Social & Labor Convergence Program (SLCP)

Decent working conditions in global supply chains.

SLCP Facility Training Webinar
The SLCP Process & System
22 May 2024

Social & Labor Convergence Program

Welcome to today's webinar!

Social & Labor Convergence Program

What will you learn today?

- ✓ Which brands are accepting SLCP data
- ✓ How to navigate the SLCP process: data collection, verification and sharing
- ✓ The data collection and verification timeline
- ✓ How to share data from the Gateway
- ✓ How to navigate the Worldly platform
- ✓ The facility's role in ensuring data quality and integrity

Presentation

Guest speakers

Quizzes

Room for questions

Social & Labor Convergence Program

Introduction

Social & Labor Convergence Program

Meet the speakers

Reshma KT

Support Associate India

Elizabeth Otten

Training Manager

Giulia Iemmolo

Manager Data Quality and Integrity

Meet the speakers

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Total Quality. Assured.

Rajesh Singh

Senior Manager – Risk and Compliance

SHAHI

Venkatesh Rao

Chief Compliance Officer

Social & Labor Convergence Program

POLL

Social & Labor Convergence Program

About SLCP

Social & Labor Convergence Program

Social & Labor Convergence Program

What is SLCP?

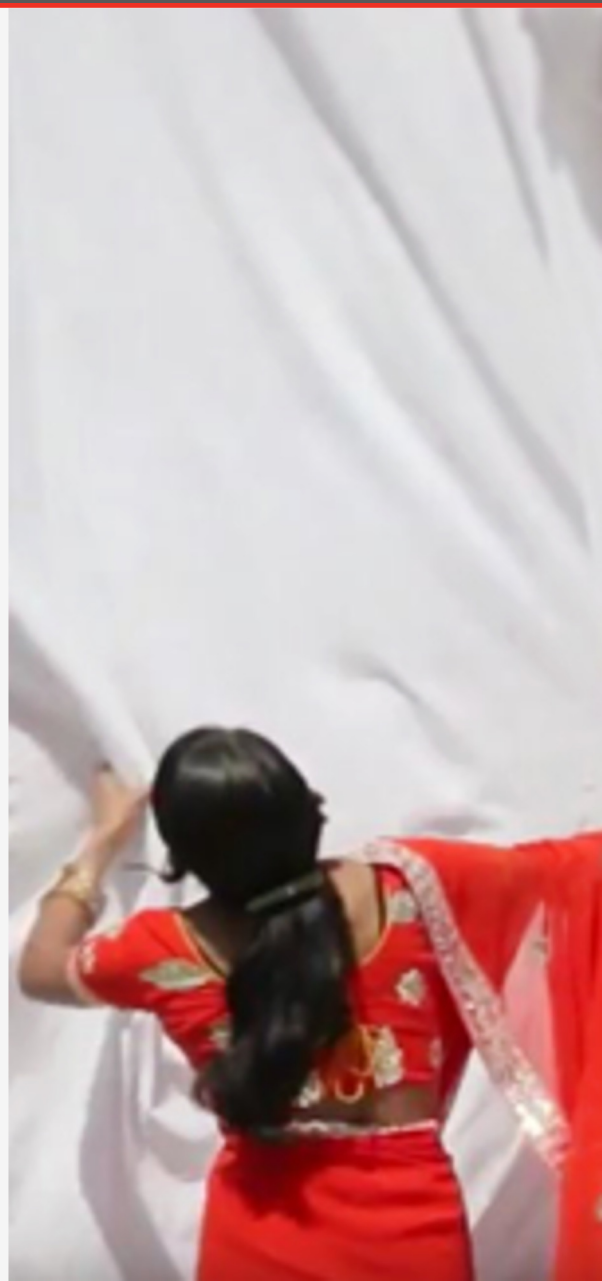
SLCP is a multi-stakeholder initiative to reduce audit fatigue and improve working conditions.

Implements the Converged Assessment Framework (CAF) to collect & verify social compliance data.

SLCP verified data is owned by the facility and can be shared with all business partners.

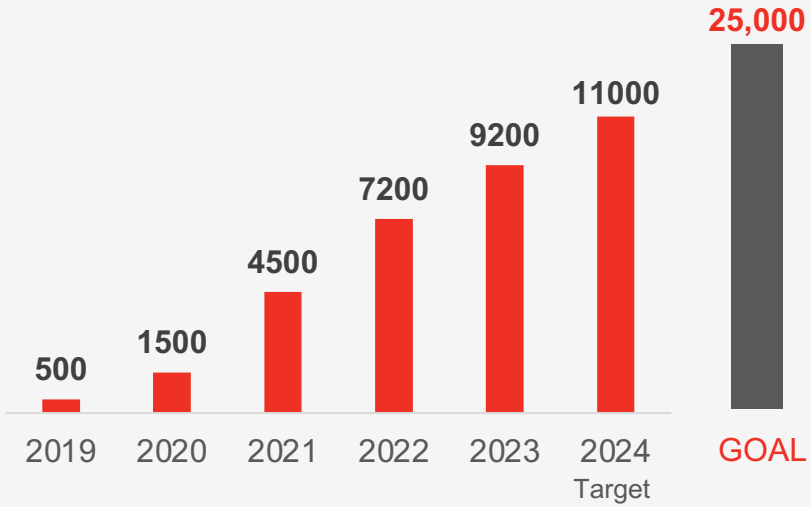
Replaces the need for repetitive audits and frees up resources for improvement programs.

Provides credible data that supports end-users to meet due diligence requirements

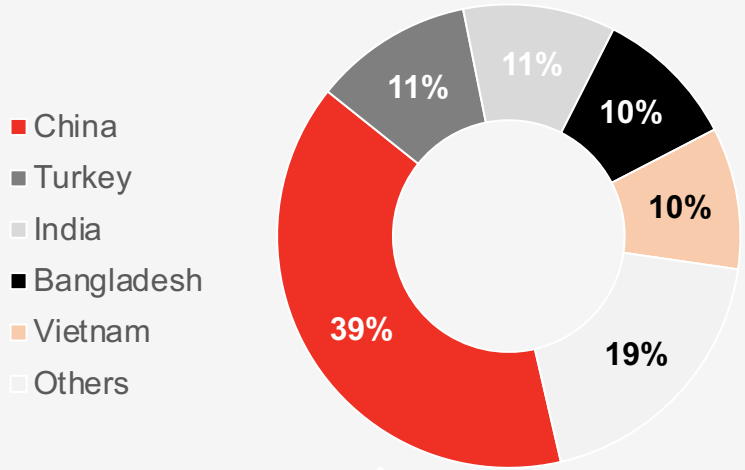


SLCP growth

Growth in verified assessments

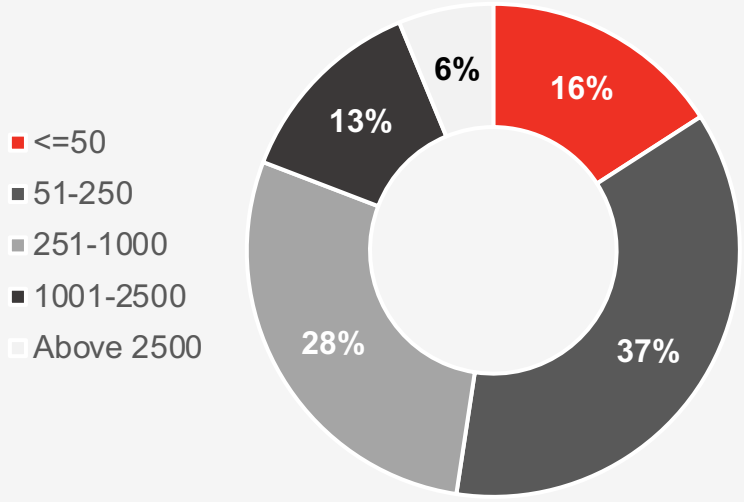


2023 country breakdown of verified assessments



SLCP usage is becoming more worldwide. New users in India and Bangladesh account for this diversification in 2023.

