

# Social & Labor Convergence Program (SLCP)

*Converged Assessment. Collaborative Action.  
Improved Working Conditions.*

Signatory Update Webinar  
14 December 2021



# SLCP Meeting Ground Rules

In line with the Social & Labor Convergence Program (SLCP) “rules of engagement”, we all commit to the following practices to ensure high quality interactions over the course of meetings/webinars and we:

- Have authentic, trust-based and respectful conversations
- Assume good intentions, listen to other opinions and are open to learning from others
- Are aware and sensitive to the tension between open dialogue and efficient use of time and offer additive contributions to the discussion.
- Operate under Consensus
- Observe Chatham House Rules
- Follow Anti-trust Guidelines

Find the link to the SLCP governance document on the Signatory Portal [here](#).



# Webinar Objectives

1. Update signatories on progress made in 2021



*Looking back at  
2021*

2. Update signatories on plans for 2022

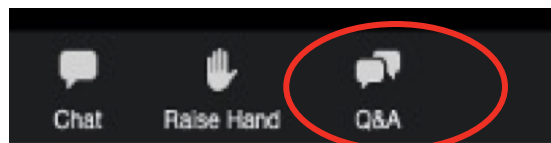


*Looking ahead to  
2022*



# Webinar Agenda

1. Introduction
2. Governance Update
3. Updates on SLCP's Strategic Aims
4. Q&A



# Governance Update



## Update from the Governance Committee:

- Council 2021
- Update on Council activity
- Key take-aways from signatory survey

## Guest Speakers:

- Tamar Hoek, Solidaridad (Webinar 1)
- Nikhil Hirdaramani, Hirdaramani Group (Webinar 2)



# Council 2021

## Independent Chair



Jonathan Obermeister

## Representative for Manufacturers



Abhishek Bansal  
Arvind Group



Michael Cai  
Décor (Suzhou)



Nikhil Hirdaramani  
Hirdaramani

## Representative for Brands/Retailers



Mary Bean  
Columbia Sportswear



Mayank Kaushik  
Inditex



Ninh Trinh  
Target Corporation

## Rep for MSIs



Jeremy Lardeau  
Sustainable Apparel Coalition

## Rep for Audit Firms



Margot Sfeir  
ELEVATE

## Rep for Civil Society



Tamar Hoek  
Solidaridad

## Expert Seats



Anna Burger



Dan Danielsen



Steve Harris



# Council Activity in 2021

SLCP Council elections were held in February and the newly elected Council was formed in March 2021.



8 Council meetings held virtually in 2021.

Average attendance rate:

**82%**

3 Thematic Deep Dives

Average attendance rate:

**58%**

## December Council meeting:

- Reviewed and approved 2022 strategic plans
- Reviewed Signatory Survey results
- Finalized Council and Chair evaluation
- Approved 2022 budget
- Minor updates to the Governance Document

The 2022 strategic plan, including the budget, and the updated Governance Document, will be added to the [Signatory Portal](#) by 23 December.



# Key Take-Aways from Signatory Survey

## Main Highlights

1. **THANK YOU! Turnout rate higher than in last two years** (50% compared to 46% in 2020 and 36% in 2019) - good proportional representation of most signatory groups
2. **Signatories' attitudes to SLCP are very positive in general** and slightly improved year on year
3. **The CAF is widely used (87%** able to use it significantly or to some extent instead of proprietary tools)
4. **Nearly half of all respondents report redirecting savings generated by the CAF in 2021** (46%)
5. **Over 80% of manufacturers find their SLCP verified data useful** (compared to 60% last year)

## Main Challenges

1. **Only 33% of signatories have a plan in place to measure savings made from the CAF and to track how resources are redirected** (compared to 72% last year)
2. Apart from **COVID-19**, practical issues such as the **cost of verification** and the **complexity of the Data Collection Tool** are considered the main barriers to adoption as well as **lack of demand** for SLCP.





