RBA’s Risk-Based SAQ
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## Risk SAQ vs Traditional SAQ

<table>
<thead>
<tr>
<th>Risk SAQ</th>
<th>Traditional SAQ</th>
</tr>
</thead>
<tbody>
<tr>
<td>79 Facility-specific Risk Questions. Up to 48 conditional Control/Management Systems questions.</td>
<td>300-400 Questions, depending on factory-specific conditions (example: dormitories onsite).</td>
</tr>
<tr>
<td>New scoring model combines inherent risk indicators (country governance, product risk, etc.) with factory specific responses.</td>
<td>Risk rating determined exclusively by factory responses.</td>
</tr>
<tr>
<td>The risk scores can be improved with by providing documented evidence of control mechanisms.</td>
<td>Self-reported risk is often viewed with low confidence from customers and stakeholders.</td>
</tr>
<tr>
<td>All questions weighted equally</td>
<td>Questions weighting may vary from 1-10</td>
</tr>
<tr>
<td>Risk rating can be further improved by utilizing our optional verification process</td>
<td>Not designed to be verified remotely.</td>
</tr>
</tbody>
</table>
The new Risk-Based SAQs and the Responsible Labor SAQ can be located for each company to complete under the Risk SAQs menu item.

Choose Options > Edit to begin the Risk SAQ process.
Scoring elements include:

- Product Risks
- Country Governance Scores
- Inherent Geographic Risks
- Factory Responses to the questionnaire

### Step 1: Scoring and Methodology

<table>
<thead>
<tr>
<th>Element</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product Risks</td>
<td>10.0%</td>
</tr>
<tr>
<td>Country Governance</td>
<td>20.0%</td>
</tr>
<tr>
<td><strong>Inherent Geographic Risk-Specific Indicators</strong></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td>5.0%</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>5.0%</td>
</tr>
<tr>
<td>Environmental</td>
<td>5.0%</td>
</tr>
<tr>
<td>Ethics</td>
<td>5.0%</td>
</tr>
<tr>
<td><strong>Factory Responses</strong></td>
<td></td>
</tr>
<tr>
<td>Labor</td>
<td>12.5%</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>12.5%</td>
</tr>
<tr>
<td>Environmental</td>
<td>12.5%</td>
</tr>
<tr>
<td>Ethics</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

Total 100%
Step 1: Risk Questions

Once all questions have been answered, facility releases questionnaire for scoring.
## Step 1: Scorecard

<table>
<thead>
<tr>
<th>Facility Risk Details</th>
<th>Percentage</th>
<th>Risk Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor</td>
<td>64.3</td>
<td>High Risk</td>
</tr>
<tr>
<td>Health and Safety</td>
<td>58.1</td>
<td>High Risk</td>
</tr>
<tr>
<td>Environmental</td>
<td>57.8</td>
<td>High Risk</td>
</tr>
<tr>
<td>Ethics</td>
<td>76.2</td>
<td>High Risk</td>
</tr>
<tr>
<td>Forced Labour</td>
<td>20.4</td>
<td>Low Risk</td>
</tr>
<tr>
<td>Country</td>
<td>82.7</td>
<td>Medium Risk</td>
</tr>
<tr>
<td>Product</td>
<td>24.8</td>
<td>Low Risk</td>
</tr>
</tbody>
</table>

### Control Questions (Step 2)

- **Labor**: N/A
- **Health and Safety**: N/A
- **Environmental**: N/A
- **Ethics**: N/A

### Verification (Step 3)

- **Labor**: N/A
- **Health and Safety**: N/A
- **Environmental**: N/A
- **Ethics**: N/A
Provides an opportunity for the factory to identify the controls that are put into place (policy / procedure / mechanism etc.) in order to manage and mitigate the risks at the site.

- Completion of Step 2 is fully optional, if factory is satisfied with risk rating from Step 1.
- Provides up to a 10-point improvement on the risk score received at Step 1

<table>
<thead>
<tr>
<th>Section</th>
<th># of Questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Labor</td>
<td>25</td>
</tr>
<tr>
<td>Health and Safety</td>
<td>7</td>
</tr>
<tr>
<td>Environment</td>
<td>5</td>
</tr>
<tr>
<td>Ethics</td>
<td>6</td>
</tr>
<tr>
<td>Common (applicable to all sections)</td>
<td>5</td>
</tr>
</tbody>
</table>
### Step 2: Evidence of Controls

Once all control questions are answered and supporting documentation (i.e., evidence) uploaded, the facility releases the Risk SAQ for updated scoring.
When a site has provided evidence through the Control Question process, they may choose to have the RBA Verify the evidence in the SAQ.

- Completion of Step 3 provides up to a 10-point improvement on risk score from Step 2
- There is a small fee for the service ($150 for Member sites, $250 for supplier sites)
- Target turnaround time for verification is 7 days, if no additional information is requested from the reviewer.
Step 3: Scoring and Methodology

After Control Questions are Released, the facility has the option to Request Verification.
Reviewer’s rating options:

• **“Yes”** – Evidence fully address the control questions, and meets the standard outline in the RBA code of Conduct
  • Completely covers all elements listed in the control question
  • Sufficient details provided
  • Facility will be awarded bonus score

• **“Partial”** – Evidence partially address the control question
  • Covers some elements of the control question
  • Partial detail / no detail provided
  • Facility keeps their additional SAQ score

• **“No”** – Evidence not uploaded, or does not address the control question at all
  • Additional score to respond to SAQ control questions will be removed
Step 3: Scorecard

Risk Questions (Step 1)
- Overall Facility Risk: 59.9 (High Risk)
- Facility Risk Details:
  - Labor: 64.3
  - Health and Safety: 58.1
  - Environmental: 57.8
  - Ethics: 76.2

Control Questions (Step 2)
- Revised Score: 67.7
- Details:
  - Labor: 68.2
  - Health and Safety: 60.0
  - Environmental: 58.8
  - Ethics: 77.2

Verification (Step 3)
- Revised Score: 73.5
- Details:
  - Labor: 71.3
  - Health and Safety: 61.2
  - Environmental: 59.6
  - Ethics: 77.9
A separate stand-alone Responsible Labor SAQ is also available, which was modeled after the same methodology of the full Risk SAQ

- 10 Inherent Risk indicators
- 12 facility-specific risk questions
- 8 Control Questions

Worker Origin deductions also included in score

- Based on Human Freedom Index
- Source Countries dividend into risk quadrants
- Point deduction taken for each high-risk country workers are sourced from
- Domestic migrant workers may also have additional point deductions by Region
### Responsible Labor SAQ – Scorecard

<table>
<thead>
<tr>
<th>Overall Responsible Labor Risk</th>
<th>Control Questions</th>
<th>Verification</th>
</tr>
</thead>
<tbody>
<tr>
<td>67.4 Medium Risk</td>
<td>76.4 Revised Score</td>
<td>82.4 Revised Score</td>
</tr>
</tbody>
</table>

Just as with the Risk SAQ, the facility receives a revised score after completion of each step.
1) Register your company with RBA-Online
   Guidance Document

2) Complete the Subscription Process (Guidance Document)
   • $250/yr for each factory registration
   • Bank Wire / ACH Payments to 5-7 days to process

3) Add a Facility to your account
   Guidance Document

4) Create a Trading Relationship with your Customers
   Guidance Document

5) Complete and Release your Facility SAQ
   Guidance Document
Email Support:
HelpDesk@ResponsibleBusiness.org

Live Operator (US time Zone):
571-858-5720

Complete Guidance Document Site:
https://www.g360link.com/rba-online.htm