

SOCIAL & LABOR CONVERGENCE

CC34 Minutes

CC34 01 September – 15.30-17.30 pm (CET)

Online (Zoom) – Recorded session

Council Attendance	
Chair	Jonathan Obermeister
Brands	3
Manufacturers	2
Standard Holders	1
Audit Firms	1
Civil Society	1
Expert Seats	3

Agenda item	Ask to Council
1. Welcome and opening	<ul style="list-style-type: none"> Reconfirmation rules of engagement.
2. Minutes approval (CC33)	<p><u>Decision</u></p> <ul style="list-style-type: none"> Approve/amend CC33 minutes
3. 2023 Adoption & Financial update	<ul style="list-style-type: none"> Be aware of progress & challenges Opportunity for Q&A
4. SLCP independence: JWG updates, progress New Entity & financial position	<ul style="list-style-type: none"> Be aware of the timeline /critical milestones, Progress made and next steps re independence: <ol style="list-style-type: none"> Carve-out from SAC, Legal establishment of SLCP New Entity, Preparation systems Stichting SLCP Opportunity for Q&A
5. 5-Year Strategy development	<ul style="list-style-type: none"> Reflections on SLCP 5-Year Strategic Plan <p><u>Decision</u></p> <ul style="list-style-type: none"> Approve/amend SLCP Strategic Plan 2024-2028
6. Signatory votes 2023: independence & new strategy	<ul style="list-style-type: none"> Be aware of approach & progress and possible follow-up request for support <p><u>Decision</u></p> <ul style="list-style-type: none"> Formal go-ahead to proceed with SLCP Signatory vote for New Strategy & Independence (4-22 September)
7. AoB/Wrap-up	

CC32 Meeting Summary

Confirmation on Rules of Engagement (including Chatham House rules and anti-trust guidelines).

Minutes CC33

- Decision: CC33 reviewed and approved.

2023 Adoption & Financial Update

- Adoption is being tracked on a week-to-week basis. As 2023 numbers currently stand (real Jan-July, Aug-Dec forecast), VRFs are around 450 behind the 2023 target. Remain cautiously optimistic given the seasonality.
- SLCP will still achieve financial self-reliance, with 100% of operating costs in 2023 covered by earned income.
- Various corrective actions are already being taken to limit any shortfall in VRFs and any related consequences for SLCP's finances:

Comms:

- Calls to action for follow-through of assessments (now!) being sent out with newsletter and newflashes to all stakeholders.
- Outreach directly to verifier bodies to instigate process on their side.
- Pre-emptive direct approach to all facilities who have not undergone assessment in more than 8 months.

CAF:

- CAF v1.6 tool update (locking of data points) is nearing readiness/completion, but this cannot be counted on having impact pre rollout in 2024.

Expenses:

- Expenses are being closely managed so as to stay on track and below budget.
- Some trimming/adjustment of current and future discretionary spending.

SLCP independence: JWG updates, progress New Entity & financial position (see timeline in pre-read)

- Currently remain broadly on schedule for registering SLCP's new entity (see updated timeline)
- Confidence running high re successfully finalizing the definitive Separation Agreement with SAC (following the approved Term Sheet in June). Next milestone is SAC Board approval on the Agreement. set to take place at SAC's next Board meeting on 26 September 2023. Hitting this milestone will further cement SLCP's critical milestone of 1st November for first advance payment by SAC of SLCP's net assets.
- Draft Articles of Association v5.4 (AoA) have been approved, and SLCP is currently awaiting a response from the Dutch Tax Authority on their conformity. This may or may not necessitate some final tweaks by mid-September.
- Paperwork is in hand to install all interim Supervisory(x3) and Management(x3) Board members. Once this is done and AoA is complete, the entity will be registered (target date 15 September). After successful registration, SLCP will file for PBO/ANBI (public benefit organization) status.
- Council requests an early version of the bylaws and the responsibilities of Board members (by end September). This will enable Council members to decide whether they wish to continue in 2024 and what arrangements will be needed by when (term extensions, elections etc) in order to maintain caucus representation within the new Board.
- Significant additional work will be needed on additional formal documentation, as well as set-up of all background internal processes to run smoothly. All currently on track.

5 Year Strategy Development (see timeline in pre-read)

- All feedback and comments received from Council members on the draft Strategic Plan 2024-28 originally circulated to Council have now been addressed in the latest designed version (pre-read).
- Council members expressed their enthusiasm and confidence in the Strategic Plan (both contents and design). Key callouts included the collaborative, inclusive and iterative way in which the strategy has been developed, the balance of evolution and ambition, and thanks and kudos to the ED, Secretariat and Council Strategy Committee for their joint efforts over the past year.
- Decision: SLCP Strategic Plan 2024-2028 approved.

Signatory votes 2023: independence & new strategy

- As decided at CC33, a dual vote will be held from 4-22 September, with options of yes/no/abstain on both the 5-year Strategic Plan and SLCP independence.
- Signatory database has now been updated, with Council members having assisted on outreach to less engaged signatories.
- Voting process has been structured and organized:
 - Voting Committee formed.
 - Decision: Formal go-ahead given to proceed with SLCP Signatory vote for new Strategic Plan & independence.