

SOCIAL & LABOR CONVERGENCE

CC26 Minutes – Two sessions:

- CC26(1) 24th May, 2022 – 13.00-14.30PM CET (Online)
- CC26(2) 25th May, 2022 – 15.30-17.00PM CET (Online)

Council members present

1	Jonathan Obermeister	Independent Chair
2	Ninh Trinh	Target
3	Steve Harris	Expert
4	Nikhil Hirdaramani	Hirdaramani Group
5	Dan Danielsen**	Expert
6	Margot Sfeir	ELEVATE
7	Mary Bean**	Columbia Sportswear
8	Tamar Hoek	Solidaridad
9	Mayank Kaushik	Inditex
10	Abishek Bansal*	Arvind Limited
11	Michael Cai	Décor Co
12	Jeremy Lardeau	SAC
13	Anna Burger	Expert

SLCP Secretariat

1	Janet Mensink
2	Holly Menezes*
3	Tom Mason
4	Susanne Gebauer*
5	Sharon Hesp*

Guests

1	Darren Chastain*	Gap Inc.
2	Caren Jakubaschk*	C&A
3	Loay Tolba*	New Balance
4	Christian Schindler*	ITMF
5	Lauren Hill**	Population
6	Catherine Tedrow**	Population

*= attended CC26(1) only

**= attended CC26 (2) only

Agenda item	Timing CET	Inputs	Ask to Council
1. Opening & Welcome	13.00-13.05	See Operating Procedures on second page of this agenda	<ul style="list-style-type: none"> N/A
2. 2022 Progress Updates – TAC Chairs presentations	13.05-14.00	Presentation & discussion from chair of 4 TACs (2. Roll-out, 3. VO, 4. Tech, 5. Comms & SHE) on progress against 2022 KPIs Please familiarize yourself upfront 2a. FYI: Check ins on 2022 Annual plans 2b: FYI: 2021 Ops L&E Report	<ul style="list-style-type: none"> Be updated on 2022 progress Q&A
3. Minutes CC25	14.00-14.05	3. Draft minutes CC25	<ul style="list-style-type: none"> Approve/amend minutes
4. Financial Updates	14.05-14.10	Presentation on Q1 2022 Financial progress. 4. Q1 Report	<ul style="list-style-type: none"> Be updated on budget progress. Q&A
5. SLCP-BW Tool Governance Document	14.10-14.20	Discussion and Updates on future Tool Governance progress. 5. SLCP-BW Tool Governance Memo	<ul style="list-style-type: none"> Be updated on progress work with BW Q&A
6. SAC-SLCP JWG Updates	14.20-14.30	Verbal updates on progress SAC-SLCP Joint Working Group	<ul style="list-style-type: none"> Be updated on progress discussions SAC Board
7. Updates & Reminders (Council members to read for themselves)		Notes: <ul style="list-style-type: none"> Annual report to be circulated via email for Council approval. Signatory webinar July, with planned caucus break-out sessions (co-led by Council members) Upcoming Thematic Council (Data Insights – Tamar & Anna leading) Reminders: <ul style="list-style-type: none"> Follow us on LinkedIn. Follow us on Twitter - @slconvergence Reminder - Council engagement on SLCP Signatory Portal. 	<ul style="list-style-type: none"> Upcoming approval of 2022 Annual Report (email Holly) Be informed on July Signatory webinar where we may need your support (email Holly) Be informed on Council Thematic session July TBC Support SLCP via social media

CC26(2) 25th May – 15.30-17.00pm CET (Online)

SLCP Zoom - <https://us02web.zoom.us/j/5932073737>

Agenda item	Timing CET	Inputs	Ask to Council
0. Opening & Welcome	15.30-15.35	See Operating Procedures on second page of this agenda	<ul style="list-style-type: none">N/A
8. Organizational Culture	15.35-16.35	Interactive session with Population based on Council Organizational Culture survey 8. FYI: high level outcomes survey	<ul style="list-style-type: none">Actively participate in interactive session to further shape SLCP's organization culture.
9. Mocktail Class	16.35-17.00	Mocktail making class with Tom (Secretariat). Note: prepare ingredients	<ul style="list-style-type: none">Go with the flow and enjoy!