# Update on Strategic Aims

Updates on four strategic aims:

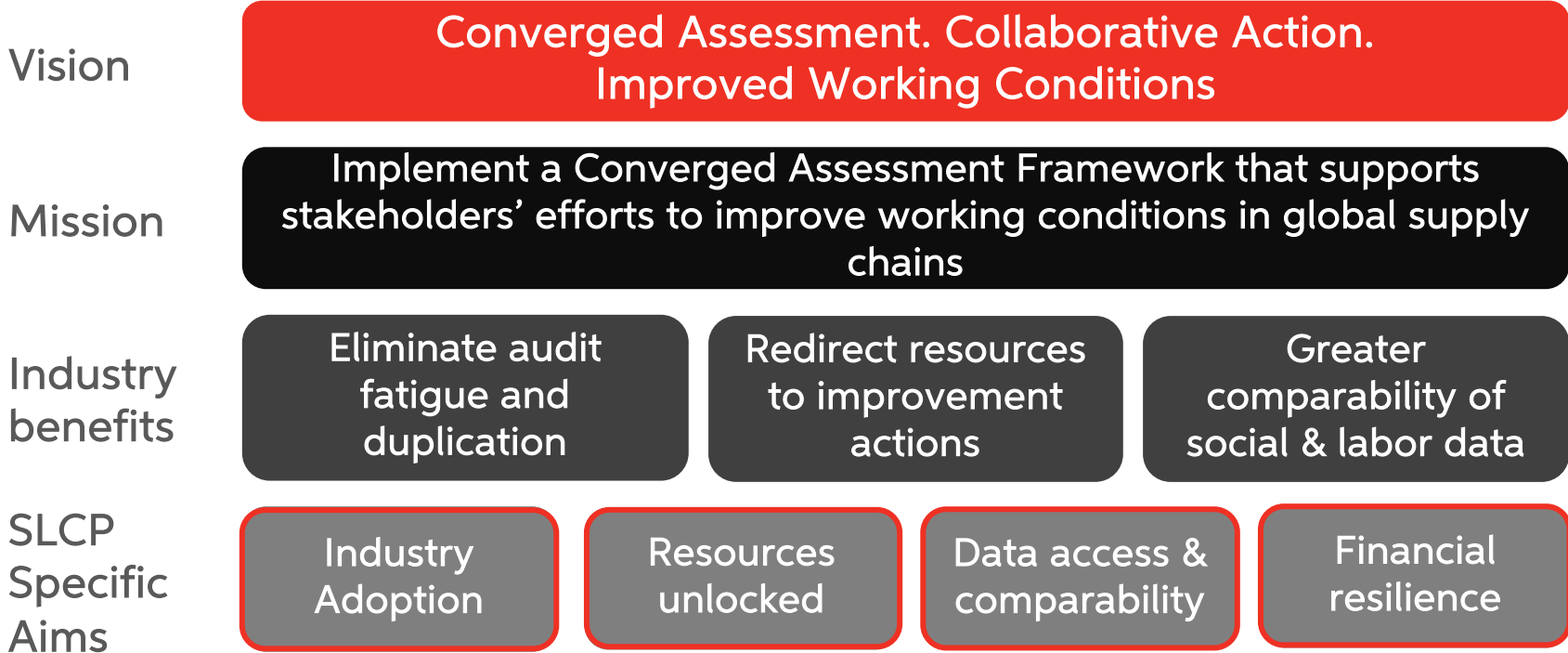
- Industry Adoption
- Resources Unlocked
- Data Access & Comparability
- Financial Resilience





# Reminder of Strategic Aims

Update on four specific aims: 2021 progress & 2022 plans



Contribution to Sustainable Development Goals:



# Strategic Aim 1: Industry Adoption

Industry  
Adoption

Resources  
unlocked

Data access &  
comparability

Financial  
resilience

## SLCP Secretariat:

- Scaling operations
- Enhancing data quality & integrity
- Updating the CAF

## Guest Speakers:

- Ivo Spauwen, ILO Better Work
- Kiran Gokathoti, H&M
- Darren Chastain, Gap Inc.



# Scaling Operations



Growth in verified assessments



SLCP now available in **56** countries/regions



## Verifier Capacity

- **68** Verifier Bodies
- **739** Verifiers



## Facility Support

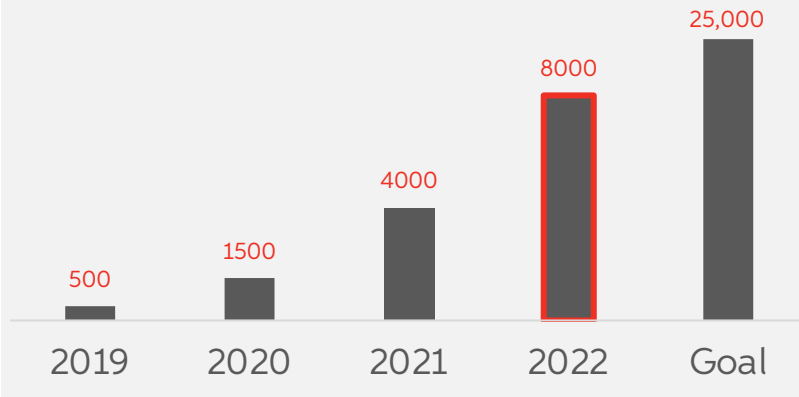
- E-learning available in **7** languages with **almost 10,000** registered users
- Helpdesk FAQs in **8** languages visited **208,000** times
- **45+** Training Bodies (TBs) and **200+** Trainers
- **Over 60** training sessions conducted reaching **5,000+** users

