

Membership Criteria, Requirements and Fee Structure

Membership eligibility

AIM-Progress membership is open to:

- Companies predominantly producing and/or distributing Fast Moving Consumer Goods* who:
 - Share international supply chains and human rights issues with existing members and
 - Demonstrate a commitment to ensuring respect for human rights.
- 2. Suppliers of products, packaging, ingredients, raw materials and product-related services to those companies, who can demonstrate their commitment to ensuring respect for human rights.

Base Membership Fees

The base membership fee for AIM-Progress is €20,000 per year and is billed annually in January in accordance with the standard AIM billing cycle¹. New members' fees are prorated based on the date of acceptance of membership:

Date of Acceptance	Associated Membership Fee
January 1 – March 31	Full membership fee (€20,000)
April 1 – June 30	75% of membership fee (€15,000)
July 1 – September 30	50% of membership fee (€10,000)
October 1 – December 31	25% of membership fee (€5,000)

All new members join at the base membership level until they have been active members for at least one full calendar year.

Membership Requirements and Associated Discounts

Active member participation and engagement is a core value of AIM-Progress and these membership criteria are intended to help maintain this value. We rely on members to strengthen the overall AIM-Progress organization and members are expected to make a good faith effort to comply with all applicable criteria. In the event of a failure to meet certain criteria over time, the member will be notified of the situation and provided an opportunity for remedy or explanation. Only when challenges can't be resolved or satisfactorily addressed in a reasonable period of time will membership be terminated.

ALL AIM-Progress members are expected to:

^{*} with the exception of companies in the arms and tobacco sector.

¹ AIM – The European Brands Association is the umbrella organisation of AIM-Progress.

- 1. **Engage**: Contribute to collective problem solving, innovation and understanding emerging trends in the field by doing ALL of the following:
 - a. Attending at least one full member meeting per year
 - b. Engagement in at least one workstream or project per year
 - c. Engagement in at least one regional hub by 2025 or in the first three years of membership (which ever provides a longer period)²

AND

- 2. **Participate**: Support industry convergence on key responsible sourcing topics by doing ANY ONE OF the following:
 - Participating in mutual recognition of social responsibility audits (including virtual assessments) through sharing at least 50 audited sites (for brand companies, 30 for supplier companies) over a three-year period
 - b. Participating in mutual recognition of validated self-assessments through sharing at least 100 self-assessments over a three-year period³
 - c. Participating in mutual recognition through other approaches recognized and standardized by the Mutual Recognition Work Stream.

AND

3. <u>Contribute</u>: Support development of collective insights on approach, organization and current practices by completing the annual member benchmarking survey and provide timely payment of annual membership fees

Discount opportunities on full membership fee

An annual membership discount of €4,000 is available for members that:

- 1. **Sponsor**: Directly support more effective and efficient engagement of the industry and supply chains by doing ANY ONE OF the following:
 - a. Hosting (or co-hosting) a full member meeting at least once in a three-year period
 - b. Sponsoring an AIM-Progress supplier capability building event at least once in a three-year period
 - c. Sponsoring a project or activity within AIM-Progress at least once in a threeyear period

AND

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- Lead: Drive progress on key issues of value to AIM-Progress members by doing ANY ONE OF the following:
 - a. Serving as co-lead of an AIM-Progress work stream or member of the Leadership Team or Human Rights Steering Committee for at least one-year in a three-year period
 - b. Leading at least one project or work stream activity during a three-year period⁴

² Members should aspire to be actively involved in a regional hub over time. We recognize that not all members will be able to participate at the same level regionally and exceptions to this member expectation can be made on a case-by-case basis.

³ Validated self-assessments are currently limited to Ecovadis assessments as this is the only standard approach which a large part of the membership is utilising.

⁴ As documented in a project or activity charter or through any other standardized and transparent method determined by the AIM-Progress secretariat

An additional annual membership discount of €2,000 is applied to members of AIM – The European Brands Association.

Regional Hub Membership and Project Collaborators

Some organizations may join as members of regional hubs only $\frac{5}{2}$ at a cost of $\frac{6}{3}$,000 per year. This should be considered an initial proposal. Specific regional hub fees may be determined separately by regional hub members and may be adjusted over time as needed.

Members joining exclusively at the regional hub level must have a footprint of operations and product sales limited to that region (i.e., global companies are not able to join only as regional members) and all regional hub members are expected to do both of the following:

- Engage: Contribute to collective problem solving, innovation and understanding emerging trends in the region by regularly attending regional hub meetings and webinars⁶
- 2. **Contribute**: Provide timely payment of annual regional hub contributions or fees (as and when decided by the hub management and AIM-Progress).

Anti-trust Compliance

AIM-Progress is a globally voluntary membership-based initiative of fast-moving consumer goods companies and common suppliers. AIM-Progress operates under the <u>AIM anti-trust</u> compliance policy.

AIM-Progress members are required to abide by this policy which foresees that the Association shall not enter into any discussion, activity or conduct that may infringe, on its part or on the part of its members, any applicable competition law. By way of example, members shall not discuss, communicate or exchange any commercially sensitive information, including non-public information relating to prices, marketing and advertising strategy, costs and revenues, trading terms and conditions with third parties, including purchasing strategy, terms of supply, trade programs or distribution strategy. This applies not only to discussions in formal meetings but also to informal discussions before, during and after meetings.

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⁵ It is recommended that regional members have access to all resources produced by the regional hub, but not all AIM-Progress resources available to global members.

⁶ In the event of questions regarding "regular" attendance, this should be taken to mean attending at least one in-person meeting per year or attending 3 regional hub webinars or virtual events per year subject to the availability of such events.