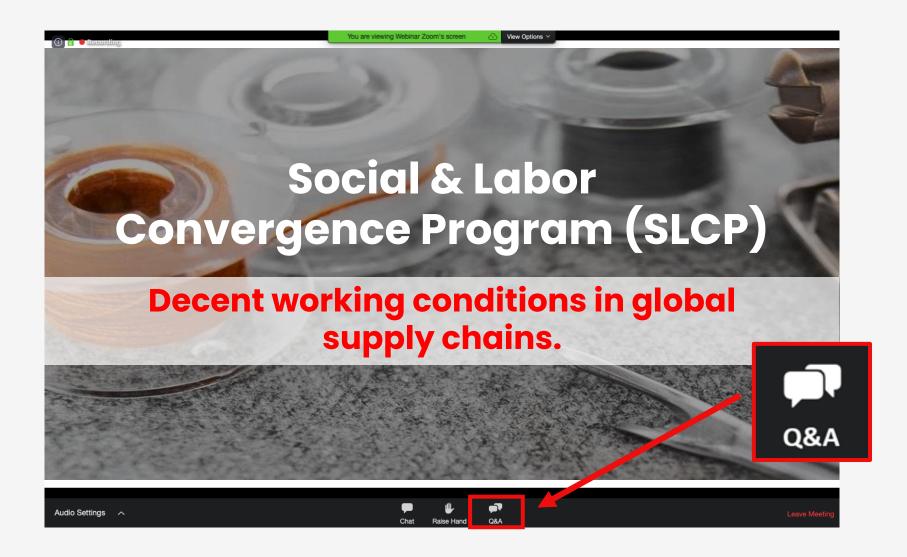




Welcome to today's webinar!



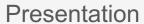




What will you learn today?

- Detailed data on SLCP's operations in India
- How brands use SLCP & tips for completing your assessment
- Insights and benefits from an experienced Indian manufacturer
- Who is Good Business Lab and how we collaborate
- India specific guidance for facilities
- How to avoid common mistakes when filling in the Tool







Guest speakers



Quiz



Room for questions





Meet the speakers





Elizabeth Otten Training Manager





Reshma KT Support Associate India





Himanshu Gupta **Country Director** India





Meet the speakers

H&M Group



Pinky Roy Sustainability Developer

H&M Group



Karthik Narayanaswamy Sustainability Developer



Sireesh Kumar Sr. GM -Compliance



Priydarshini Gouthi **Ventures Associate**







What is SLCP?

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



Collects harmonised, accessible and trusted social and labor supply chain data



Deploys a common social assessment called the Converged Assessment Framework (CAF)



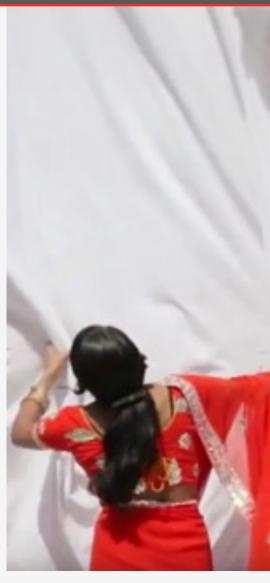
Replaces the need for repetitive audits and frees up resources for improvement programs



Facilities own their data



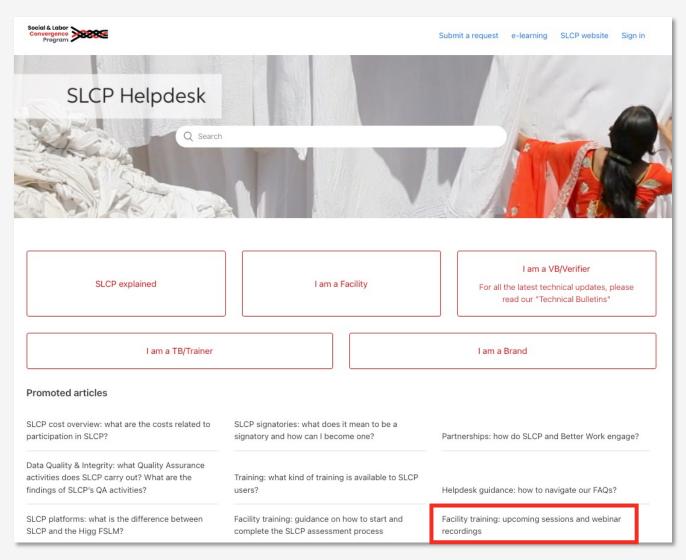
Companies can use this data to undertake meaningful HRDD







Want to learn more?