# Scaling Operations



*Looking ahead to  
2022*

## Doubling of verified assessments



## Roll-out in additional countries/regions



### Verifier Capacity

- Targeted outreach in countries where more Verifiers are required



### Facility Training & Support

- Enhanced e-learning experience
- Improved FAQs and navigation
- Sharing user experiences



# Enhancing Data Quality & Integrity



Looking back at  
2021

*SLCP commits to nurturing, maintaining, and evolving a Program that delivers credible, trustworthy, quality data enabling integration, comparability and insights.*

## Integrity Oversight Program

- ✓ Scores for VBs
- ✓ Translation to risk-based scale
- ✓ Three-strike system

## Collaboration with APSCA



## Stakeholder QA Program

- ✓ Enabling signatories to share QA data with SLCP

## WE Tech Pilot

- ✓ Trialing worker survey technology to gather more sensitive data

**Reminder:** SLCP QA Dashboard is publicly [available](#)

# Enhancing Data Quality & Integrity



*Looking ahead to  
2022*

Fully virtual  
Verification  
Protocol



Results of worker  
engagement pilot  
and next steps



More comms  
on Data Quality  
& Integrity



Data analytics to  
inform QA  
process



Exploring  
enhanced Verifier  
training



# Updates to the CAF

The CAF version 1.4 was launched in April 2021 following a joint review with Better Work

## Reminder: Changes in the CAF v1.4

1. Redefinition of Steps
2. Reduction in Number of Data Points
3. Offline Excel User Interface
4. Facility Guidance
5. More Detailed Verification Selection Drop-Downs
6. Final Verified Response
7. Law Overlay for National Labor Law (Indonesia, Vietnam, Bangladesh)

## CAF v1.4 Facility Feedback:

What has improved compared to CAF v1.3?

- 64% - Easier to navigate
- 57% - Less time to complete
- 57% - “More Info” is clearer
- 29% - Improved Step scope



# Reminder: Process for CAF Updates



To reach our goal of 25k assessments, we must achieve **industry alignment** and **acceptance of SLCP data** by other standard holders.



That means continuing to **evolve** and **improve** the CAF with stakeholder input



## Minor Updates (More frequently)

e.g. v1.4.0 to v1.4.1. means:

- Improvement to the Data Collection Tool to enhance the user experience
- Correction of mistakes not found during testing

No or very little impact on mapping of SLCP data to other standards

## Major Updates (Once a year at max)

e.g. v1.4 to v1.5 means:

- Data points are added, deleted or extensively changed
- Changing the scope of the assessment
- Shifting data from one Step to another

Changes will affect SLCP mapping to other standards.

## New: Sunsetting Previous Versions

- Previous CAF versions to be phased out 4 months after the release of a new version

# Updates to the CAF



*Looking ahead to  
2022*

The next major updates to the CAF will be:

V1.5

To launch:  
Q2 2022 (TBD)

Changes will include:

- Added country-specific questions
- Updates to More Info
- Improvement in question wording
- Flexibility for virtual checks

**Minimal changes:**

Limited impact on mapping

V1.6

To launch:  
End 2023/  
start 2024 (TBD)

Changes will include:

- Step 1 scope led by Better Work
- Redefinition of Steps
- Movement of data from one Step to another

**Significant changes:**

Taskforce to be established  
soon to begin work

# Signatory Brand View


Kiran Gokathoti, H&M

# H&M Group



# H&M Group

14 December 2021



## Vision

Lead the change towards a circular and climate positive fashion while being a fair and Equal Company



## Mission

To enable suppliers to drive continuous improvement in their facility environmental and social sustainability performance, delivering demonstrable results on H&M Group's Sustainability Goals

