



Responsible Business Alliance

Advancing Sustainability Globally

**Responsible Business Alliance
Membership Compliance Program
October 2021**



1. RBA's Vision, Mission, and Eligibility

To ensure that the RBA remains credible in its efforts, membership requirements have been established. These requirements were defined and approved by members. It is important for members to meet the requirements to remain in good standing with RBA and maintain their membership level. The RBA will assist on this journey through the definition of a common Code of Conduct, standardized tools, processes, and learning opportunities. To more fully understand the RBA and membership requirements, all members are encouraged to read the [RBA bylaws](#) and this Membership Compliance Program document.

Vision: A coalition of companies driving sustainable value for workers, the environment, and business throughout the global supply chain.

Mission: Members, suppliers, and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.

RBA Eligibility: The RBA membership is open to companies that manufacture or contract the manufacture of a product in which electronics is a function of the product or supply materials used in those goods. For our current list of RBA members, please visit our [website](#).

2. Purpose of this document

Clearly define RBA membership requirements and implications for non-attainment of membership requirements, thus reinforcing RBA's position as a leading promoter of corporate social responsibility in the industry.

3. Policy Scope

This policy applies to all RBA members.

4. Membership Status

The RBA has four membership categories, which progress in responsibilities and benefits. This structure enables companies to join at the appropriate level given the maturation of their responsible sourcing program and is designed to help build their assurance and compliance programs at their own pace while driving continuous improvement of supply chain practices. At any point, members may choose to be evaluated for the next category up by submitting an email with required documentation to the [RBA](#). There is currently no requirement to move to more advanced membership categories.

- **Supporter:** Member who meets all applicable Administrative requirements
- **Affiliate:** Member who meets all Administrative requirements.



- **Regular:** Member who meets all Regular/Full requirements.
- **Full:** Member who demonstrates fulfillment of Regular/Full requirements to RBA staff.

5. Membership Requirements

Administrative Requirements: Applicable to **all members** and includes one-time requirements and annual requirements.

Regular/Full Member Requirements: program requirements related to implementing the RBA Code in members' own operations and in their supply chain, including the closure of all Disqualifying Priority Findings (DPF). Also includes reporting requirements, submitted bi-annually, that detail progress toward meeting regular/full member requirements. Full members go beyond reporting and demonstrate compliance with these requirements to RBA staff.

5.1 Administrative Requirements: One-Time

- Pay new member dues, including a one-time membership application fee
- Sign and submit the Agreement to Exchange Confidential Information (AECI)
- Pledge to support the RBA mission, vision, and bylaws (Supporter)
 - Letter to be signed by a company executive
- Pledge to support the RBA mission, vision, and bylaws, commit to adopt the RBA Code of Conduct, and meet membership requirements (Affiliate, Regular, Full)
 - Letter to be signed by the CEO or a direct report of the CEO
- Submit a corporate-level Self-Assessment Questionnaire (optional for Supporter)
 - An updated Corporate SAQ is due each time the RBA Code of Conduct is updated (3-year cycle) or when a member is applying to become a Full member
- As long as you are a member of the RBA, publicly acknowledge the company's inclusion in the RBA (optional for Supporter)

5.2 Administrative Requirements: Annual

- Pay annual membership dues by the published due date, as defined by the RBA Bylaws (60 days from invoice date)

5.3 Regular/Full: Program Requirements

Regular and Full Members fulfill all administrative requirements, commit to the RBA Code of Conduct, use RBA tools and processes, and close serious findings in their own operations and in their supply chain. These requirements reflect the program maturation journey that companies have undertaken through the adoption of leading practices.



Additionally, Regular and Full members are encouraged to use the RBA risk assessment platform, self-assessment (SAQ), and worker voice tools. These tools identify risk in a company or facility earlier in the process than an audit, ultimately reducing the number of audits that need to be completed. They also help a facility prepare for an audit, enabling them to spot and address issues themselves.

RBA members are expected to accept and share a completed VAP audit (less than 18 months old) from a facility instead of conducting additional audits for CSR criteria on the same facility. If a member requires more than one RBA approved audit (VAP, CMA or AMA) within an 18-month timeframe, then the customer and supplier must reach a settlement independently from RBA, while ensuring that all minimum RBA Compliance requirements are met.

