**SOCIAL & LABOR**
**CONVERGENCE**

**AGENDA CC15 – 5 November 2020**
**Webinar 1 – 2.30 PM CET – Janet's Zoom**

Council members present:

| | | |
|---|---|---|
| 1 | Jonathan Obermeister | Independent Chair, SLCP Council |
| 2 | Eranthi Premaratne | SAC |
| 3 | Ninh Trinh | Target |
| 4 | Steve Harris | Expert (absent) |
| 5 | Nikhil Hirdaramani | Hirdaramani Group |
| 6 | Melina Tse | Esquel Enterprises Limited |
| 7 | Darren Chastain | Gap Inc. |
| 8 | Daniel Danielsen | Expert (absent) |
| 9 | Abhishek Bansal | Arvind Limited |
| 10 | Aleix Busquets Gonzalez | C&A (joined 15 min later) |
| 11 | Tamar Hoek | Solidaridad |
| 12 | Anna Burger | Expert |
| 13 | Darrell Doren | ELEVATE (absent) |

SLCP Secretariat

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|---|---|
| 1 | Janet Mensink |
| 2 | Holly Menezes |
| 3 | Sharon Hesp |
| 4 | Adam Castle |
| 5 | Susanne Gebauer (absent) |

Observer

| | |
|---|---|
| 1 | Pierre Hupperts,<br>outgoing chair |

| Agenda item | Pre-reads | Ask to Council |
|---|---|---|
| 1. Opening and Welcome | N/A | • N/A |
| 2. Minutes CC14 | 2. Draft minutes CC14 | • Approve/amend minutes |
| 3. 2020 Budget | 3. Budget 2020 -Jan-Sept and 2021 planning | • Be aware of financial situation: opportunities and challenges<br>• Provide suggestions on 2021 budget planning |
| 4. Update 2020 Ops and planning 2021 | 4A. 2020 Operation update<br>4B. Planning Operation 2021 | • Be aware of progress and adoption |
| 5. Tool/CAF review (v1.4) | 5. CAF v1.4 update | • Be updated on progress made with CAF v1.4 and challenges & mitigations |
| 6. Collaborations/ partnerships<br>• SAC<br>• ILO-BW | *Verbal updates* | • Be updated on progress and challenges<br>• Expect draft agreement for discussion in CC16 (TBC) |
| 7. Governance:<br>• Elections Nov '20-Jan '21 | 7. Memo Elections | • Approve/amend proposal Election Committee members: Jonathan Obermeister, Anna Burger, Dan Danielsen<br>• Be updated on process upcoming elections |
| 8. Upcoming Council meetings | *N/A*<br>Proposal slots and key topics CC16:<br>• 2 and Dec 3-5 PM CET<br>• Key topics:<br>- check in current & future state SLCP,<br>- approve 2021 plans,<br>- partnership agreements ILO-BW and SAC (TBC)<br>- Other? | • Decide on slots and high level agenda CC16 December |
| 9. AoB | *N/A* | • *N/A* |

**Summary Key Decisions**
- Minutes CC14 approved
- Upcoming Council election: Members of the Election committee: Jonathan Obermeister, Anna Burger, Dan Danielsen. Proposed process and timelines (see pre-read) approved.
- Council meetings (two 2-hour sessions) on December 1 and 2, 3-5 PM CET. Key topics:
  o 2021 plans and budget
  o Verification Oversight Organization & findings 2020 Ops related to quality SLCP verified data
- Reminder to complete the signatory survey 2020 by latest Friday 13 November: https://www.surveymonkey.com/r/SLCP2020
- Farewell Pierre: 4 December

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1. **Opening and Welcome**

- Reminder on the SLCP engagement rules and specifically anti-trust guidelines.
- Jonathan welcomed the Council and former chair Pierre Hupperts as observer in the first meeting chaired by him.
- Industry Summit meeting was yesterday. Janet presented and Jonathan was present. Great presentations and commitment for SLCP, which was very encouraging to see.

2. **Minutes CC14**

*Decisions*
- No remarks on the minutes, CC14 minutes approved.

3. **2020 Budget**

*Context*
- Finance committee had two calls in the past months.
- The budget for 2020: 75% of the year's revenue is in. So far. Revenue: 80%. Spending: 65%. Surplus of 26K USD expected at the end of 2020.
- The budget for 2021: 2,000 VRF scenario was included on request of the Council. Current nominations are around 4,000 – 5,000 VRF. Base scenario of 3,300 VRF is very realistic, but prudent to work with and mean that SLCP can work with 90% earned income.