2023 facility breakdown by size



52% of all verified assessments in 2023 completed by SMEs.

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85+ brands & standard holders accept SLCP data

For more details, including which countries and tiers brands & standard holders accept SLCP data from, please see the full list on our website.

Updated: April 2024

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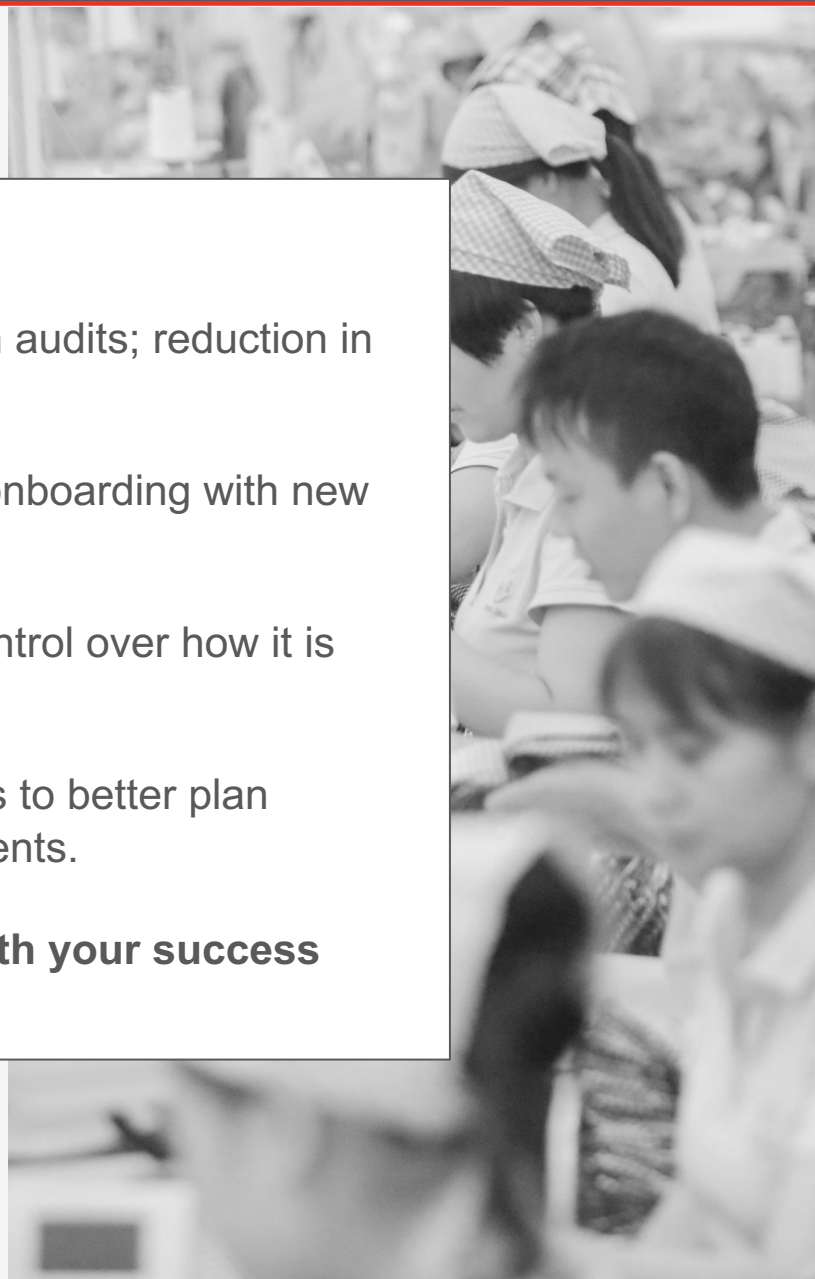
Benefits from adopting SLCP

Facilities have experienced…

- Reduction in time and money spent on audits; reduction in audit fatigue
- Wide acceptance of SLCP expedites onboarding with new business partners
- Ownership of high-quality data and control over how it is shared
- Identification of key issues which helps to better plan systematic and sustainable improvements.

What have you experienced? Contact us with your success story!



SHAHI

The Social Labour Convergence Program

Venkat, Chief Compliance Officer, Shahi Exports Pvt Ltd.

About SHAHI

A visionary female Entrepreneur, **Mrs.Sarla Ahuja**, founded Shahi Exports in **1974**.

The story of Shahi is not just about business growth but also the triumph of one woman's vision and how it has transformed the lives of countless individuals.

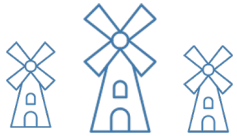
50+ Factories
Spread over 8 states

143+ Million
Garments produced per year

96,000+
Full-Time Employees

70%
Female
Employees

3 Processing Mills
Making us
vertically integrated



Highest Global Exports Gold Award
By AEPC every year since 2008

Social Labour Convergence Program x Shahi

Shahi became an early signatory to SLCP. Hosted the India launch on May 30, 2019 in Bangalore to bring different stakeholders together

Mobilized all the stakeholders in the launch

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

Shahi and SLCP

Year by year SLCP adoption at Shahi:

Year	No of Units undergone SLCP Verification	Total Units	% of SLCP Adopted Units
2019-20	7	55	**12.73%**
2020-21	28	55	**50.91%**
2021-22	38	55	**69.09%**
2022-23	45	56	**80.36%**
2023-24	47	56	**83.93%**

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.

Forward thinking approach for collaboration

3 Autonomy

- A leaner auditing system with reduced dependence on multiple third-parties
- 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

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.

SLCP Case Study - Shahi Exports

- **47** facilities in 2023-24 (83.93% of all Shahi owned and operated facilities of 56 Units that go through social audits) have completed SLCP Verification.
- **51%** customers have replaced traditional audits with SLCP.
- Seamless migration by multiple teams to SLCP model.

Since adopting SLCP, we have saved 6,912 hours due to reduced audits every year.

Saved 72 audits X 2 resources X 6 mandays spend for each audit = 864 mandays X 8 hours = 6,912 man hours.

SHAHI

Thank You!!

Presented on: 22 May 2024

SLCP Process

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Three stages of the SLCP assessment process

Facility fills in the **Data Collection Tool**, either alone (self-assessment) or with help (joint-assessment)

Data Collection

Verification

Facility selects a **Verifier Body** who assigns a **Verifier** to do the verification of the collected data

Facility reviews the verified data and can then share the **verified assessment report** with business partners

Data Sharing

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SLCP Process

Data Collection

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Objective data

The Data Collection Tool collects **objective** data. Meaning, question answers reflect the actual working conditions in your facility.

✗ SLCP verification does not apply performance judgments or prescribed follow-up actions

✓ SLCP only identifies compliance against national labor law and international labor standards

There is no…

✗ Scoring or ranking

✗ Benchmarking against other initiatives

✗ Ensuring compliance against certification schemes or company CoC

✗ Providing remediation efforts

This makes SLCP compatible with all compliance and certification programs.

