopting non-signatories
- How to expand to different industries

The survey received a **high response rate**, with 33% of eligible signatories filling in the survey! ±75 attendants joined the webinar to provide their feedback. ±40 attendants joined the in-person meeting.

Participants were consulted on 'evolution vs. revolution', vision and mission, industry benefits, strategic aims and goals and identified trends.

Strategy development - overview of relevant trends

Results of horizon scanning project

Global uncertainty & deteriorating geopolitical conditions		Climate change	Mega trends
Global economic turbulence	Supply chain disruption	Development of technology and innovation	
Regulatory push requiring companies to act	Increase scrutiny on sustainability claims	Private compliance initiatives under scrutiny	Sectorial trends
Companies to hold account for labour practices	Fast shifting consumer demand	Need for supply chain agility and resilience	



Implications for SLCP Strategy

Potential impacts: global supply chains

- Supply chain sustainability and increased human rights risks
- Business reality and new production
- Manufacturer ownership
- Shrinking civic space

Potential impacts: SLCP

- Creating impact
- Human Rights Due Diligence
- Quality and effectiveness
- Tool and program approach
- Data driven approach
- Equal partnership and diversity in organization





Reflections from the Strategy Committee

Strategy development process





Key components 2024 -2028 Strategy



SLCP Strategy – continued commitment to our Core Values



Rigorous

Ensuring the quality of our work, the credibility of our system and the integrity of our data



Impartial

Inclusive and fair in our treatment of colleagues, supply chain actors and others committed to improving social and labor conditions, with the interests of workers at the heart of everything we do.



Collaborative

Working actively with our colleagues, signatories and partners to facilitate change and achieve greater impact

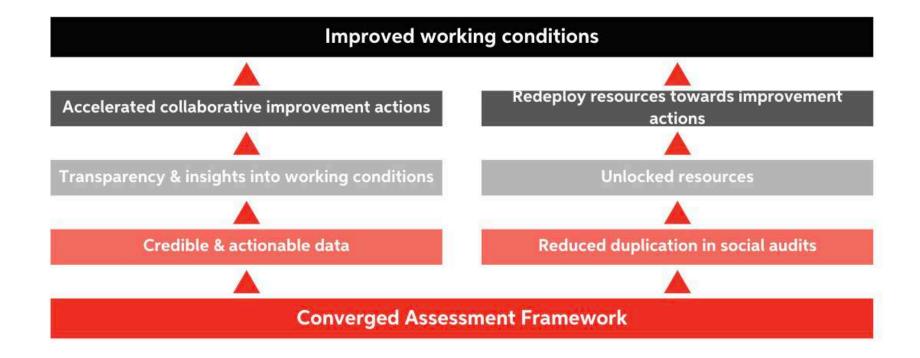


Progressive

Always looking to improve the usefulness and effectiveness of the tools and services we provide.



Theory of change







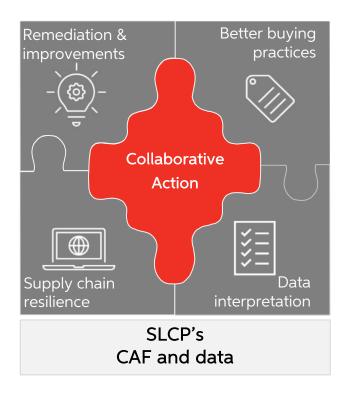


VISION	Decent working conditions in global supply chains				
MISSION	To unite and support all stakeholders by developing and deploying a Converged Assessment Framework (CAF) that delivers harmonised, accessible and trusted data.				
VALUE DRIVERS	Create efficiencies and resilience in supply chains		Identify and share social labor insights		
	Support human rights due diligence implementation		Enable solutions to improve working conditions		
STRATEGIC AIMS	Relevant, effective and scaled tools	Credible and actionable data	Accelerated collaborative improvement programs	Inclusive organization and dynamic ecosystem	
SUCCESS CRITERIA	CAF used at scale and in multiple sectors	Diverse stakeholders including governments accept SLCP data	Partnerships that drive improved working conditions	Multi- stakeholder governance and committed partners	



SLCP: A catalyzer for collaborative action

While assessments are an important element in the due diligence process, in isolation they will not drive the systemic change that is needed to improve working conditions. The CAF and SLCP data are enablers for four key levers, and <u>working with partners</u> SLCP will support progress in these areas.







Reflections from the Strategy Committee

SLCP Strategy 2024-2028



Resources available to you



- Download the full report from the Signatory Portal: https://slconvergence.org/signatory-portal
- Contact info@slconvergence.org in case you have issues accessing the signatory portal

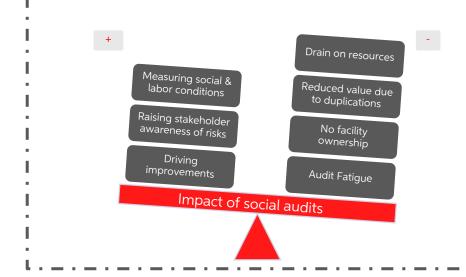




Establishing new legal entity Stichting SLCP



The beginning of SLCP – SAC as convenor



In 2015, initiated by the Sustainable
Apparel Coalition (SAC) and funded by
C&A Foundation (Laudes) and others, a
group of 33 brands; manufacturers; and
other key stakeholders came together to
jointly tackle the growing problem of
audit fatigue in the apparel and
footwear sector.