If a member is found to be conducting an excessive number of audits at a single facility, when there are available RBA validated audits, without reasonable justification or exceptional circumstances that demand additional audits AND a complaint is brought to the staff, staff will take appropriate action to discourage such excessive auditing by the member involved.

- Adopt the RBA Code of Conduct¹ across the supply chain at member-owned and sub-contracted facilities
 - Code must be adopted verbatim or verbatim with an addendum that strengthens the Code
 - Members who do not adopt the RBA Code for their supply chain will need to demonstrate how their code meets or exceed the RBA's
- Progress toward Code compliance at member-owned facilities to include, at a minimum:
 - Annually assess 100% of member-owned facilities
 - Complete a risk assessment or SAQs² to identify high-risk facilities
 - Conduct VAP audits on 100% of high-risk facilities
- Progress toward Code compliance at major supplier facilities
 - Annually assess supply chain
 - Complete a risk assessment or SAQs² on 100% of major suppliers
 - Conduct VAP, CMA, AMA³ on 50% of high-risk major suppliers⁴
 - Annually assess major indirect spend suppliers
 - Complete a risk assessment on 80% of major indirect spend suppliers⁵
 - Complete a SAQ² on 100% of high-risk major indirect spend suppliers
 - Conduct VAP, CMA, AMA³ at 25% of high-risk major indirect spend suppliers⁶

¹ If a member chooses to use their own code of conduct for their own operations, or in their supply chain, the code must meet or exceed the RBA Code of Conduct.

² Risk assessment methodology may be an RBA Risk tool or SAQ, or other equivalent methodology chosen by the member

³ For membership requirements, CMAs and AMAs must 1) be completed by an approved 3rd party audit firm, 2) be conducted by an approved auditor, 3) cover the full facility, 4) include all sections of the RBA Code of Conduct 5) have been completed within the previous 18 months

⁴ In 2021, the membership requirement is to conduct a VAP, CMA, or AMA on 33% of high-risk major suppliers

⁵ Major indirect spend suppliers can be those that make up 80% of spend or identified through another method

⁶ In 2022, the membership requirement is to conduct a VAP, CMA, or AMA on 10% of high-risk major indirect spend suppliers



- Close all Disqualifying Priority Findings
 - Identified via an audit at any member-owned or supplier facility:
 - Member has 90 days from receipt of the audit report to close a Disqualifying Priority Finding through a VAP (preferred), CMA or AMA³
 - Alleged through a credible and specific 3rd party assessment, report, investigation, or whistleblower grievance
 - Member has 90 days from verification⁷ of an allegation to close Disqualifying Priority Finding through a VAP (preferred), CMA, AMA³
- For the purpose of regular and full member compliance, a sub-set of Priority Findings are designated Disqualifying Priority Findings including:
 - Labor:
 - Child Labor
 - Forced Labor
 - Bonded Labor
 - Inhumane Treatment
 - Health and Safety:
 - Imminent health and safety issues as defined by VAP
 - Imminent environmental risk as defined by VAP
 - Process Chemical Management⁸
 - Other:
 - Falsifying Records
 - Bribery
 - Denial of Access

5.4 Regular/Full: Reporting Requirements

Regular and Full members are to submit a member compliance report on a biannual basis (July and January) in RBA-Online.

The member compliance report in RBA-Online automatically populates with information that exists in RBA Online⁹. Members also will have the ability to add information not available in RBA-Online¹⁰.

Required data includes:

- Total number of member-owned / major supplier facilities / recent merger(s) or

⁷ Verification can occur via a report from a VAP, CMA, AMA, or an RBA or 3rd party assessment or investigation. If the allegation relates to A1, a forced labor SVAP, assessment, investigation or equivalent is required, if related to B1.2/1.3, a chemical SVAP, assessment or equivalent is required

⁸ Identified worker exposure to process chemicals on the IFPCL will be a disqualifying priority finding. See the [RBA Policy on Focus Process Chemicals](#) for more information.