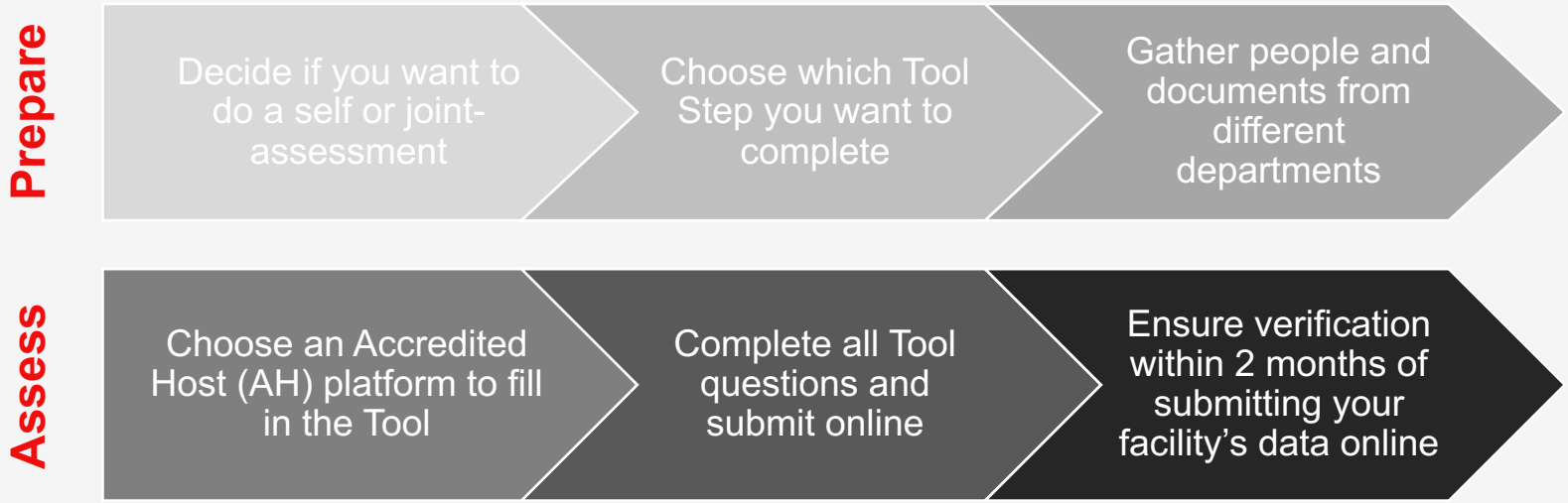
Users can use the data to come to their own conclusions and proceed with any applicable corrective action, remediation efforts or capability building.

The self/joint-assessment process

Why does the SLCP process start with a self/joint-assessment?

- ✓ Promote facility ownership of SLCP process and data
- ✓ Understand your own factory's working conditions for informed conversations with business partners
- ✓ Lay a strong foundation for improvement plans

During the self/joint-assessment you need to:



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Data Collection Tool steps and sections

STEP 1	STEP 2	STEP 3
FACILITY PROFILE	FACILITY PROFILE	FACILITY PROFILE
RECRUITMENT & HIRING	RECRUITMENT & HIRING	RECRUITMENT & HIRING
WORKING HOURS	WORKING HOURS	WORKING HOURS
WAGE & BENEFITS	WAGE & BENEFITS	WAGE & BENEFITS
WORKER TREATMENT	WORKER TREATMENT	WORKER TREATMENT
WORKER INVOLVEMENT	WORKER INVOLVEMENT	WORKER INVOLVEMENT
HEALTH & SAFETY	HEALTH & SAFETY	HEALTH & SAFETY
TERMINATION	TERMINATION	TERMINATION
	MANAGEMENT SYSTEMS	MANAGEMENT SYSTEMS
		ABOVE AND BEYOND

Step 1 = Essential key social & labor compliance questions, mostly connected to **International Labor Standards (ILS) and National Labor Laws (NLL)**

Step 2 = Progressive focuses on management systems and questions that are additional/supportive social & labor compliance questions but less critical. These questions are often found in **social industry and certification standards**.

Step 3 = Advanced questions that go above and beyond social responsibility, and seek to **elevate workplace well-being and community impact**

Select Step 1, Step 2 or Step 3 (where Step 2 includes Step 1 scope, Step 3 includes Step 1 and 2 scopes).

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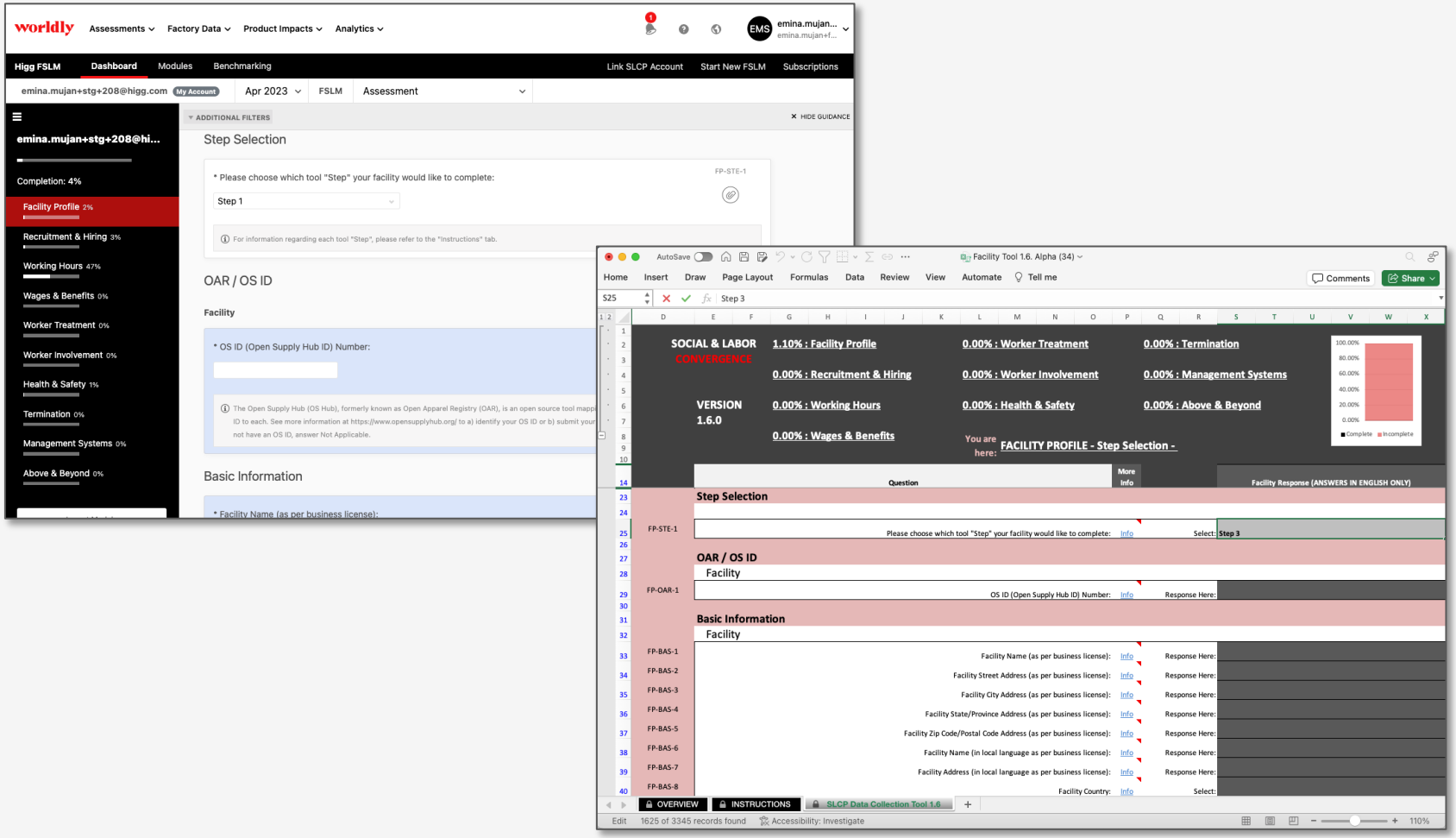
Data can be collected online (Accredited Host) and offline (Excel)



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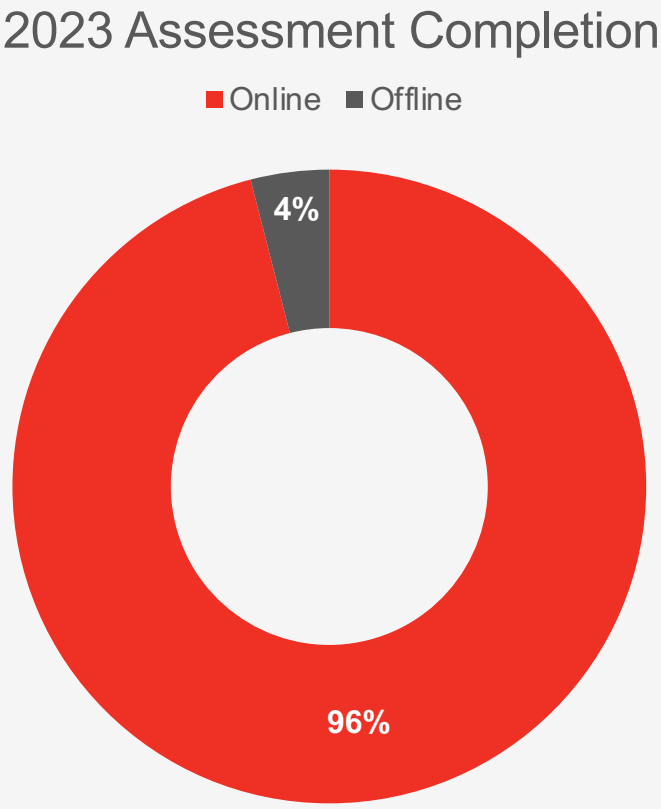
Online vs. offline



SLCP recommends filling in the Tool **online** on an Accredited Host platform.