SLCP in India 2023

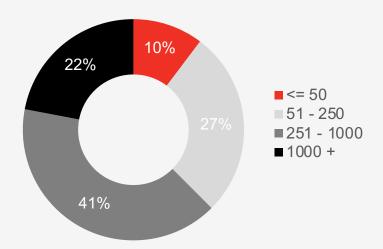






37% of facilities are SMEs; 52% worldwide

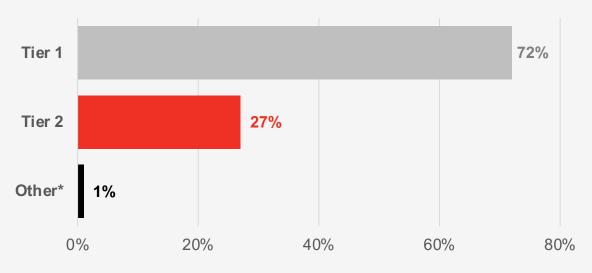
Assessments by Facility Size







Distribution of Indian facilities in 2023



*Tier 3 and Distribution Centers



SLCP is working towards increasing adoption deeper in supply chains



In 2023, 27% of SLCP assessments in India were completed by Tier 2 facilities



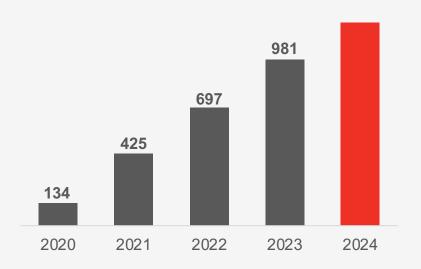
This is an 82% increase in Tier 2 adoption in India compared to 2022





SLCP in India 2024

Growth in verified assessments





1473 facilities registered on the Gateway +122 in 2024

Indian Facilities in the SLCP Process

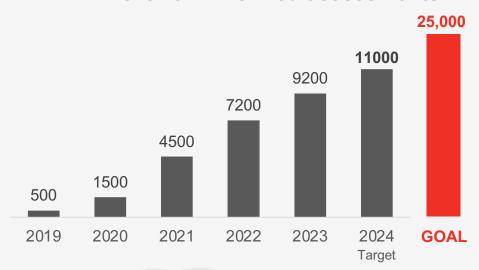






SLCP growth globally

Growth in verified assessments









11k



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.



















































H&M Group







LOOMSTATE KOMAR

























OUTER<NOWN











































































WILLIAMS-SONOMA, INC.















We work closely with internal and external stakeholder to drive the change and achieve our sustainability ambitions

SLCP is one of our key stakeholder on securing social sustainability compliance agenda and set long term action plan to achieve

Social Sustainability Assessments

2016 - 2018 2020 2021 2022 and Further 2019 Assessment gives insight into compliance and performance Focusing our resources on capacity building where needed Apparel, Footwear and Expanded scope to cover all Brings in Supplier Ownership **Home Textiles Suppliers** Apparel, Footwear, HOME adopted SLCP Textiles and Few Key HOME **Address Materiality Issues** Hardgoods suppliers Started to Initiated SLCP Self –assessment by **Reduces Audit Fatigue** adopt Higg Pilot with our key Suppliers and H&M Self –assessment by Social and team supported in joint business partners Suppliers and verification by Environment assessments accredited 3rd party verifiers Modules

SLCP Scope for H&M Group

T1 facilities including processing units

- Apparel & Textile
- Footwear
- Home Hardgoods

T2 / Component facilities

- **Dyeing & Knitting**
- Finishing & Printing









Key outcomes

- Strengthen factory management awareness on social responsibility
- Better understanding on social labor contents and set short/ long term actions to improve
- Clear overview of our facilities labor standards & compliance status
- Identify materiality issues in the countries to develop collective actions
- Eliminate audit fatigue for supplier



Expectation and Future Focus

- Further develop tools to also cover upstream Supply chain facilities like Weaving, Knitting, Spinning etc.
- Data quality and alignment with verification bodies
- Data within the SLCP framework to drive supplier ownership and improvement plans





Best Practices

During Self-Assessment

- > Take regular Refresher e-Learning Module.
- > Select Steps (1, 2 or 3) carefully.
- > Follow the timelines.