⁹ Regular/Full members are expected, at a minimum, to have all major suppliers in RBA-Online and designated as such through a trading relationship and the major supplier designation

¹⁰ Please refer to the [guidance document](#) available in the RBA Member Service Portal or RBA Online Help document area for more information



acquisition(s)

- Total number of member-owned / major supplier facilities with a completed risk assessment or SAQ² (within the reporting year)
 - Total number of high-risk member-owned / major supplier facilities (based on risk assessment or SAQ results)
- Total number of audits conducted (within the reporting year)
 - Total number of Disqualifying Priority Findings
 - Total number of open Disqualifying Priority Findings
 - Total number of closed Disqualifying Priority Findings

5.5 Full Member Requirements

Full member is the highest category designation in the RBA and represents companies that transparently demonstrate leading practices that include the adoption and implementation of the RBA Code and tools.

- Full Members submit supporting documentation that demonstrates their attainment of all Regular/Full member requirements.
 - Some of the supporting documentation needs to be submitted when applying to be a Full member, while other documents need to be provided annually
- Full member publicly discloses corporate responsibility data on a regular cadence not to exceed 2 years

RBA has a Full Member checklist for review (see Appendix 4). To request Full Membership, members must complete the Full Member application in RBA Online.

6.0 Accountability for Subsidiaries:

Regular and Full Members must disclose to the RBA the purchase of any subsidiary/joint venture in which the member has operational control¹¹ or more than 50% ownership, within 90 days of purchase.

Additionally, members must take the following actions regarding their subsidiary/joint venture:

- Conduct a risk assessment² of the subsidiary and their supply chain within 6 months and develop a continuous improvement plan
- Ensure the subsidiary complies with Regular or Full membership requirements within 24 months of purchase

When the subsidiary/joint venture is conducting business under the member's brand name there should be an accelerated schedule so that;

- The risk assessment is complete within 6 months of the purchase and
- Audits are conducted on high-risk facilities within 12 months of the deal closing

¹¹ "Operational control" means that a company has the authority to introduce and implement operating policies



- Disqualifying Priority Nonconformances to be closed within the prescribed timeline.

After the initial round of assessments and audits, the subsidiary/joint venture is expected to comply with all member requirements associated with the parent company's membership level.

7.0 Non-Attainment of Requirements

To maintain RBA's credibility, members must meet the requirements on their continuous improvement journey. If a member is unable to meet all relevant requirements, RBA will work with the company to develop a plan to come into compliance. If the company remains out of compliance with one or more requirements, it will be designed at the most suitable member category. In serious situations, RBA reserves the right to suspend or release a member.

Note: If a member, even with best effort, cannot complete a specific membership requirement within the designated timeframe, they must notify the RBA.

7.1 Member Assistance

If a company fails to meet Regular or Full membership requirements and their membership level may be downgraded to Affiliate, the RBA offers the following assistance:

- Inform member of the specific membership requirement gap(s) and provide recommendations to get back into compliance
- Review mitigating circumstances shared by the member that may delay a membership level change
- Assign a staff member to track progress until the outstanding issue(s) is resolved
- In the case of a Disqualifying Priority Finding, RBA will make reasonable effort to provide members with available resources. This may include best practice sharing sessions with a member of the Board or with a work group (topical) expert.
- Host a phone or web session to review the member plans and resources to come into compliance.

7.2 Implication of Non-Attainment

Members who do not meet Regular/Full requirements will be designated an Affiliate member until all requirements are met. Companies who have their membership suspended or category level downgraded to Affiliate will:

- Lose the ability to cast a vote on RBA matters (i.e., membership requirements, Code changes, Board of Director elections, etc.).
- Temporarily resign their seat on the Board (if applicable)
- Temporarily resign participation as work group or task force leads (if applicable)



Full Member companies that fail to provide annual supporting documentation that demonstrates meeting Regular/Full requirements or fails to publicly disclose responsible sourcing data on a regular cadence will be designated a Regular member.

To avoid the membership level from being downgraded to Affiliate, the Regular/Full member must

- Submit a plan within 30 days, to meet the outstanding membership requirement(s)
- Submit an updated Membership Compliance Report to RBA once the outstanding membership requirement(s) has been met

RBA to review updated Membership Compliance Report to determine membership level.