The online Tool better **guides completion** and enforces **data collection rules**, resulting in less mistakes and greater efficiency.

Want to learn more about the Tool?

The Data Collection Tool

Join SLCP on 29 May to dive deep into the Data Collection Tool and self/joint-assessment process.

You will learn how to best prepare for the assessment, fill in the Tool, and avoid common mistakes.

SLCP Deep Dive: India

Join SLCP on 12 June to dive deep into India specific content, including common mistakes, case studies and operational data.

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SLCP Process

Verification

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Difference between audit and verification

Social Audit	SLCP Verification
Inspection by auditor to assess working conditions in a facility	Verification of **facility assessment** of social and labor conditions
Pass or fail regarding social and labor compliance topics	**Data collection** without conclusion on what is “good” or “bad”
Facility **subject** to audit process	Facility is **active participant** in verification process
Brand owns audit report and Corrective Action Plan	**Facility owns** verified assessment report, e.g., permission needed for data sharing

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Overview of the verification process

Why do we need verification?

- ✓ Ensure correctness of facility assessment data
- ✓ Include additional information if needed, as well as legal non-compliance
- ✓ Lay a strong foundation for improvement plans

The verification process requires you to:

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Methods of verification

Facility decides which method of verification to use:

Onsite Verification	❑ Verification conducted 100% onsite
Virtual + Onsite Verification	❑ Virtual activities must happen before onsite verification ❑ Example of virtual activities: opening meeting, procedure review, and management interviews ❑ Can reduce the time spent onsite, but will likely increase the verification time overall
Full Virtual Verification (FVV)	❑ Verification conducted 100% offsite ❑ Only allowed under very exceptional circumstances ❑ SLCP FVV online training course required ❑ Worker Engagement Technology (WE Tech) required

Supporting an onsite verification

The **facility** ensures a successful verification by:

Reviewing the verification plan in detail
Which includes onsite days, expectations, document request list, etc.

Preparing the same internal team that helped with the self/joint-assessment to support the verification
Ex. Factory, CSR, HR, Finance and Production Managers

Preparing the same documents used for the self/joint-assessment for the Verifier(s) to review
Review the example Document List in the Verification Protocol (Annex)

Providing onsite access to the Verifier(s)
Including all required documents and personnel

Allowing enough time for productive closing meeting
Understanding "Inaccurates" and "Non-compliances", clarifying question level issues, ensuring Verifier includes specific information in report

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Findings of the Verifier

Opportunities to **discuss findings and possible changes** with the Verifier:

During the closing meeting of the onsite verification

- Verifier explains discrepancies between the facility's assessment and the verification.
- Facility requests clarification and changes when needed.
- Facility can specify where additional explanation is required for end-users to have a full picture of facility circumstances.
  - Ex. Facility can say *"Please clarify in the report that we are applying for the certificate already, it's just not here yet."*

Within 48h after the closing meeting

- Resolve all outstanding disagreements with the Verifier.
- If you feel changes are needed, **provide documentation** that substantiate your point of view.

Review the verified assessment

The verified assessment report is available for review within 10 working days after the onsite verification.

Start by reviewing the **Verification Summary**, which contains all "Inaccurate" and "legal non-compliance" items from each section of the Tool. It contains useful information such as:

- **Accuracy Index:** compares the number of inaccurate answers against the total number of facility responses. Note that this is not a score.
- **Legal compliance:** indicates non-compliances with International Labor Standards (ILS) and National Labor Laws (NLL) on a question level.

Don't stop after reviewing the Verification Summary! The facility must review the report in full to ensure that all relevant and important data is included, especially what is requested by end-users.

Approve the verified assessment

Be sure to review the verified assessment report in full prior to approving on the Accredited Host platform.

Remember: no edits can be made to report data after the verified assessment report is approved.

When the facility is confident the report data is complete, the report is submitted by clicking the **Finalize Verified Assessment** button on the Accredited Host platform.

Dispute the verified assessment

If required, facilities can dispute the verified assessment report on the Accredited Host platform. The Verification Oversight Organization (VOO) will rule on the dispute; its decision is final.

Limitations:

Disputes can not be raised on a question level. They can only be raised when there are quality and/or integrity issues due to Verifier conduct or not following Protocol in the verification process.

A dispute can be substantiated or not after review by the VOO. After a dispute is closed on a verified assessment, no new dispute can be filed.

Review period changed

With previous versions of the CAF, facilities had 14 calendar days to review the verified assessment report on the Accredited Host.

If the facility didn't approve or dispute the report within 14 days, the Accredited Host automatically accepted the report and sent it to the Gateway.

The verified assessment report is now only finalized when the facility clicks the "Finalize Verified Assessment" button on the Accredited Host platform.

To give you more time to review the report in full and engage with the Verifier or VOO (if applicable), facilities now have 30 calendar days after receiving the report from the Verifier to initiate edits or dispute the report.

So don't wait! Begin reviewing the report as soon as you receive it. After 30 calendar days you will no longer be able to dispute or request edits to the report, only accept or delete it on the Accredited Host.

Data collection + verification timeline

Engage workers through SLCP's Worker Engagement Questionnaire

Minimum 10 days, maximum 2 months

Approve or dispute the verified assessment report

A few days – two weeks^

Begin the self/joint-assessment on the AH platform

Submit the self/joint-assessment on the AH platform

Min. 5 days*

Receive the verification plan from your Verifier

Begin verification (including onsite and virtual activities)

Max. 4 days**

Conclude verification - discuss findings/ concerns during the closing meeting and within 48h after

Max. 10 days*

Report available for facility's review on the AH platform

Read the entire report, requesting edits where required

^ Depending on facility's experience
* Working days
** If VB expects to exceed 4 working days, facility must provide express permission and the Verifier must get approval from the VOO.

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SLCP Process

Data Sharing

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There are 3 ways to share your data

Direct from Gateway

International Trade Centre

Send a link that takes the end-user directly to PDF and xls files of the Verified Assessment Report (VRF).

Via Active Accredited Host

worldly

Send Verified Assessment Reports to the end-user from an Accredited Host platform.

To Brand or Passive Accredited Hosts

Send Verified Assessment Reports directly to your brand partner's system.

Note: Facilities can only share a final Verified Assessment Report with end users, not simply self/joint-assessment data.

QUIZ

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Quiz

1. 85+ brands & standard holders accept SLCP data.
   True

2. What are the three stages of the SLCP assessment process?
   Data collection, verification, data sharing

3. SLCP recommends filling in the Tool…
   Online on the Accredited Host platform

4. The facility ensures a successful verification by:
   All the above

5. The facility must review the verified assessment report in full prior to approving on the Accredited Host.
   True

6. Facilities have 14 calendar days to review the verified assessment report before it is automatically accepted on the Accredited Host.
   False

QUESTIONS?