Key Decisions Summary - CC26(1) Tuesday 24 May

- CC25 Minutes approved.
- Presentation and discussion with TAC Chairs on progress updates 2022 annual plan (against Key objectives and Leading KPIs from 2022 Strategic Plan).
 - Need to think about measures to reach our medium and long term adoption targets.
 - Credibility and honesty of data continues to be an overarching theme from all TACs which should be prioritized
 - There is a future need to consider ways to recruit strong and diverse members for the TACs, such as by targeting new signatories
- SLCP Q1 Financial Update is aligned with the 2022 planned budget (on 7,000 baseline VRF target); Projected net profit of 9%, 102% earned income. No imminent risks.
- SLCP-BW Tool Governance Document has been developed by SLCP/BW teams.
 - SLCP-BW Council Working Group has been involved and endorsed the current draft.
 - Draft has been shared with Better Work with verbal agreement from their side
 - Final version to be shared as an FYI to Council
 - Next step: annex with more detailed operational principles.
- SAC-SLCP future relation - JWG updates:
- Council to review draft SLCP 2021 Annual Report in the coming days and provide comments by Wednesday 1st June (Annual Report requires Council approval).

Separate session - CC26(2) Wednesday 25 May

- Discussed progress and next steps for SLCP's organizational culture and the way Council members can embody the SLCP Org Culture Framework.

Detailed minutes CC26 (1), Tuesday 26 May

1. Opening and Welcome

- Reminder on Chatham House rules and anti-trust guidelines.
- No decisions to be made in CC26, main item progress update from TAC Chairs.

2. 2022 Progress Updates – TAC Chairs presentation

Context

- Presentation & discussion from Chairs of 5 TACs on progress against 2022 KPIs.

Discussion

- Country- Roll Out / Operations TAC– *Christian Schindler, ITMF*
 - Key Objective 1: Increased adoption
 - Progress: Double of 2021 numbers, good progress so far towards 8000 target, and major brands committed to reaching 7000 VRF this year.
 - If we wanted to double again in 2023, it will be difficult to achieve so we will need to expand our engagement with more brands
 - Key Objective 2: Customized training
 - Highly successful delivery of 12 webinars in 6 languages to an audience of 4,600+ people in 48 countries
 - Key Objective 3: Adequate support
 - Progress: Knowledgeable and effective team, able to provide support in several local languages; Efficiency gains at helpdesk: 0.85 tickets per assessment (down from 1.4 in 2021)
 - Challenges: ensure guidance is consistent and clear, also across multiple languages, Tech-related issues which cannot be immediately solved are a challenge in ensuring customer-service levels
 - *Question / Comments*
 - How are we looking to address the economic challenges e.g. recession?
 - To be further addressed, such as in the risk-registry for 2023
 - Is there analysis on year-on-year adoption (returning facilities)?
 - facility return rate currently 71%; will be conducting further data analysis in this year's brochure/ report on returning facility adoption
- Verification Oversight TAC - *Caren Jakubaschk, C&A*

Update focusing specifically on Key Objective 3 in 2022 VO plan: Enhance public understanding and perceived credibility of VO/ QA

 - SLCP has progressed in the data credibility field; main focus of VO in 2022
 - Two crucial factors which are the focus:
 - Verifier quality
 - Honest data/ supplier transparency
 - Verification Oversight has improved significantly in this field, but we need to ensure claims are addressed effectively. The VO program can help, but we need involvement from all stakeholders in contributing to honest data.
 - E.g. C&A shadow verification where local staff have doubts, or where C&A have seen low quality C&A reports
 - Ask to Council: further discussion on 'honest' data
 - *Questions / Comments*
 - Transparency: in context of new due diligence legislation, will this help force the issue of transparency?
 - Focus on making sure suppliers feel they can provide true data in the self-assessment (vs. e.g. double book keeping).
 - Merits a separate discussion on disclosure of (verified) data vis a vis EU due diligence
 - Communicating transparent data to consumers at sale – is SLCP addressing this?