Ex: Verification within 2 months on completion of self-Assessment.

Ensure to have SLCP verified module within the cycle (12 months).

Before Verification

- Ensure timely communication and selection of Verification body.
- > Be an early bird, plan well in advance.
- Ensure all documents and details readily available during assessments.
- > Attention to detail, add comments wherever applicable.
- ➤ Keep it precise and simple answer to questions with accuracy and attach relevant supporting documents.

During Verification

- > Be ready with all documents.
- Ensure to input remarks in inaccuracy/misunderstanding questions.

Post Verification

- Read the assessment report thoroughly before finalizing.
- Check necessary comment filled in.
- > Finalize after clarification of all query.







From Concept to Design, Manufacture, and Export

Of a diverse apparel portfolio ranging from Lifestyle, Active, Elevated Fashion & Outerwear.



4+ Decades of manufacturing experience.



About USD 280 million annualized turnover in India. Atraco & Matrix together approx. of USD 150 million annualized turnover.



18 fully integrated production units in India

Atraco - 4 units in Kenya & 1 unit in Ethiopia Matrix Clothing - 5 units in India



16,000+ Advanced machines with fully integrated manufacturing operations in India.

Atraco - 5000 machines in Kenya and Ethiopia,

Matrix - 2100 machines (Knits)



05 Value-adding service units.



32,000+ dedicated workforce with a vast majority of them being women (80 %) in India.

Atraco - 11,000 employees across the units in Kenya and Ethiopia.

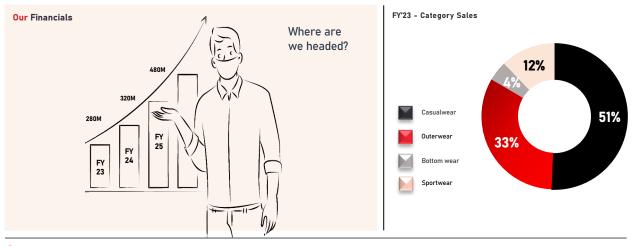
Matrix - 5000 employees



Partners with leading brands.



Strong Commitment to sustainability and community initiatives.



Our

Clientele

























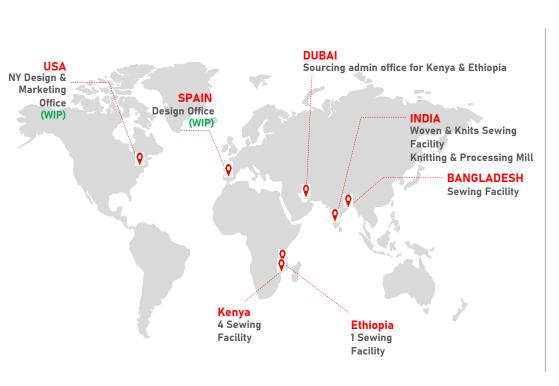




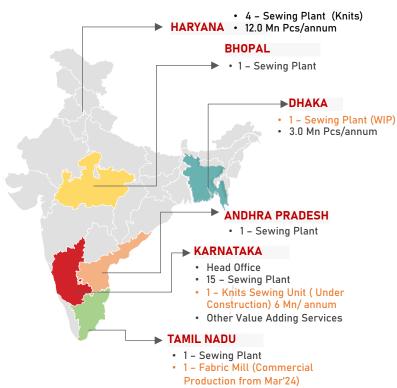




Global Reach Operations



Indian Manufacturing Centres



Insights on implementing SLCP in our facilities

GE proudly endorses the impactful SLCP Program, which has encouraged us to actively initiate it since 2019.

Partnering with SLCP enabled us to optimize costs and resources, while promoting sustainable business practices.