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BREAK

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SLCP System

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The SLCP IT system consists of the Gateway and Accredited Hosts

Gateway

SLCP central database, securely stores all SLCP verified data on a UN server

Serves 4 functions:

1) Open resource of information about the SLCP assessment process
2) List of facilities registered on the Gateway and where in the assessment process they are
3) Digital connection between SLCP system users, i.e. facilities, Verifier Bodies, Verifiers and Accredited Hosts
4) Sharing (with facility permission) of verified data to AHs and end-users

International Trade Centre

Accredited Host (AH)

Existing platforms that allow facilities to upload SLCP data, have it verified and share it with their business partners

Active AH:

- Facilities submit the data from their self/joint-assessment here
- Verifiers submit the findings from verifications here

worldly

Active and Passive AH:

- End-users (such as brands) can access SLCP verified data after facility approval
- Interpretation of SLCP verified data

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SLCP System

The Gateway

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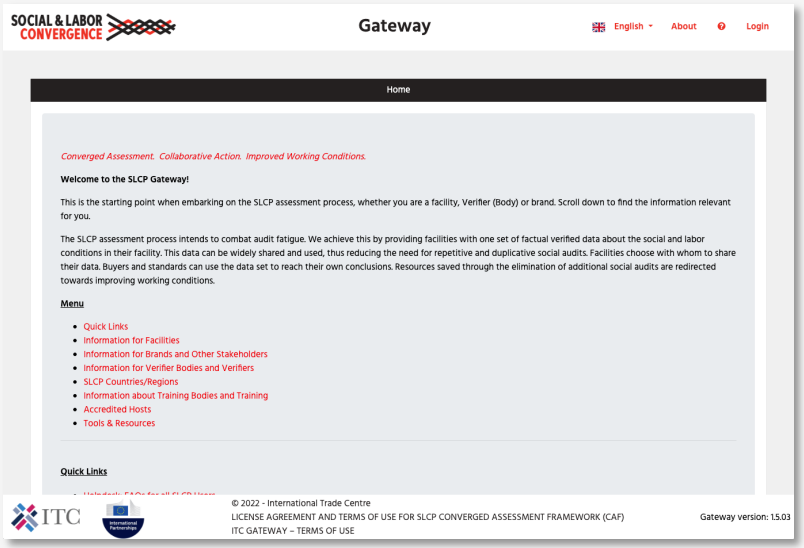
ITC – SLCP's Gateway partner

International Trade Centre

ITC works with local and regional institutions and business people to build trade capacity.

Our mission

To foster inclusive and sustainable growth and development through trade and international business development.



ITC works together with SLCP to provide:

- Gateway
- E-learning
- Training

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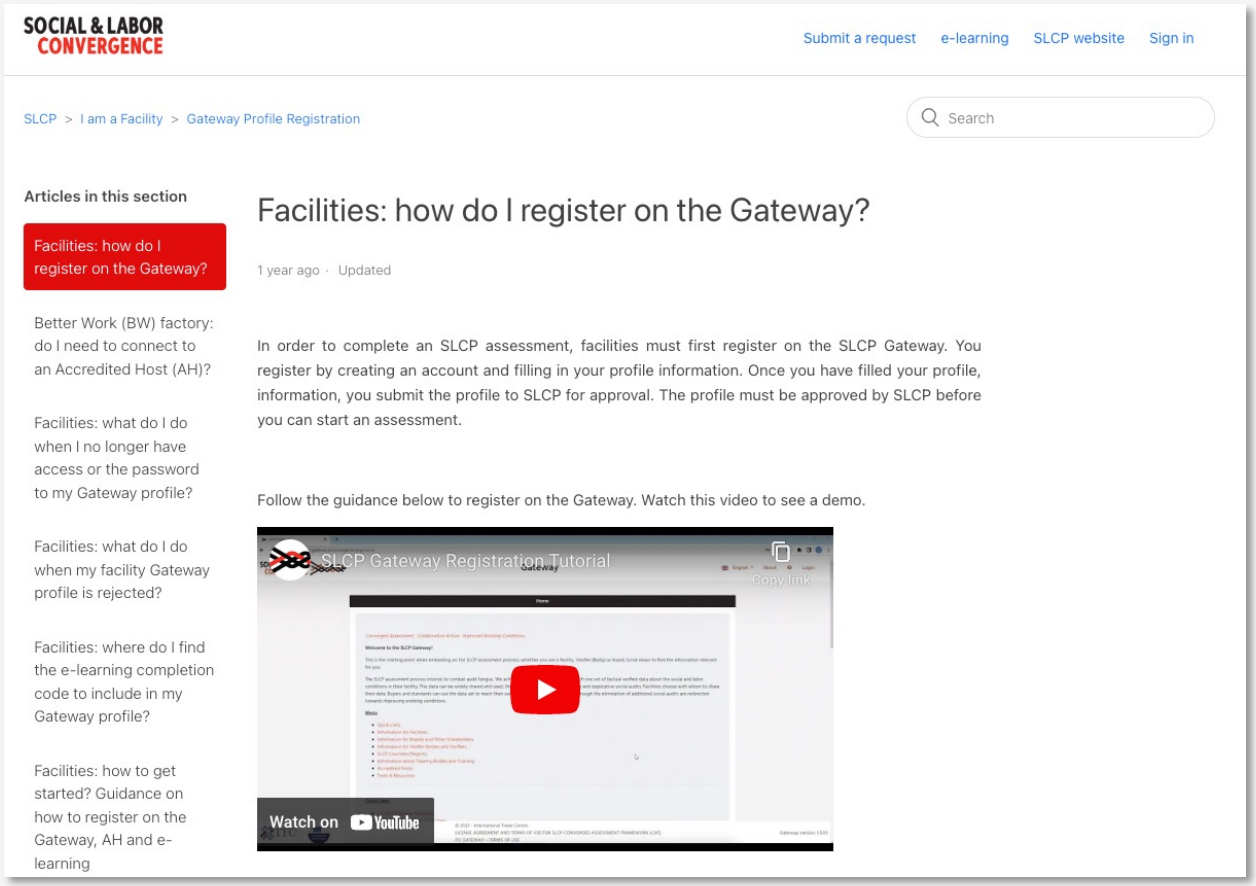
Visit the Helpdesk for guidance on how to register on the Gateway

Today we will focus on sharing verified data from the Gateway. For help registering on the Gateway, visit the Helpdesk.