8.0. Transparency of Membership Levels

The RBA will publicly disclose membership levels through the placement of an “R” for Regular and an “F” for Full next to the member’s name on the [RBA’s Members webpage](#). All other members will not have a category designation.



Appendix 1: RBA Member Compliance Program Key Definitions

Member Facility

All facilities owned or leased by the member that are used to manufacture, assemble, or package the member's products. Member facilities include joint ventures when the member company owns ≥ 51 percent. If member company is unable to acquire necessary information (e.g., SAQs) due to legal structures, please notify RBA and appropriate considerations will be given.

Excluded facilities: stand-alone administrative, management, distribution, chemical distribution, and remote employee locations, as well as sales, design or call center buildings owned or leased by the member. (Please contact RBA staff for information about indirect spend and chemical management tools that are available).

Major Supplier

A supplier is considered a member's major supplier if the supplier is:

- Ranked in member's top 80 percent of direct suppliers by spend, AND
- Contracted to provide service or material input for member's finished goods or services, OR
- Under the control of the member, even if services or materials are not directly conveyed to the member

Examples of a Major supplier

A supplier is considered a member's major supplier if the supplier is:

- Ranked in member's top 80 percent of direct suppliers by spending, AND
- Contracted to provide service or material input for member's finished goods or services OR
 - *Example 1: Member is a retailer – major supplier would be a brand/OEM*
 - *Example 2: Member is a Brand/OEM – major supplier could either be a contract manufacturer or component supplier, depending if the Brand/OEM does their own manufacturing*
 - *Example 3: Member is a contract manufacturer – major supplier would be a component supplier*
 - *Example 4: Member is a component supplier – major supplier could be a raw material supplier or sub-tier component supplier*
- Under the control of the member, even if services or materials are not directly conveyed to the member
 - *Example: Contract Manufacturer B (CMB) is considered a major supplier to Brand A (BA). BA directs CMB to procure materials from Component Supplier C (CSC) for BA's products that are manufactured by CMB. Unless previous agreement exists between BA and CMB, it is assumed that CSC is a major supplier to BA.*



Major Supplier facility

All facilities owned, contracted, or leased by the Supplier that are used to manufacture, assemble, or package the company's products. Excluded facilities: stand-alone administrative, management, and remote employees' locations, as well as sales or design.

Major Indirect Spend Supplier:

A supplier is considered a member's major Indirect Spend supplier if the supplier is defined as "Major" by their internal process, which must include risk to human rights, OR:

- Ranked in member's top 80 percent of indirect suppliers by indirect spending, AND
- Contracted to provide service or material not intended for a member's finished goods

RBA Audit:

Audit conducted on a member facility or a supplier using:

Validated Audit Process (VAP):

- The highest standard of RBA audits.
- The VAP is administered through the RBA and its Audit Program Manager (APM).
- VAP can be paid for by the Auditee and/or customer(s) of the Auditee.
- Audit is performed by an RBA approved audit firm with qualified auditors.
- The Audit Quality Manager (AQM) performs quality assurance and verification of audit findings.
 - Process ensures auditee agrees to Corrective Action Plan with a closure audit.
- Output of the VAP is a watermarked Validated Audit Report which the auditee is given ownership of and is able to provide to all customers.

Auditee Managed Audit (AMA):

- An audit paid/overseen by the auditee
- Conducted by RBA approved audit firms and auditors
- Cover all sections of the RBA Code
- All lines are within scope
- No external verification of audit findings
- Does not enable site level recognition from the RBA. OR

RBA Customer Managed Audit (CMA)

- An audit paid/overseen by a customer of an auditee
- Conducted by RBA approved audit firms and auditors
- Cover all sections of the RBA Code
- All lines are within scope
- No external verification of audit findings
- Does not enable site level recognition from the RBA.

Please refer to the [RBA website](#) for more information about the Validated Audit Process.

RBA-Online:

A robust technology platform that supports supplier engagement and improvement in social and environmental responsibility. All RBA members have access to this system as a part of membership.



Risk Assessment 1:

First level of risk assessment. The risk indices are based on the RBA Code and other criteria (such as site's geographical location, function, criticality, spend, third party audit data etc.), and is not determined by company's individual performance.