- SLCP focuses on providing credible/actionable data. It is for others (e.g. SAC) to decide what to do with that data (eg adding an interpretation layer, such as scoring)
- Technology TAC: *Darren Chastain, GAP inc.*
 - Update focusing specifically on Key Objectives 1 and 3 from 2022 Strat Plan
 - 1. Eco-system enhancements
 - Tech changes for CAFv1.5 are nearly complete
 - Alignment with key partners inc. ILO/BW
 - Enhancements beyond 1.5: data quality checks, API with more transparency
 - On track for further deliveries, including duplicative facility identification
 - 3. Deliver the SLCP data store
 - Goal is to demonstrate opportunities of future data mining and using SLCP verified data to drive research and policy decisions. Start with a third party which is using the data store for their own analysis on SLCP verified data
 - Access has been provided to ILO/BW (under NDA)
 - Are discussions with Cornell/NCP to also leverage the data store
 - Technical challenge: lots of complexity involved and greater than originally envisioned
 - As we deliver new functionality and CAF revisions, ensure quality is not compromised due to stakeholder demands for early access to new capabilities
 - Council to be aware: CAFv1.5 timelines remain challenging due to complexity and breadth of changes
- 5. Comms & SHE TAC – *Loay Tolba, New Balance*
 - Update focusing specifically on Key Objective 2 in 2022 Strat Plan: Position SLCP as source of credible data
 - Moving past the adoption phase and towards data quality and integrity phase, and hopefully future phase of data mining and usage (which relies on data quality and integrity)
 - Sensitive of selling the data vs ensuring stakeholders understand the operations and believe in the data
 - Main KPI is acceptance of SLCP data, which has increased to 60 brands
 - Challenges include:
 - how we communicate VO and QA given its complexity in an engaging and transparent manner
 - overcoming concerns about “honest data” (see earlier point made)
 - Difficult to translate interest in the Stakeholder QA program (as part of our Data Quality & Integrity Program) to greater brand participation
 - Ask to Council:
 - Support in engaging senior level stakeholders to promote credibility of SLCP
 - Without C-level belief in the program, buy in will not be exhaustive
 - Support in recruiting more Comms & SHE TAC members
- Recruitment of stronger members for TAC: asking to signatory base; consider other ways of asking a wider audience of TAC members
 - Target new members on TAC participation broadly
- Credibility of data an overarching theme from all strategic areas

3. CC25 Minutes

Decisions

- CC25 minutes approved.

4. Financial Updates

Context

- Budget update from Q1 2022
- Revenue slightly above planned budget, based on 7,000 baseline VRF figure (on schedule for that)
- Expenses lower than expected
- Looking at projection of 3 months actuals of 477K, with projected net profit of 9%
- On track to meet self-funding target – 10% earned income
- 10% of revenue is paid to SAC: as per note, there is a discussion
- Figures are not yet through the financial audit, expect to receive this result in the near future
- On track, aligned with planned, no imminent risks yet to be foreseen.

Decisions

- N/A

5. SLCP-Better Work Tool Governance Document

Context/ Discussion

- Memo on Tool Governance SLCP / BW (Pre-read)
 - o Developed through the SLCP/BW WG, which have endorsed the draft Tool Governance Document.
 - o Draft has been shared with BW, they have verbally agreed.
 - o Final version to be shared with Council as an FYI once finalized and confirmed
 - o Operational (annex) document to be developed, WG to be consulted on this

Decision

- o N/A

6. SAC-SLCP Joint Working Group (JWG) Updates

Context

- CC25: intention had been for the JWG to finalize the collaboration terms document so that it could be ratified at SAC's Board meeting end April
- The JWG had then planned to meet immediately after the SAC Board meeting in order to kickstart discussion of SLCP's future separation/independence.
- Just prior to this meeting, SAC executive team came back multiple questions
- Next step: SAC now prefer to segment the collaboration terms into separate documents (e.g current operative provisions vs proposed changes/modifications. Proposal awaited.

Decisions

- o N/A

7. Updates

Context/ Discussion / Decision

- Annual report to be approved by Council (as required by Governance Document), 1 week for improvements to let us know. Meanwhile, await financial audit (SAC Finance).
- Signatory webinar July: will be interactive, propose break-out sessions with co-leads of MT members and a council members, Secretariat (Holly) to reach out.
- Council Thematic Call: Policy Developments & Data Insights, upcoming in July