# THE GROUPS SUSTAINABILITY MUST WINS

SHIFT TOWARDS INDUSTRY  
STANDARDS & MEASUREMENT

DATA TRANSPARENCY & IMPACT VISIBILITY  
ENABLING CUSTOMERS TO TRUST US  
COMPARABILITY WITHIN BRANDS

RECOGNIZED AS TRUSTWORTHY  
ALIGNMENT WITH STAKEHOLDERS

**MORE THAN 1400 TIER 1 AND TIER 2 FACILITIES IN SLCP SCOPE IN 2021**

**What did we gain?**

- **We know our facilities performance form this data**
- **This data guides us to our internal compliance**
- **200 odd data points are our guiding indicators on legal and international**

**compliance**



# WHERE ARE WE HEADING?

HEADLINE | 001 | 002 | 003 | 004 | 005 | 006 | 007 | 008 | 009 | 010

- Work with Better work in same schedule
- Alignment with Verifier Bodies
- Data within the SLCP framework and drive supplier ownership
- Aligning with SLCP and FSLM on scoring



Thank you!

# Signatory Brand View

Darren Chastain, Gap Inc.

# Gap Inc.

# Strategic Aim 2: Resources Unlocked

Industry  
Adoption

Resources  
unlocked

Data access &  
comparability

Financial  
resilience

## SLCP Secretariat:

- Increasing industry acceptance
- Driving convergence with existing standards
- Redirecting resources to improvements

## Signatory Case Study:

- Manjunath Sriramaiah, Shahi Exports



# Increasing Industry Acceptance

87%

Signatory survey:  
87% report using CAF instead of proprietary tools in 2021 (compared to 71% in 2020)

53

53 brands, retailers & organizations now publicly stating acceptance of SLCP





*Looking ahead to  
2022*

# Increasing Industry Acceptance

## Industry Events

SLCP to be represented at industry events and panel sessions

## SLCP Webinars

- Jan: Standards Map with ITC
- Feb: Update Webinar
- Mar: Data Quality & Integrity

## One-on-one Engagement

- Signatories
- Leading brands
- SAC members

Interested in joining the Communications & Stakeholder Engagement TAC?

Contact [holly@slconvergence.org](mailto:holly@slconvergence.org)

# Driving Convergence with Standards



*Looking back at  
2021*



## 2021 Update:

vFSLM requirements for all SAC members for the first time



## 2021 Update:

Significant progress on tool & QA mapping to BSCI and technology alignment



## 2021 Update:

Now accepting SLCP verified data in Apparel and Home Goods program





# Driving Convergence with Standards



*Looking ahead to  
2022*



## 2022 Plans:

More detailed mapping against BSCI and beginning a pilot for sharing SLCP verified data



## 2022 Plans:

Develop & agree shared vision; define collaboration workstreams (e.g. FWF converting SLCP data to CAP)



## 2022 Plans:

Continue to work towards acceptance of SLCP verified data for STeP certification



# Redirecting Resources To Improvements



## Signatory Survey:

**46%** of signatories report redirecting resources in 2021.

**59%** expect to do so by 2023



4000 verified assessments:

Potential of **10 million USD** unlocked\* through use of the CAF in 2021

\* Based on methodology set out in SLCP's 5 Year Strategic plan



## BBI 2021 Ratings Cycle:

Over **20%** of respondents reported their buyers are accepting SLCP.

Many reported saving thousands (up to **\$20,000**) as a result.

Savings reinvested in workplace improvements, new technologies, improved social protections for workers & community programs.

# Signatory Manufacturer View

Manjunath Sriramaiah,  
Asst General Manager, Compliance  
Shahi Exports.

# SHAHI

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## About Shahi

**1974**

company founded  
by a visionary female entrepreneur,  
Mrs. Sarla Ahuja

**145**

million garments  
produced per year

**100,000+**

full time employees

**70%**

female employees



**50+**

factories spread  
over 07 states

**3**

Processing mills

**80%**

Fabric produced in-house

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## Social Labour Convergence Program x Shahi



Shahi became an early signatory to SLCP.



Mobilized all the stakeholders in the launch



We ensure continuous engagement with SLCP in CAF and the Communication Committee.



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## Forward thinking approach for collaboration

### 1 Value add for the customers

SLCP is accepted by 256 stakeholders across the supply chain which brings down the turnaround time for onboarding of new factories.



### 2 Capacity building

- All HR, compliance, and sustainability teams are trained on a uniform process with clear protocols which are transparent and clear.
- By avoiding multiple audits, brands and suppliers divert resources saved towards wellbeing of workers
- A powerful tool to generate improvement and interventions.