Self-Assessment Questionnaire (SAQ):

Standardized list of questions used to assess a single site's labor, ethics, health and safety and environmental practices, based on the RBA Code of Conduct. This is the second level of member and supply chain risk assessment. Answering control questions that demonstrate site level management of risks can lower the overall risk score for a facility, and if it drops the supplier out of the 'high-risk' designation, an audit for the purposes for membership requirements can be avoided.

High-Risk Facility:

A member facility, supplier or supplier facility that scores below 65 percent on any section of the SAQ is designated as high-risk. Further, the presence of any open disqualifying findings will result in the facility being designated as high-risk.

A member facility, supplier or supplier facility identified by a member company using a risk assessment methodology chosen by the member.



Appendix 2 - Sample Commitment letters
Commitment letters should be on company letterhead

For Affiliate, Regular and Full Member Categories

Date

Address

Dear RBA Board of Directors,

On behalf of (**insert company name**) and in support of our application for RBA membership, I am writing to state my company's commitment to supporting the RBA's mission, vision, bylaws, membership requirements and the Code of Conduct. In addition, our company is committed to meeting all the requirements of membership as outlined in the Membership Compliance Program.

Sincerely,

CEO (or CEO-1) Name

For Supporter Member

Date

Address

Dear RBA Board of Directors,

On behalf of (**insert company name**) and in support of our application for RBA membership, I am writing to state my company's commitment to supporting the RBA's mission and vision, bylaws and membership requirements.

Sincerely,

Company representative



Appendix 3: Guidelines for Public Acknowledgement of RBA member commitment

When publicly acknowledging their commitment to the RBA, as part of the membership requirements, members will adhere to the following guidelines:

RBA members will (in your own words):

All members:

- Mention support of the Vision and Mission of the RBA
- Choose words that respect the collective approach of the RBA and what members intend to achieve together
- Spell out the RBA's name on first reference as follows: Responsible Business Alliance (RBA)

Affiliate, Regular and Full Member only:

- Commit to comply with the RBA Code of Conduct in your own operations with a continuous improvement approach

Regular and Full Member only:

- Commit to progressively apply the RBA Code of Conduct to first-tier suppliers, where applicable, and monitor its application to the best of the company's ability using RBA tools and approach
- (If you wish) make reference to your specific efforts to implement the RBA approach in your operations and in your supply chain

Members will not:

- Refer to the RBA approach in any sense as a certification
- Suggest that your company is leading the RBA or is more advanced than the RBA standard or other RBA members
- Write anything that puts the RBA or other RBA members in a negative light
 - (includes reference to internal disagreements or differences of opinion)
- Focus on differences between the RBA Code of Conduct and your company's additional requirements of suppliers
- Mention names of your suppliers or customers or any details of business relationships that may have anti-trust implications (in the public statement)
- Make reference to specific stakeholder-related issues or controversial press articles
- Mention other members by name

Please send proof of public acknowledgement to:

RBA Membership Team

membership@responsiblebusiness.org

See following pages for sample text. If your company intends to issue a press release about joining the RBA, we ask that you share it with the RBA for review before it is publicly released, so that we can ensure the RBA is correctly portrayed. Please send the draft release and any requests for a supporting quote from the RBA to: communications@responsiblebusiness.org



1. For Supporter Members

As a Supporter Member of the Responsible Business Alliance (RBA), **XX** fully supports the vision and goals of the RBA:

Vision:

A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain.

Mission:

Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.

2. For Affiliate Members

As an Affiliate Member of the Responsible Business Alliance (RBA), **XX** fully supports the vision and goals of the RBA:

Vision:

A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain.

Mission:

Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.

XX commits to progressively align its own operations with the provisions of the RBA Code of Conduct and to support and encourage its own first-tier suppliers to do the same.

Wherever possible, **XX** will seek to adopt the RBA approach and tools in practical ways in the spirit of the industry's common goals.

3. For Regular Members

As a Regular Member of the Responsible Business Alliance (RBA), **XX** fully supports the vision and goals of the RBA:

Vision:

A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain.

Mission:

Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.



XX commits to comply to the RBA Code of Conduct in its own operations, progressively implementing the RBA approach and tools in the spirit of the industry's common goals.