We are inspired by robust standards, which have been widely accepted by most of our customers, who are signatories of SLCP

This program standardizes our social compliance efforts and reduces audit fatigue

The SLCP tool integrates seamlessly into our workflows, underscoring its user-friendliness

It provides guidance on employment practices, Health & Safety, wages, and workplace culture

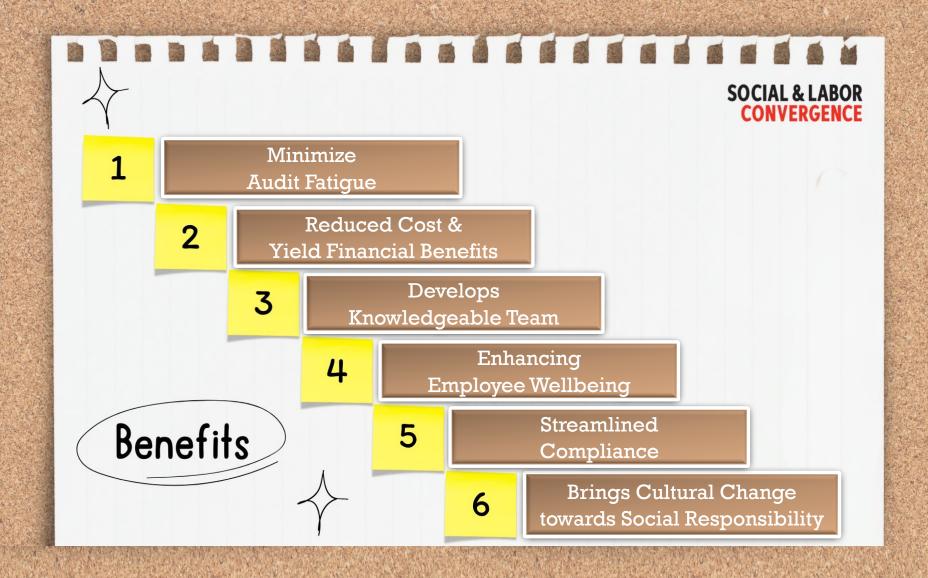
SLCP facilitates the implementation of employee wellbeing practices and empowers factory teams to proactively promote worker wellbeing

SLCP fosters education, training, provision of tools, while actively promoting continuous improvement and accountability within an ethical working environment



General recommendations for facilities new to SLCP

- ❖ With many customers being signatories, leverage their influence to support SLCP implementation, results in enhancing your reputation.
- Invest in training your teams on SLCP principles and tools.
- Understand and address some of the negative questions with factual information to gain transparency and accuracy level.
- * Engage stakeholders, including top management, employees, and supply chain partners, for successful adoption.
- Start with pilot projects before scaling up SLCP, establish robust monitoring to track progress and identify for improvement.
- Stay updated on SLCP and labor standards for sustainable compliance.



Thank You

CONTACT US

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Category guidance: Confined Spaces

Confined spaces may be small and restrictive for the worker like pipes or tanks, or it could be far larger such as a grain storage silo with hundreds of cubic meter capacity.

MORE INFO: Confined space means

- Being large enough for an employee to enter and perform work;
- Has limited or restricted means for entry or exit; and
- Is not designed for continuous occupancy.

Example: **HS-BUI-12** Does the facility have confined spaces?

Facility has septic tanks for domestic sanitary wastewater and water reservoir tanks for isn't sure if these count as confined spaces.

Are the domestic sanitary wastewater tanks and water reservoir tanks large enough for workers to enter and perform jobs, such as maintenance?

If yes, and the spaces meet the definition of confined space in the More Info, then confined spaces are present in the facility.

Facility should answer "Yes" to HS-BUI-12, followed by the rest of the questions under the Confined Spaces category.





PCB guidance: HS-BUI-15

What are PCBs?

Synthetic chlorinated hydrocarbon compounds used in plasticizers, surface coatings, inks, adhesives, flame retardants, pesticide extenders, paints, and microencapsulation of dyes for carbonless duplicating paper.

HS-BUI-15 Has the facility conducted an assessment to identify if equipment contains PCB?

Answer "No" if the facility has not conducted an assessment to identify if equipment contains PCBs.

Answer "Yes" if the facility has either:

- Conducted an assessment by an accredited laboratory using accredited methods.
- ✓ Asked the equipment seller if they've done an assessment of PCBs and has in writing that the equipment does or does not contain or may contain PCBs.

More Info: An 'assessment' may be a confirmation by a facility that all equipment and building materials were manufactured after the 100% prohibition of PCB use or 100% prohibition on PCB imports into the country.