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## Forward thinking approach for collaboration

### 3 Autonomy

- A leaner auditing system with reduced dependence on multiple third-parties
- Effective tool especially during the Covid-19 pandemic
- Self-assessment, validation by third party and review by brands, independently add complete autonomy to the process.

### 4 Credibility

- An evidence based tool with data, documents, and information.
- Robust, standard framework aligned to multiple COCs
- Collaborative approach, vetted by multi-stakeholder technical committees
- Data can be customized to meet the needs of various Brands

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## SLCP Case Study - Shahi Exports

- 42 facilities (76% of all Shahi owned and operated facilities of 55 Units that go through social audits) have completed SLCP Verification.
- 5 additional factories will adopt SLCP in 2022.
- 35% customers have replaced traditional audits with SLCP.
- Seamless migration by multiple teams to SLCP model.

Since adopting SLCP, we have saved 4,416 hours due to reduced audits.

Saved 46 audits X 2 resources X 6 mandays spend for each audit = 552 mandays X 8 hours = 4,416 man hours.



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## Culture of SLCP at Shahi

- The Social Labour Convergence Program and the Converged Assessment Framework (CAF) as become a part of our culture.
- The evolving number of questions in 7 modules in STEP 1 is a testimony to the evolving and dynamic nature of the tool.
- We would urge all stakeholders to sign up for this program, which is continuously evaluated and improved.
- Such enhanced path is carved out after intensive and extensive consultation with all the stakeholders across the supply chain.
- A powerful tool that will eventually aid in creating 'HR policies for workers welfare' based on Global Best Practices and validated data.

# Strategic Aim 3: Data Access & Comparability

Industry  
Adoption

Resources  
unlocked

Data access &  
comparability

Financial  
resilience

## SLCP Secretariat:

- Enhancing data hosting & sharing
- Delivering data insights

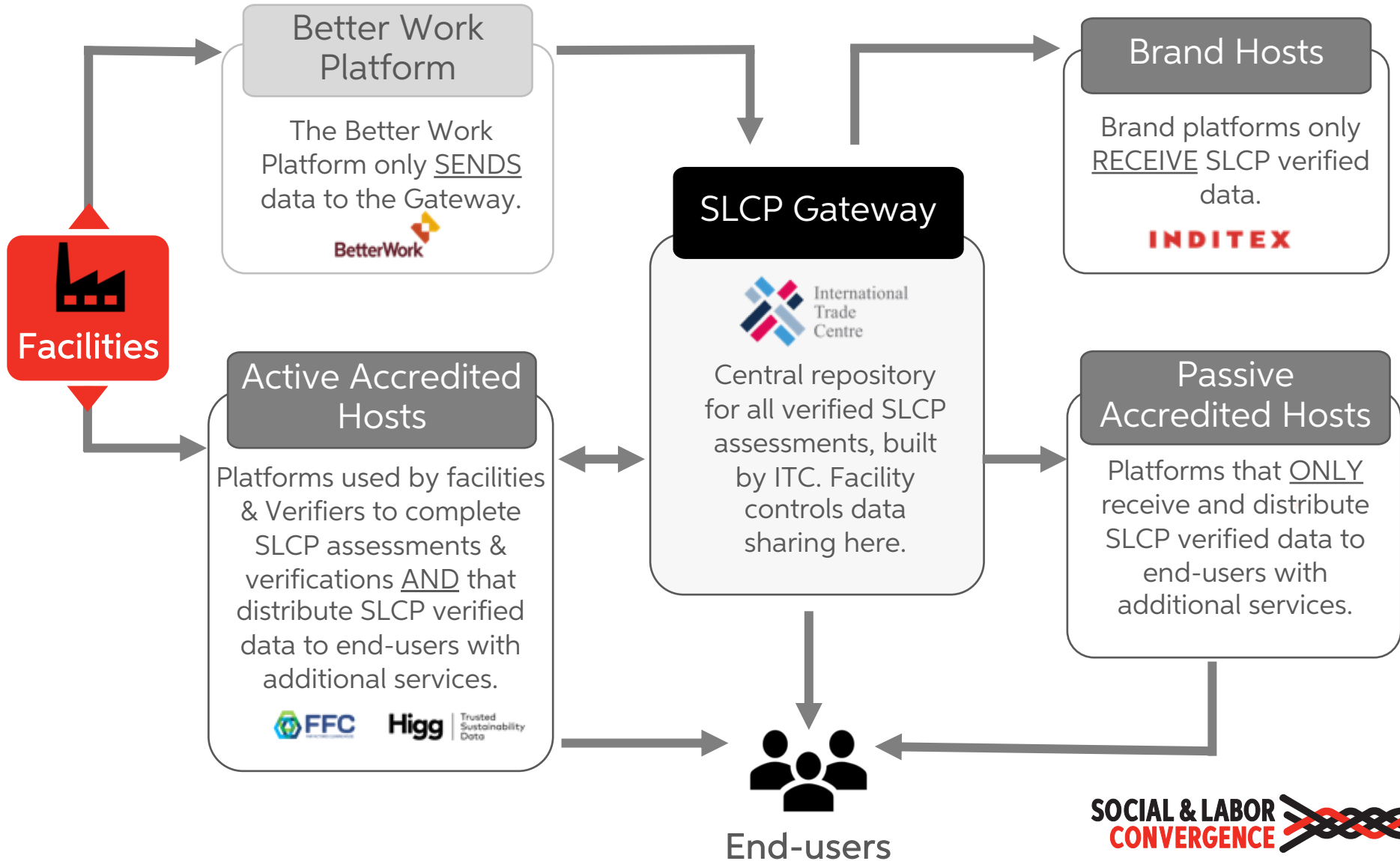
## Guest Speakers:

