From: Corp Disney ILS

Sent: Thursday December 7th 2023 To: Active Licensees and Vendors

Subject: Update to Accepted Disney ILS Audit Reports - SLCP Assessments

Dear Licensee/Vendor,

Starting January 10, 2024, Disney will accept Social and Labor Convergence Program (SLCP) assessment reports to meet the Disney ILS Audit report requirements for authorized facilities in permitted sourcing countries.

If you are interested in providing Disney ILS with SLCP assessment reports, note that they must be converted through the Fair Factories Clearinghouse (FFC) platform before being sent to Disney. Disney will cover the cost of conversion. If the SLCP assessment is on the HIGG/Wordly platform then an additional cost of 60 USD will need to be paid by the facility to share the assessment report with the FFC.

The SLCP assessment report must be qualified for conversion and meet the following requirements:

- The SLCP assessment date must be no more than 6 months prior to the FFC conversion date.
- The SLCP assessment report must include data completed for Step 2 or Step 3 in the SLCP Data Collection Tool*. An SLCP assessment report that only includes data completed for Step 1 of the tool is not acceptable.
- The SLCP assessment must include the complete audit scope (e.g., covering all personnel, physical area, required documents).
- Only facilities that are currently authorized by Disney for production may submit an SLCP assessment report. If you are not sure whether a facility has been authorized, please contact your Disney ILS representative.
- Please note that additional conditions for an ILS audit report to be considered "qualified" are available in the <u>ILS Program Manual</u>.

If the SLCP assessment report does not qualify for conversion, you may be invoiced for the conversion cost.

If your SLCP assessment report meets the above requirements, then you should: Email your ILS representative to request submission of the SLCP assessment report with the facility name, facility ILS number, licensee/vendor name, licensee/vendor ILS number, indicating whether you are a FFC member and an email address that Disney can use to create the license/vendor account and login. Please be advised that Disney ILS will share this information with FFC and your information will be processed in accordance with FFC's privacy policy.

Your ILS representative will then inform you of the process to get the SLCP assessment report converted through the FFC.

If the SLCP assessment report indicates that the facility fails to meet Disney ILS MCS requirements, you will be asked to submit a qualified ILS audit within 120 days to demonstrate MCS compliance.

Kind regards,

Disney ILS Team

* For more details of step 2 and step 3 please go to the SLCP website.