Tip: Because there is no legal requirement, reach out to your business partners to ask what their expectations are. Social & Labor



PCB guidance: HS-BUI-16

HS-BUI-16 If equipment contains PCB, does the facility have all of the following safety measures in place:

- Equipment containing PCB is inspected and labeled accordingly
- Workers who work with or around equipment containing PCB understand the hazards of PCBs?

If the facility answers "Yes" to HS-BUI-15

Answer **HS-BUI-16** with either:

- ✓ "Yes", meaning all protective measures are in place and workers understand. the hazards of PCBs.
- ✓ "Not Applicable", if the assessment indicates that the equipment does not contain PCB.

If the facility answers "No" to **HS-BUI-15**

Answer "No" to HS-BUI-16.

This means that equipment containing PCB is not inspected and labeled accordingly and workers who work with or around equipment containing PCB do not understand the hazards of PCBs.





Asbestos guidance: HS-BUI-17-1

HS-BUI-17 Does the facility have safety measures in place regarding asbestos? (SELECT all that apply with a "X")

☐ HS-BUI-17-1 Facility has performed an asbestos exposure assessment

MORE INFO: There is no Not Applicable option.

Regardless of whether Asbestos Containing Material (ACM) is present or not, the facility either has or has not performed an asbestos exposure risk assessment (exposure to building materials and/or products).

An asbestos exposure risk assessment may be in the form of a building survey for Asbestos Containing Material (ACM) or some other means of confirming that there are no exposure risks (e.g. country has fully prohibited import/export of ACM). This could also be part of a large facility wide risk assessment.

What constitutes an asbestos exposure assessment?

SLCP recommends that the assessment is conducted by accredited laboratories using accredited methods. This assessment will determine if there is risk of exposure and will inform which actions to take to remove the risk to workers or mitigate the risk.





Hot Work vs. Heat/Cold Stress guidance

Questions about Hot Work and Heat/Cold Stress can be found in the Health & Safety section.

Hot Work Category

Includes:

- Welding and allied processes
- Grinding
- Heat treating
- Thawing pipe

...and similar applications producing or using a spark, flame, or heat that it is sufficient to start a fire

> Laboratory operations that are open flame in nature

Note: Questions in this category only focus on heat exposure related to "Hot Work" and not to other heat stress risk (e.g., working close to a furnace/ oven or in high temperature environments).

Heat/Cold Stress Category

Heat or cold related stress can occur when the body is unable to warm or cool itself and can contribute to adverse health effects.

Heat stress results from a combination of:

- 1. Internal body heat production from doing work
- 2. External heat exposure from the environment

Common areas include boiler rooms. outdoor working areas, ovens, etc.

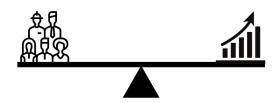
Cold stress results from being exposed to extreme cold or working in cold environments.

Common area includes cold storage.





INTRODUCTION

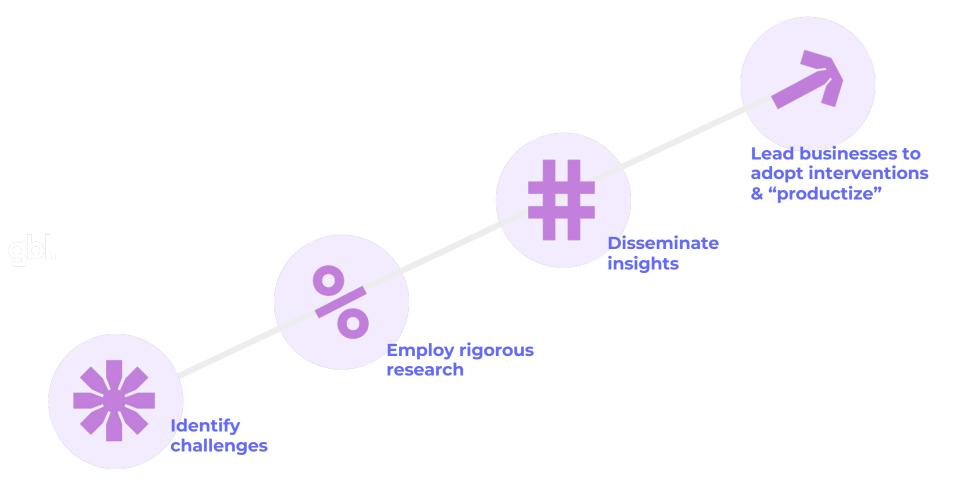


Good Business Lab (GBL) is a non-profit, dedicated to improving the lives of lowincome workers everywhere

We believe that creating better conditions for workers is the most sustainable way to transform labor markets and enable all workers to live dignified lives.



gbl. PAVING THE WAY



GBL Ventures is the product arm of **Good Business Lab.** We evaluate & scale programs and tools that drive business returns & worker well being.