*Decisions*
- Due to the importance of (the robustness of) SLCP's verification oversight system, the Council will get an update of verification data in upcoming council meeting (before the end of the year). Focus is on 2020 Ops findings related to data quality/integrity.

4. **Update 2020 Ops and planning 2021**

*Context*
- Over 2,000 facilities with a profile on the Gateway. Over half have completed an assessment, other half in the process. Will be investigated why they do not finish their assessments.
- For 2020 we are at 835 VRFs and have almost 150 assessments in de verification phase. Likely that we will make our 1,000 VRF target for 2020.
- In 2021 we expect around 4,500 VRFs based on the nominations from 27 brands. Focus countries are China (50% of nominations), Bangladesh and Turkey (around 500 VRFs each), India (around 400 VRFs) and Vietnam (around 300 VRFs).
- General Assembly (GA) had 160 participants (86 signatories), spread out over 2 hours. Recordings are shared outside of the signatory group as well. The evaluation (24 respondents) showed that people were, after the GA, more motivated to contribute to SLCP.
- Over 35 brands already on the Brand Acceptance List (3 non signatories) and list is growing.
- Visibility to SLCP due to Higg Co FSLM scoring launch.
- New SLCP website is coming up.
- Sedex will leave as an AH. To make sure there is little effect on facilities / SLCP users we started an exit strategy: communication to users, gradual stop of assessments and time given to complete them. We see the result of our communication, e.g. 10 out of 47 VRFs were shared with another AH and some facilities moved their assessment to another AH.
- Quality Assurance checks (VRQ) are done: 22 checks in total. Promising results.

- Conversation took place with the current AHs. Fee structure will be reviewed based on the information that came out of this meeting. Possibility researched to reduce the base fee and increase sharing fees. Several scenarios/models are being explored.

**5. Tool/CAF review v1.4**

*Context*
- 14 Facilities in 6 countries tested the prototype in August/September. 22 signatories provided feedback through our August consultation round. In addition, a handful of other stakeholders (potential partners/signatories) provided feedback.
- We've incorporated this feedback, where possible, into Step 2. High-level enhancements:
  - More gender-disaggregated data (e.g. how many female/male cases)
  - Wage data on wage grades/ scales
  - Specific H&S additions for electrical safety, confined spaces, fall equipment
- The Tool was locked 4 weeks later than planned, timeline has therefore been adjusted. Launch is estimated in March 2021. AHs will integrate in their platforms, support and training materials are being prepared. Further delays would reduce months of operation with CAF v1.4.

**6. Collaborations/partnerships**

Context
- Draft collaboration agreement is being drafted by SAC lawyers. Draft has not been shared with SLCP yet. There is on-going collaboration on an operational level, e.g. SAC Membership Meeting.
- Since early September weekly calls are happening between ILO-BW and SLCP. ILO-BW draft collaboration agreement was discussed, new draft is being expected tomorrow after a couple of weeks waiting on it. Discussions are ongoing, but also difficult as they are highly political and multi-faceted. Discussions focus on 1) Tool Step 1 under CAF, 2) roll-out in ILO-BW countries, 3) functioning of ILO-BW as an AH, and 4) finance. Moving forward, but still some hurdles to overcome. Possibility of having ILO-BW in the next Council meeting to discuss this.

**7. Governance**

Context
- SLCP Council elections are coming up. Nominations starting within 2 weeks.

**Decisions**
- Council approves the selection committee and the process.

8. **Upcoming Council meetings**

**Decisions**
- Council meetings (two 2-hour sessions) on December 1 and 2, 3-5 PM CET. Key topics:
  - 2021 plans and budget
  - Verification Oversight Organization & findings 2020 Ops related to quality SLCP verified data

9. **AoB**

- Virtual verification activities are being explored and piloted. Is working well for FEM (SAC). Connect with Susanne to share experiences and support. More on this in 2021.
- Annual signatory survey closes next Friday: please ensure your company's participation.
- Pierre Hupperts farewell meeting will be virtual, the 4th of December.
- Feedback on chairing style can be given directly to Jonathan Obermeister.