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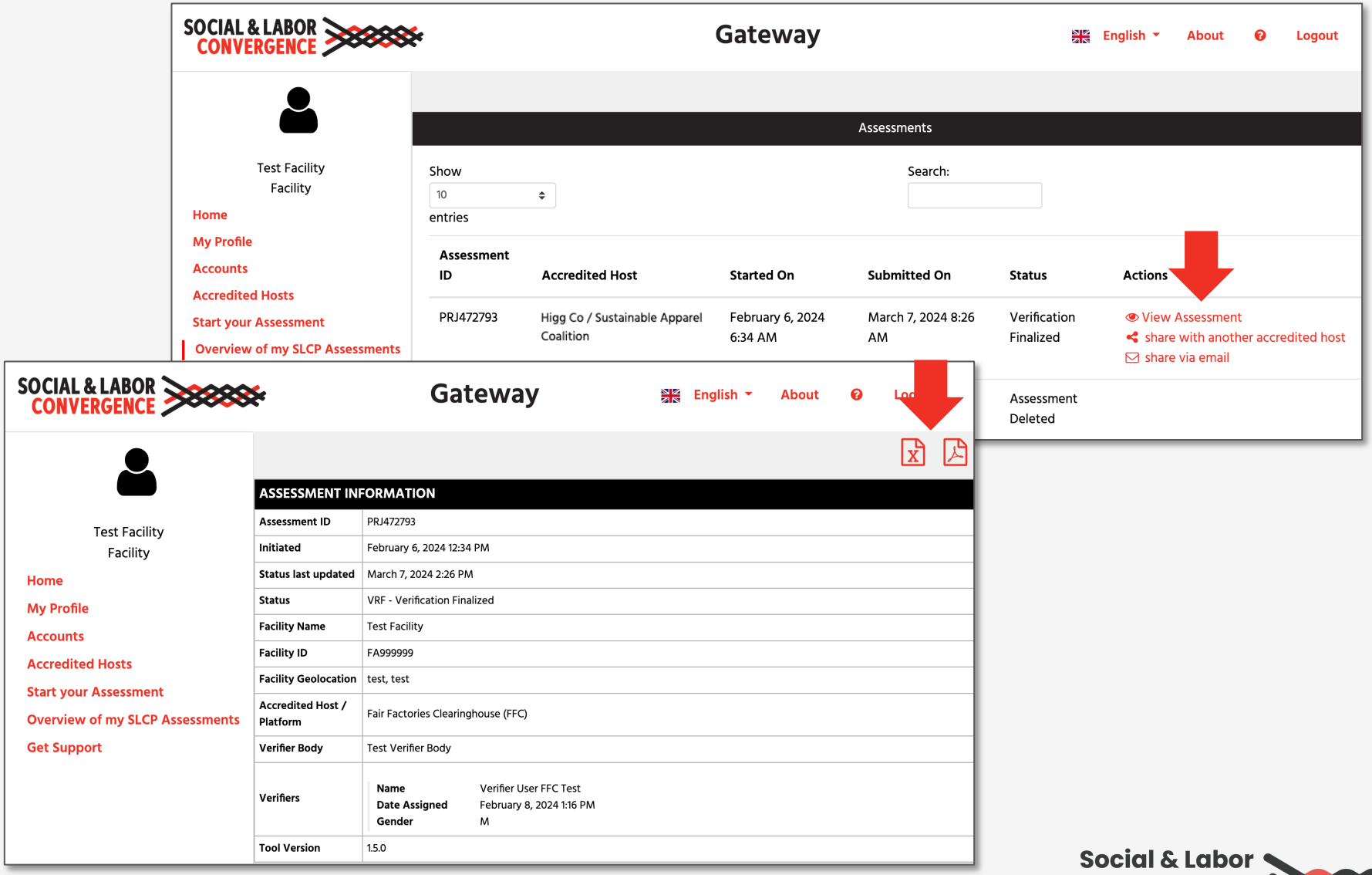
Once final, share your verified assessment from the Gateway

SLCP Gateway

- **Download in PDF or Excel format**
- **Share via email**
- **Share with another Accredited Host**
- **Share with a Brand Host**

Download in PDF or Excel format



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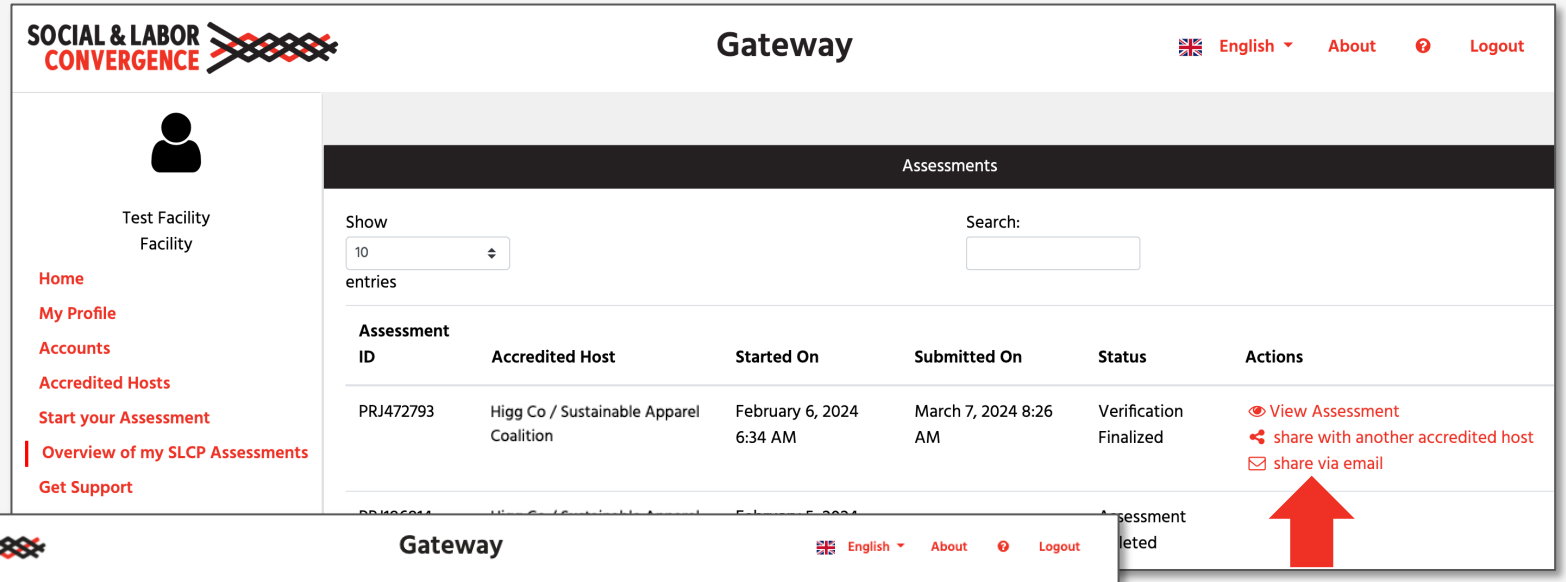
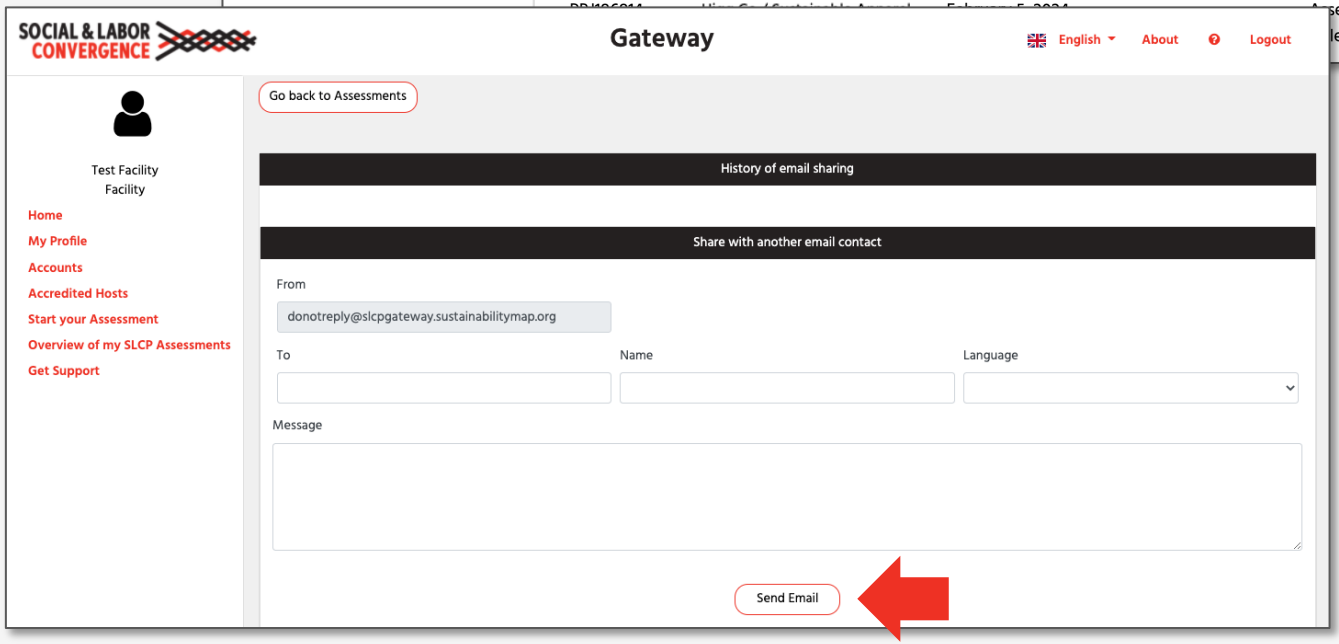
Share via email





The recipient will receive an email with a link to access the report.