We deliver research backed solutions tailored for the needs of management and workers.



qbl. Supporters



















With funding from:

BILL&MELINDA GATES foundation

RESEARCH AROUND WORKER VOICE

When clear complaint procedures were in place, female factory workers reported significantly lower levels of abuse —

25% compared with 58.7%.

(Fair Wear Foundation and Care International)

Research across 40 factories and 30,000+ workers found that improving worker communication and enhancing worker voice can yield:

13.5x Rol

per worker per year via attendance and production bonuses per \$ spent by the firm **13%** ↓ in absenteeism

4.3% fin line productivity

Introducing Inache:

a two way, anonymized worker communication tool

Inache is a phone based worker communication tool with a SaaS portal for reporting and workflow management for HR teams.

Inache provides

- phone based grievance reporting
- sophisticated reporting and analytics
- broadcasting capabilities
- extensive on ground support and training





WHAT SETS INACHE APART



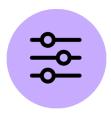
Incentive Program

Non monetary incentives to increase quality of case resolution and improve turnaround time



Digitization of Grievance Channels

Digitizes and streamlines communication from traditional methods (eg: drop boxes, meetings) for easier tracking and management of cases.



Implementation + Operational Support

Engaged on-ground implementation, detailed user trainings & custom SOPs to maximise value



KEY FEATURES

Made for India, in India



Voice Call 24x7



User Training & SOPs



Multilingual SMS



Reporting Dashboard



Survey questions in Regional Languages



Multiple Users for accountability



Convenient Pause & Start Survey option



Targeted Broadcast Messages

COLLABORATION WITH SLCP

- GBL representatives are members of SLCP
 Technical Advisory Committees (TACs) on
 Stakeholder Engagement and Country Roll Out
- Joint blog with SLCP on 'Enhancing Global Supply

 Chain Transparency' and exploring ways to
 collaborate to further worker voice in the ecosystem
 due to similar work
- Plan to demystify the complicated regulatory
 landscape by co-hosting events and putting out
 one pagers explaining the context of upcoming
 regulation for suppliers.







Question: WH-WOR-10

Working Hours

Are the reasons for overtime in line with legal requirements?

Common Mistake

X Facility is not clear on the applicable laws for overtime but believe they are acting in line with legal requirements, so they answer "Yes".

Do It Right

- ✓ Facility must first check legal requirements. before answering any question that references the law.
- ✓ In India, there are no laws which require facilities to have a reason for overtime work.
- ✓ Therefore, facility should answer "No applicable legal requirements".

MORE INFO: Consult applicable legal requirements before answering this question. The intent of this question is to understand if overtime is worked only for reasons allowed by law.

If there are no applicable legal requirements, answer No applicable legal requirements.





Question: WH-WOR-13

Working Hours

Did the facility comply with legal requirements to inform and/or get permission from governmental authorities in order to work overtime?

Common Mistake

X Facility does not get permission from the government to work overtime, so they answer "No".

Do It Right

- ✓ Facility must first check legal requirements before answering any question that references the law.
- ✓ In India, there are no laws which require facilities to inform/get permission from the government to work overtime.
- ✓ Therefore, facility should answer "No applicable legal requirements".

MORE INFO: Consult applicable legal requirements before answering this question. If there are no applicable legal limits, answer No applicable legal requirements. Examples of permissions from governmental authorities include authorization to work overtime and overtime waivers.





Question: WB-WAGE-148

Wages & Benefits

Does the facility pay workers correctly during work stoppages in line with legal requirements?

Common Mistake

X There were no work stoppages during the assessment period, but the facility did not read the More Info, so they incorrectly answered "Yes".

Do It Right

If there were no work stoppages during the assessment period (last 12 months), facility should answer "No applicable legal requirements".

MORE INFO: The intent of this question is to understand if the facility pays as required during work stoppages.

Consult applicable legal requirements before answering this question. For example, legal requirements might stipulate that workers must be paid even when production has slowed or stopped.

