Dear Licensee/Vendor,

Effective immediately, Disney will accept Social and Labor Convergence Program (SLCP) assessment reports to meet Disney's ILS Audit report requirements for facilities (i) that are currently authorized by Disney ILS for the production of Disney-branded products and (ii) for which a Licensee/Vendor is seeking authorization from Disney provided that the facility is not in a Permitted Sourcing Country for which other requirements apply (e.g., a Better Work assessment). The SLCP assessment must meet the requirements outlined in our December 7, 2023 communication.

Additionally, if the SLCP assessment is on the HIGG/Worldly platform, the previously stipulated additional cost of USD 60 to share the assessment report with the Fair Factories Clearinghouse (FFC) will no longer apply.

Disney ILS has also recently published the updated <u>Approved Multi-Stakeholder or Industry Initiative</u> <u>Audit Programs list</u> on our website.

ILS Audits conducted in accordance with the standards of a multi-stakeholder or industry initiative program recognized by Disney must meet the requirements for qualified ILS Audits. Please note that additional conditions for an ILS audit to be considered "qualified" are available in the <u>ILS Program</u> <u>Manual</u>.

If you have any questions, please reach out to your ILS representative.

Kind regards,

Disney ILS Team