- Brand host: Mayank Kaushik, Inditex



# Enhancing Data Hosting & Sharing

## SLCP Data Hosting & Sharing System



# Brand Host

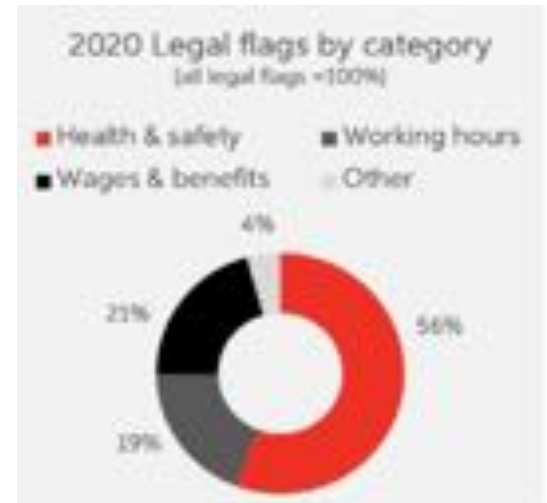
Mayank Kaushik,  
Sustainability Lead

**INDITEX**

# Delivering Data Insights



Increasing opportunities to leverage SLCP data at an aggregated, anonymized level for insights into industry trends: first annual data insights brochure published in 2020.in partnership with ITC



# Delivering Data Insights



*Looking ahead to  
2022*

**Strategic Goal:** SLCP as number one source of social and labor data for the apparel & footwear industry

## 2022 Plans:

- Increasing focus on this area of work
- New Technical Advisory Committee (TAC) to be set up
- ITC developing a “Data Store”
- Partnering with Better Work to improve data analysis
- Engaging with other experts

## Note:

Aggregate, anonymized data with goal of improving working conditions

# Strategic Aim 4: Financial Resilience

Industry  
Adoption

Resources  
unlocked

Data access &  
comparability

Financial  
resilience

## SLCP Secretariat:

- Budget update
- Building out the organization

## Guest Speaker:

- Jonathan Obermeister, SLCP Council Chair







# Building a Strong, Stable Organization

## 2022 Priorities:

- Ensuring a well-resourced Secretariat
- Continuing to developing team culture and identity
- Prioritizing and building key partnerships





# SLCP Council Chair

Jonathan Obermeister





# Reminder of Strategic Aims

Update on four specific aims: 2021 progress & 2022 plans

Vision

**Converged Assessment. Collaborative Action.  
Improved Working Conditions**

Mission

**Implement a Converged Assessment Framework that supports stakeholders' efforts to improve working conditions in global supply chains**

Industry benefits

**Eliminate audit fatigue and duplication**

**Redirect resources to improvement actions**

**Greater comparability of social & labor data**

SLCP Specific Aims

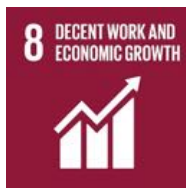
**Industry Adoption**

**Resources unlocked**

**Data access & comparability**

**Financial resilience**

Contribution to Sustainable Development Goals:



# Question & Answer Session

Please submit your questions via the Q&A box

Slides and recording will be available on the Signatory Portal

If you have follow-up questions or would like a call with the Secretariat, please contact [info@slconvergence.org](mailto:info@slconvergence.org)