If there are no applicable legal requirements, or there were no work stoppages, answer No applicable legal requirements.





Question: WT-DIS-10

Worker Treatment

Has the facility failed to maintain any of the following for workers during and after			
maternity leave? (SELECT all that apply with a "X")			
	Employment status		Benefits
	Position		Not Applicable
	Wages		None of the above

Common Mistake

X Facility indicates that they maintain all statuses during and after maternity leave so they select "None of the above", even when there were no workers who went on or returned from maternity leave during the assessment period.

Do It Right

✓ If no workers went on or returned from maternity leave during the assessment period, facility should answer "Not applicable".

MORE INFO: "Not applicable" means that in the assessment period no workers returned from maternity or went on maternity. So there are no records to show if statuses are maintained while the worker is on maternity or returning from maternity.





🔀 Question: WT-WOR-1

Worker Treatment

Has the facility failed to implement any applicable court orders, arbitration awards, conciliation agreements and/or settlements?

Common Mistake

X Facility answers "Yes" or "No", even though they are not subject to any court orders, arbitration awards, conciliation agreements or settlements.

Do It Right

✓ If the facility is not subject to any court orders, arbitration awards, conciliation agreements or settlements, answer "Not Applicable".

MORE INFO: Answer Not Applicable if the facility is not subject to any court orders, arbitration awards, conciliation agreements and settlements.

Court Orders: Consider only legally binding court orders that are not subject to appeal. Court orders may be issued by courts of general jurisdiction or by specialized labor courts.

Arbitration awards: Arbitration awards may be issued by an individual arbitrator, a board of arbitrators or an arbitration court (not acting as a court of law), who decide on the outcome of a dispute.

Conciliated/mediated agreements: During conciliation/mediation, a third party assists the parties to a dispute to negotiate an agreement.

Settlements: Consider only legally binding settlements.



Question: HS-EME-5

Health & Safety

Is there a manual or automatic emergency alarm system (for all types of emergencies other than fire)?

Common Mistake

X Facility misunderstands the intent of the question and answers "Yes", thinking the question is asking about fire alarms.

Do It Right

- ✓ This question is asking if the facility has an alarm system for emergencies other than fire.
- If the facility does not have an emergency alarm system (other than fire), answer "No".

MORE INFO: An emergency alarm system ensures that the emergency (e.g. chemical spill, earthquake) can be communicated clearly and effectively to all facility staff. The system can be manual (alarm pull for an emergency) or automatic (detector of gases/fumes from chemicals that raises alarm).

The intent of this question is to ask about the presence of an alarm system for emergencies other than fire, regardless of whether one is legally required. Fire alarm systems are covered separately.



Question: WB-WAGE-62

Wages & Benefits

Lowest wage grade / level: Average monthly basic wage - male

Common Mistake

X Facility answers with the average monthly basic wage of all male workers in the facility.

Do It Right

- This question is asking for the average monthly basic wage for male workers in the lowest wage grade / level.
- ✓ Note: The lowest wage grade / level could include multiple workers or even just one worker, depending on facility circumstances.
- ✓ So, the facility should take the average calculated by 12 months of a male worker that is in the lowest wage grade.

MORE INFO: In the lowest wage grade / level in the facility, what is the average monthly basic wage for male workers?

"Average monthly" means the average calculated by month taking a period of 12 months into account. "Basic wage" means the rate of pay for a standard work period excluding additional payments like bonuses and overtime.



Question: HS-BUI-18

Health & Safety

Is there on-site vehicle traffic at the facility?

Common Mistake

X Facility has a parking area for cars on-site, so they answer "Yes".

Do It Right

- ✓ This question is asking about on-site vehicle traffic where there are workers working, not for example, a car park.
- ✓ Facilities should answer "Yes" if they determine that vehicles are operated anywhere where workers are working.
- ✓ Facilities should answer "No" if vehicles are not operated near the production area that workers are working.

MORE INFO: On-site traffic may include cars, trucks, forklifts, golf carts, or any motorized vehicle operating on the facility work site.





Question: RH-CHI-7.1

Recruitment & Hiring

RH-CHI-7: Does the facility have a remediation system in place for when children (those under the legal minimum working age) are found to be working in the facility?

RH-CHI-7.1: If yes, please describe the child remediation system in place:

Common Mistake

X Facility responds "Yes" to "Child remediation policy" but does not describe the system in place.