Public Statement - Amsterdam, 21st October 2015



We, signatories to this Statement, recognize that the proliferation of differing codes, audits, protocols and approaches are hampering the improvement of social and labor performance within global supply chains. We believe that there is both a need and an opportunity for collaboration. Our common goal is to drive opportunities for harmonization and convergence in social auditing, as a means to improve social performance in global supply chains. We call on others to join us.



SLCP as an independent entity – our next phase

Now

- SAC is SLCP's legal representative and our organization host
- SAC is responsible for operational management (contracting, formal financial management, payroll etc.)
- SAC and SLCP are working together on adoption of CAF/ Higg FSLM

New

- Separation from SAC
- SLCP as independent legal entity
- Renewed strategic partnership
- Continued close working on CAF/Higg FSLM adoption and industry convergence

Opportunities

- Credible, neutral and independent multi-stakeholder initiative
- Additional opportunities for further convergence and adoption
- Highlighting wide base of signatories beyond SAC members
- Expresses maturity of SLCP
- Greater clarification on mandate and tools



SAC's Perspective

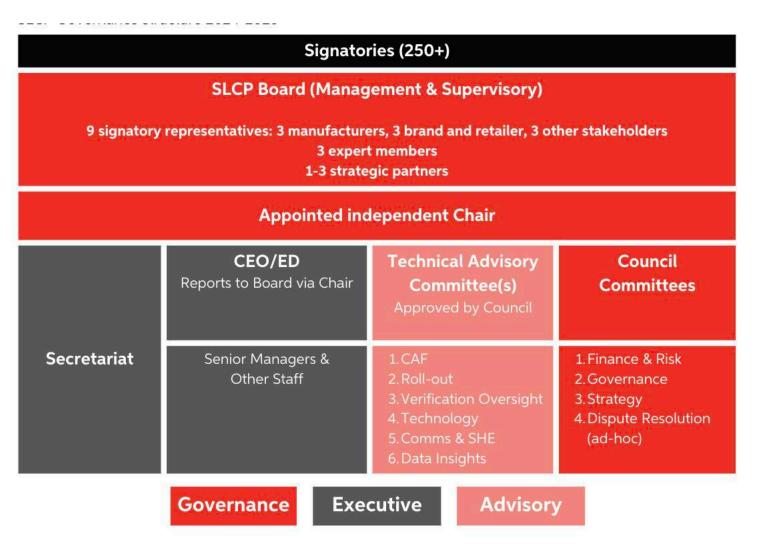


Amina Razvi, Chief Executive Officer of SAC

"Our partnership has been invaluable, proving that real change happens when we actively work together for positive industry change. We believe it's the right time for SLCP to step into its own and are excited to see them thrive as an independent non-profit, charting a new course in partnership with the SAC"



Governance structure 2024-2028





Resources available to you



On the Signatory Portal: slconvergence.org/signatory-portal

- ✓ More independence info
- ✓ FAQs





Signatory Vote



What are we asking you to vote on?

1. Do you support SLCP's five-year Strategic Plan

- Approve
- Not approve
- Abstain
- If you would like so share comments on the five-year Strategic Plan, please do so in the text box below.

2. Do you approve SLCP's move to become an independent entity?

- Approve
- Not approve
- Abstain
- If you would like to share comments on SLCP Independence, please do so in the text box below.

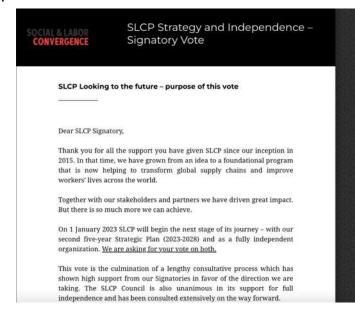


How does the voting work?

- Voting live from Monday 4 September until midnight CET Friday 22 September
- Ensuring integrity and transparency SLCP Council has formed a Voting Committee:
 - Independent Chair (Jonathan Obermeister)
 - Manufacturer and suppliers'representative (Michael Cai, Décor)
 - Brand and retailer's representative (Mayank Kaushak, Inditex).
- For more information: events@slconvergence.org

Voting rules:

- Only one vote per signatory
- ☐ More than one vote from the same signatory? We will count as a single vote if the votes agree
- ☐ If votes don't agree we will contact your organization to determine which vote should be counted
- ☐ The Governance committee reserves the right to consider signatories who have not voted by Friday 22 September to be supportive of our plans.





Voting resources

Special signatory vote email sent yesterday (SLCP Newsflash 4 September).
 Includes explanation and direct link to <u>electronic voting ballot</u>.





- All info also on the signatory portal: slconvergence.org/signatory-portal
- Final draft Strategic Plan
- ✓ Independence info and FAQs
- Link to vote and copy of voting template

CONTACT - info@slconvergence.org for any issues accessing portal





Your questions and feedback



What's your feeling about the proposed direction?



- We'd like to get a quick temperature check
- Zoom poll





Q&A



Voting resources

Special signatory vote email sent yesterday (SLCP Newsflash 4 September).
 Includes explanation and direct link to <u>electronic voting ballot</u>.





- All info also on the signatory portal: slconvergence.org/signatory-portal
- ✓ Final draft Strategic Plan
- ✓ Independence info and FAQs
- Link to vote and copy of voting template

CONTACT - info@slconvergence.org for any issues accessing portal