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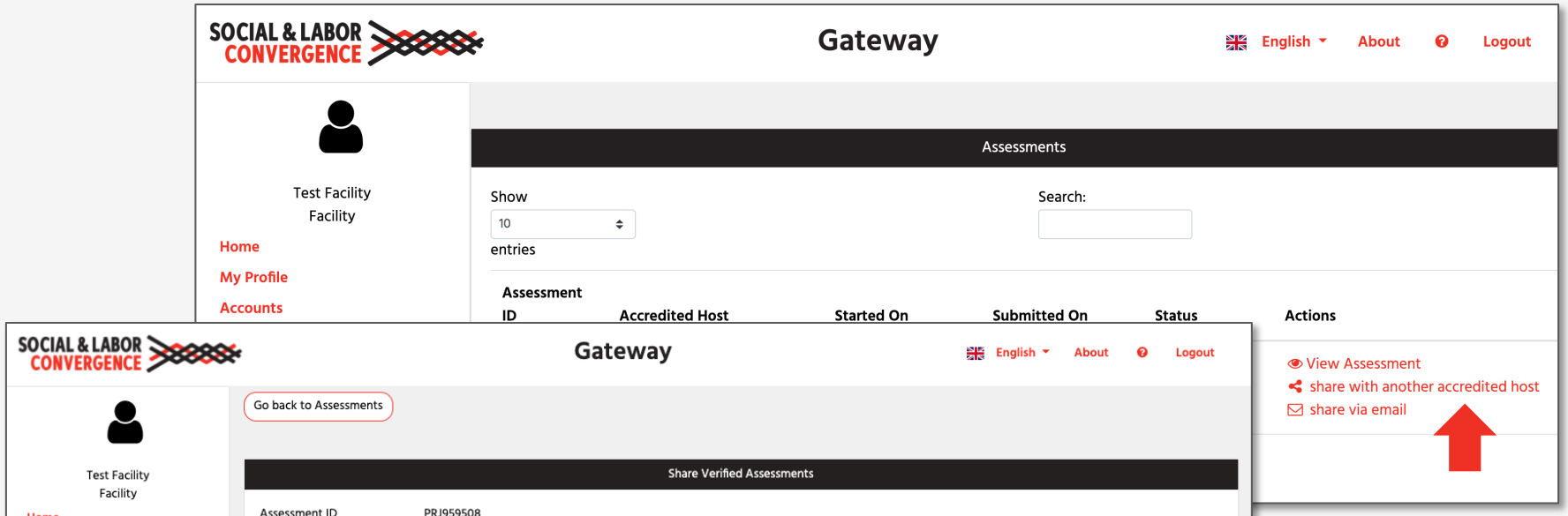
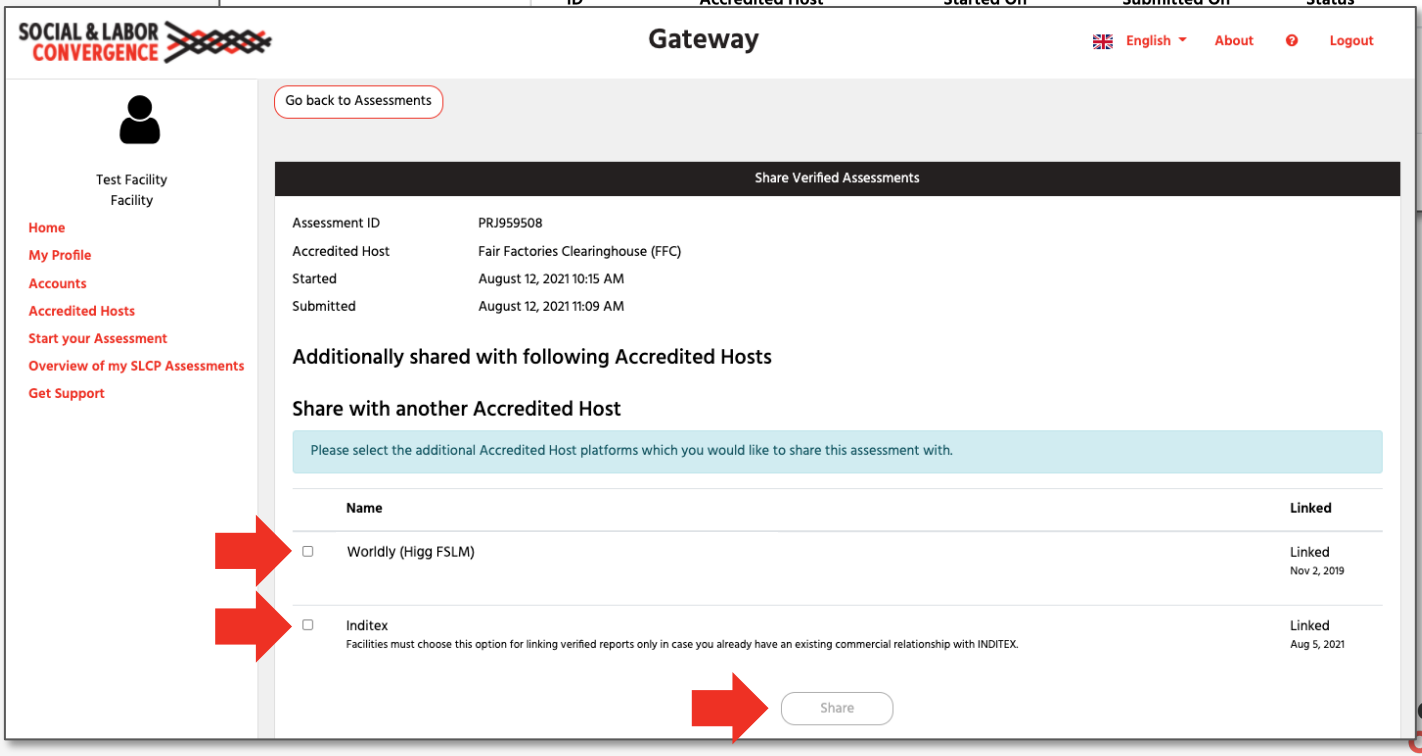
Share with another Accredited Host or Brand Host





Then log back into the applicable AH to share with end users.