Do It Right

If the facility has a child remediation system in place, the facility must describe it in detail.

MORE INFO: "Children" are individuals under the legal minimum working age. The intent of this question is to understand if there is some sort of remediation system (or plan) in place for situations in which "child labor" is found in the facility.

A remediation plan might cover the immediate and long-term steps to "remediate" the child labor situation (e.g., contacting the child's parents/relatives for pick-up, paying for their trip home, paying for their education, re-training Human Resources (HR) staff on age verification etc.)



Question: WB-WAGE-141

Wages & Benefits

Does the facility charge for in-kind benefits at or below cost?

Common Mistake

X Facility does not read the More Info and mistakenly answers "No" despite providing in-kind benefits to workers at no cost.

Do It Right

✓ Because no costs are charged to workers for in-kind benefits, the facility should answer "Yes".

MORE INFO: The intent of this question is to understand if in-kind benefits are always provided for free or at the actual cost of goods.

The idea is that facilities are not "making money" by offering in-kind benefits.

For example, if facility offers workers food on-site at the facility, but charges for the food at a cost that is above the cost incurred by the facility (meaning, the initial purchase and preparation costs), answer No.

If no costs are charged at all, answer Yes.





Question: AB-WOR-1-1

Above & Beyond

Are all workers offered any of the following types of developmental programs by the facility? (SELECT all that apply with a "X"):

☐ Health Education

Common Mistake

X The facility provides internal Health & Safety training, so they select "Health Education" from the list.

Do It Right

- ✓ For this question, Health & Safety training does not fall under a Health Education program.
- ✓ If the facility does not have any structured developmental programs, then select "None of the above".

MORE INFO: A health education program does NOT include first aid training or medical kits. A program that teaches female workers about good menstrual hygiene is an example of an Above and Beyond program.





QUIZ



zoom

1. The SLCP assessment is based on 12 months of recent data.

True

2. "More Info" provides valuable clarifying information and should be referenced for every applicable question.

True

3. What do you need to do to answer legal requirement questions accurately?

All the above

4. If a question asks you to "Please describe" your facility's Health Education program, you should...

Describe your facility's Health Education program in detail



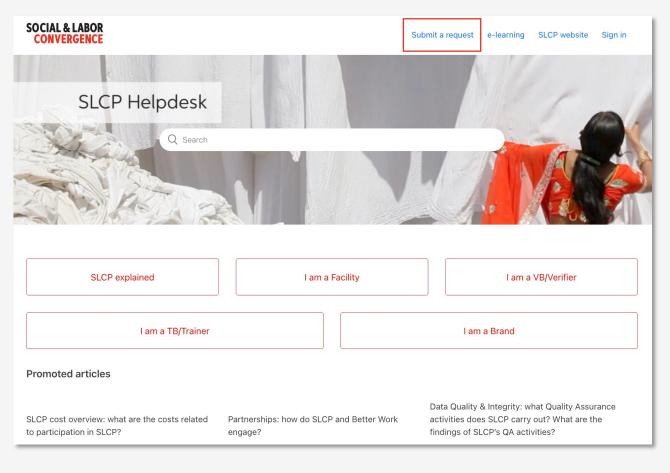


QUESTIONS?





If you are ever lost...



www.slconvergence.org/helpdesk





Ceren Karpuz

Han Nguyen







Reshma KT



Sevinc **Aktas Ilgun**



Urtty Majumder



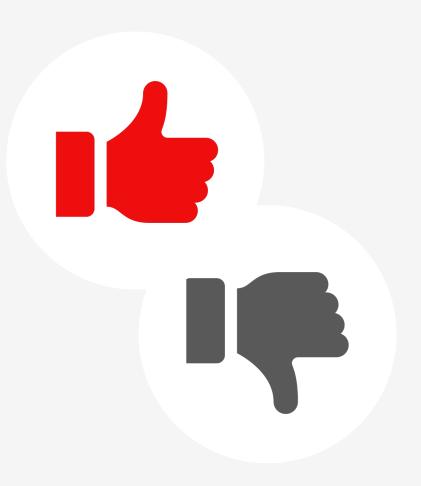


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Help us improve future trainings by sharing your open and honest feedback.

Your responses are anonymous.





THANK YOU!