XX also commits to progressively apply the RBA Code of Conduct to its first tier suppliers, to monitor its application to the best of its ability using RBA practices and tools, and to encourage and support its suppliers to do the same.

4. For Full Members

As a Full Member of the Responsible Business Alliance (RBA), **XX** fully supports the vision and goals of the RBA:

Vision:

A coalition of companies driving sustainable value for workers, the environment and business throughout the global supply chain.

Mission:

Members, suppliers and stakeholders collaborate to improve working and environmental conditions and business performance through leading standards and practices.

XX commits to comply to the RBA Code of Conduct in its own operations, progressively implementing the RBA approach and tools in the spirit of the industry's common goals.

XX also commits to progressively apply the RBA Code of Conduct to its first tier suppliers, to monitor its application to the best of its ability using RBA practices and tools, and to encourage and support its suppliers to do the same.



Appendix 4



FULL MEMBER CHECKLIST

SEND INQUIRIES TO COMPLIANCE@RESPONSIBLEBUSINESS.ORG

This is an offline checklist to help members prepare to submit the actual checklist in RBA Online. Please also consult the RBA Online Guidance Document.

PUBLIC COMMITMENT – MEMBER REQUIREMENTS



| | |
|--------------------------|--|
| <input type="checkbox"/> | Provide company code of conduct to RBA. Additionally, provide RBA with proof or documentation of how your Code incorporates the entire RBA Code of Conduct and map how it meets or exceeds the entire RBA Code of Conduct (with RBA mapping template). |
| <input type="checkbox"/> | Member companies must communicate the RBA Code of Conduct to their entire supply chain. Please provide RBA with documentation and a sample of supplier communication and acceptance (i.e. master agreement, letter of commitment, formal acceptance etc.). |
| <input type="checkbox"/> | Send copy of corporate commitment to RBA, which must be signed by the CEO or a direct report of the CEO (if not already on file with RBA from initial joining). |

RISK ASSESSMENT, AUDIT AND SHARING REQUIREMENTS



| | |
|--------------------------|---|
| <input type="checkbox"/> | Member to complete Corporate SAQ in RBA Online. This is an annual requirement. Results must show low-risk on the Corporate SAQ for Full membership. |
| <input type="checkbox"/> | Ensure applicable owned facilities and/or major suppliers are listed in RBA Online and marked as such, or otherwise submit to RBA a list of major suppliers and/or applicable owned facilities (upload to member’s RBA Online account). |
| <input type="checkbox"/> | Submit facility SAQs in RBA Online for applicable owned facilities and/or major suppliers including indirect, or “Equivalent” risk assessment. |
| <input type="checkbox"/> | Complete a VAP Audit or a 3rd party AMA/CMA on 50% of high risk major suppliers, 25% of high risk indirect suppliers (10% in 2022) and 100% of high risk owned facilities (if applicable). |
| <input type="checkbox"/> | Ensure that all AMA/CMA audits submitted for member compliance are imported into RBA-Online via the standard audit upload process, or in special cases, as an attachment. |
| <input type="checkbox"/> | Commit to accepting VAP audit reports less than 18 months old, with exceptions (see FAQ). |
| <input type="checkbox"/> | Complete 3rd party VAP/AMA/CMA audits to close out all Disqualifying Priority Findings and make the closure audits available in RBA Online. |
| <input type="checkbox"/> | Use RBA Online to share at least 5% of high risk major supplier audits or no less than 1 audit, whichever is greater. If your high risk suppliers have already been audited by other members and are in RBA Online, and staff can verify that the required number of high risk facilities have been audited, you have met the sharing requirement. If there are no sites identified as high risk through the RBA risk assessment process, this is not applicable. |

REPORTING, INCLUDING CSR REPORTING



| | |
|--------------------------|--|
| <input type="checkbox"/> | Publish corporate responsibility data on a cadence that demonstrates commitment to the RBA Code of Conduct and provide link to RBA to the publicly available corporate responsibility data. This should include at a minimum: description of commitment and engagement with RBA and compliance to the RBA requirements, consolidated audit results, and overall progress in CSR. (A GRI report is acceptable). |
| <input type="checkbox"/> | Complete and submit the RBA Member Compliance Report twice annually in RBA Online, in July (for the mid-year report) and January (for the end of year report). |