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SLCP System

Navigating Worldly

worldly™

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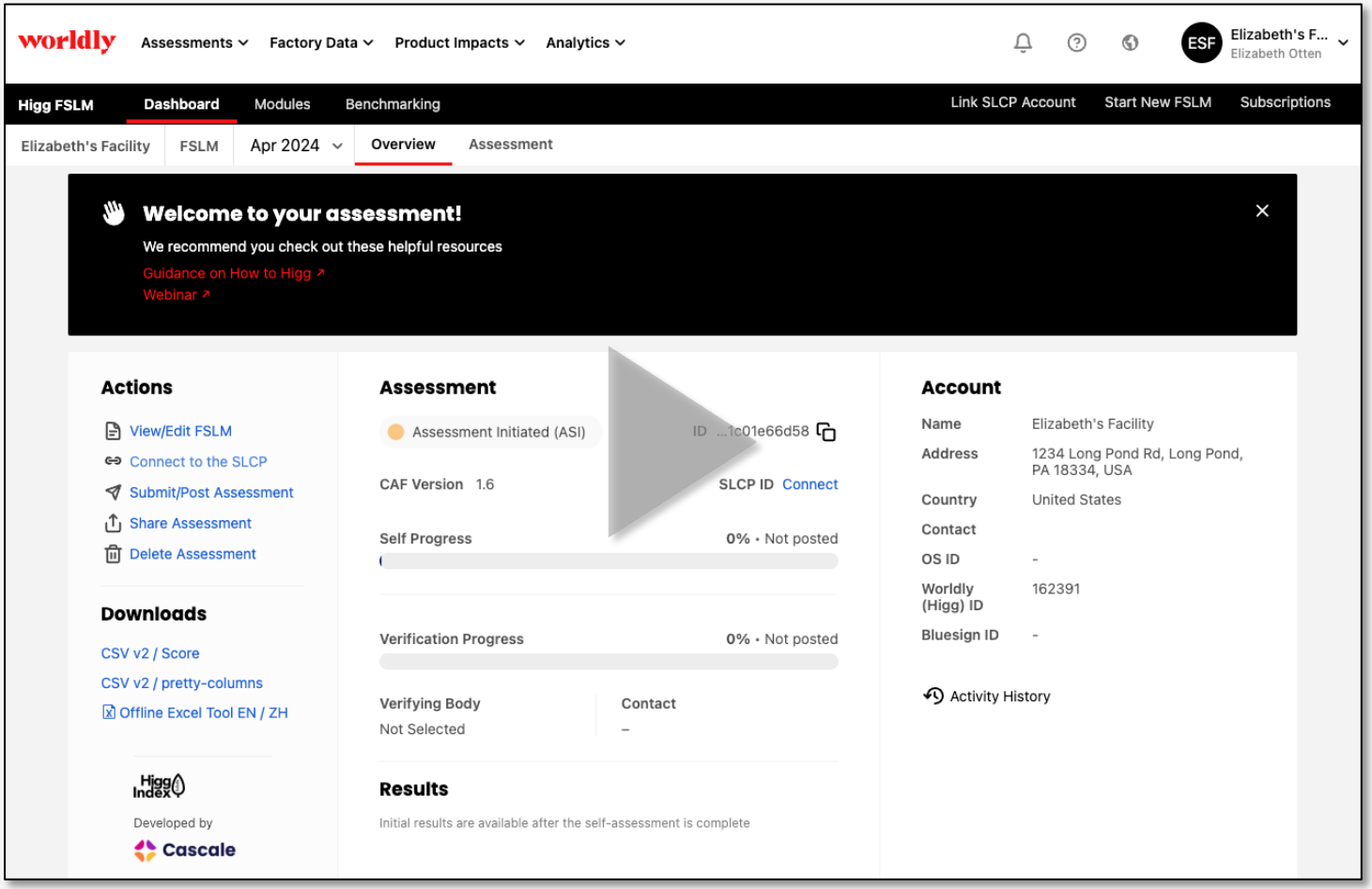
Watch the Worldly demo

https://worldly.wistia.com/medias/2ure41jlhg



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Data Quality & Integrity

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Prioritizing data quality and integrity

Verification is an important step in the SLCP assessment process, to ensure facility data is accurate and truthful.

SLCP has an extensive **Data Quality and Integrity Strategy**.
Find more information here.

SLCP's **Verification Oversight Organization is** responsible for ensuring the integrity of SLCP verification, and the quality of assessment data.

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The facility's role in ensuring data quality & integrity

Communicate with end-users to understand the type of information they want to see in the report.

Fill in the Tool with complete and accurate information; carefully reading the questions and more info.

Before selecting a Verifier Body (VB), ask for a screenshot of their VB score to compare to the average (available on the QA Dashboard), and check the Active VB list to understand their risk level.

During the closing meeting:

- ✓ Review all "Inaccurate" and "Non-compliance" items.
- ✓ Specify where Verifier must enter additional explanation for end-users to have a full picture of facility circumstances.

Read the entire verified assessment report to confirm all relevant information is included. If edits are required, contact the Verifier immediately and request edits (VRE status) through the AH platform.

Facility participation in QA activities

Shadow Verification	Counter Verification	Duplicate Verification
External observer joins the verification to observe Verifier and verification process.	One-day verification taking place after original verification, to assess data quality.	Complete verification taking place after original verification, to assess data quality.

All facilities using SLCP's CAF can be selected to host a QA verification:

- Facility selection is done by the VOO*.
- Facilities are chosen based on several criteria including size, facility type, risk factors and geographic location.
- Agenda is sent to the facility at least one week prior to the Counter or Duplicate Verification.
- Summary of the QA verification report is only shared with the facility.
- No costs associated with QA verification for facilities.

*Shadow Verifications can be requested by any organization (other than a VB).

QUIZ

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Quiz

1. What is the central database where all SLCP verified data is stored?
   Gateway

2. How can you share your verified assessment from the Gateway?
   All the above

3. The Worldly platform offers…
   All the above

4. Before selecting a Verifier Body (VB), facilities should ask for…
   A screenshot of their VB score to compare to the average

5. Facilities can support data quality & integrity by reading the entire verified assessment report to confirm all relevant information is included.
   True

QUESTIONS?

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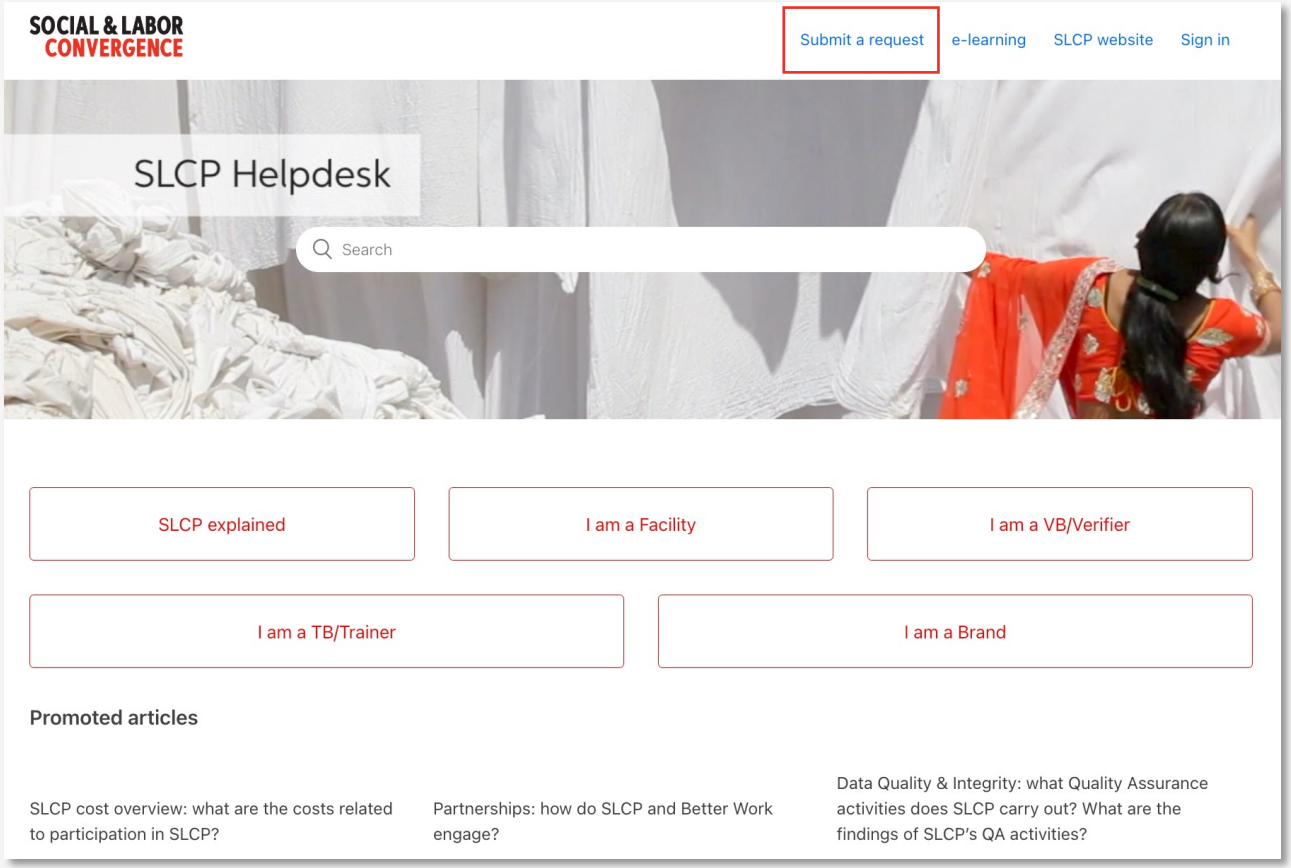
If you are ever lost...



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