RMI Coronavirus Impact Survey Respondents

<table>
<thead>
<tr>
<th>Survey #1</th>
<th>Survey #2</th>
<th>Survey #3</th>
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</thead>
<tbody>
<tr>
<td>53 respondents:</td>
<td>61 respondents:</td>
<td>52 respondents:</td>
</tr>
<tr>
<td>• 31% Tin</td>
<td>• 34.8% Tin</td>
<td>• 28.8% Tin</td>
</tr>
<tr>
<td>• 15% Tantalum</td>
<td>• 23.3% Tantalum</td>
<td>• 30.8% Tantalum</td>
</tr>
<tr>
<td>• 23% Tungsten</td>
<td>• 11.2% Tungsten</td>
<td>• 15.4% Tungsten</td>
</tr>
<tr>
<td>• 29% Gold</td>
<td>• 21.6% Gold</td>
<td>• 17.3% Gold</td>
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<tr>
<td>• 9% Cobalt</td>
<td>• 16.7% Cobalt</td>
<td>• 13.5% Cobalt</td>
</tr>
<tr>
<td>• 17% Other (Silver, Platinum, Palladium, Copper, Nickel, Molybdenum, Zinc)</td>
<td>• 4.5% Other (Silver, Platinum, Palladium, Copper, Nickel, Molybdenum, Zinc)</td>
<td>• 13.5% Other (Silver, Platinum, Palladium, Copper, Nickel, Molybdenum, Zinc)</td>
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</table>

Survey #1 was issued in English only; Surveys #2 and #3 were issued in English and Chinese (combined results from both languages are reported below for surveys 2 and 3).

If you have any questions, please contact Gavin Wu.
Q: Which of the following sources provides materials to your company (select all that apply)? (Trends)

### Survey #1
- Primary mixed material
- Primary mixed material Lab...
- Secondary recycled...
- Intermediates

### Survey #2
- ASM: 41.13%
- LSM: 47.62%
- Secondary: 51.69%
- Intermediates: 33.27%

### Survey #3
- ASM: 57.69%
- LSM: 42.31%
- Secondary: 55.77%
- Intermediates: 30.77%

Trend: From Surveys #1-2 to Survey #3, there was an increase from SOR’s respondents reporting sourcing from ASM and an increase of those reporting sourcing from secondary recycled sources. Meanwhile, there was a slight decrease of respondents reporting sourcing from LSM and intermediate sources.
Q: Has the COVID-19 pandemic affected your raw material availability? (Trends)

Trend: While many respondents continued reporting that their raw material availability has been affected, more noted that the availability was either only partially affected or not at all. This signals a potential gradual shift towards normal operations among survey respondents.
Q: Are you aware of impacts on Artisanal and Small-Scale Mining production and processing? Please explain. (Trends)

Survey #1

Survey #2

Survey #3

Trend: The percentage of SOR’s reported impacts on ASM production and processing increased by 16% percent from previous surveys. The highlighted impacts from Survey #3 also describe more severe effects on ASM operations.

ASM Impacts Highlighted in Survey 3:
- Company survival is threatened due to blockade of mines. As a result, some companies may be forced to sell ore to fraudulent organizations.
- Lockdown measures are affecting production/processing activities in some mining communities.
- As the epidemic is severe, strict control is imposed, and the operating rate of artisanal and small-scale mines is greatly reduced. At the same time, due to transportation control, the output and processing of the mined materials are also affected.
- Transportation becomes a major problem and materials cannot be shipped.
- Mining volume of small-scale mines has decreased, and the amount of cobalt concentrate exported has decreased.
Q: Are you aware of impacts on Large Scale Mining production and processing? Please explain. (Trends)

Trend: The percentage of SOR’s reported impacts on LSM production and processing also increased from previous survey. Multiple respondents cited mine closures and reduced production due to COVID-19.

**LSM Impacts Highlighted in Survey 3:**
- Production line shutdown for a period of time.
- Same as [impacts on ASM]. Yet it is easier to find logistic solutions for LSM.
- Due to the continuous impact of the epidemic, the production and processing of large-scale mines have not been able to produce normally, reducing production by 30-50%.
- With the severity of the epidemic, the operating rate of large-scale mines has been greatly reduced, and the cost of mining has also increased. At the same time, affected by transportation control, the factory output has no market and the impact is bad.
- Due to the epidemic situation DRC manufacturers limited output and output declined.
Q: Have you experienced any transportation delays to you or delays in shipping of materials? (Trends)

Trend: The percentage of SOR’s that reported experiencing no transportation delays increased by 10% compared to the last survey. However, those that did report delays described more severe impacts to transportation operations.

Types of Transportation Delays Highlighted in Survey 3:
- Crossing international borders having to comply with bio-safety protocols.
- Overseas shipments - less routes, more transshipment, longer transit times.
- Partial shut down of transport routes. Production management with acute health and safety measures.
- Significant delay in PPE supplies (wear, masks, etc.).
- Delay in receiving inbound shipment and at times documentations from clients that effect the intake of feed materials to our facility.
- Doubled logistics costs, poor logistics and timeliness, often unable to be delivered within the expected period, low operating rate of logistics vehicles, too few logistics vehicles, and limited transportation.
- Raw materials cannot be sent from the place of origin.
- The goods cannot be delivered in time to the port, and the port staff requests to work from home, resulting in slow delivery of raw materials to the port.
Q: What is the current delay in production to your customers? (Trends)

Trend: There was a 10% increase in SOR’s reporting no delays to their customers from Survey #2 to Survey #3. For those reporting delays, a greater proportion were delayed by less than 1 month.
Q: Have you experienced operational impacts with staffing or supplies (e.g., PPE Supplies)? Please explain. (Trends)

Survey #1

Survey #2

Survey #3

Trend: We saw a 4% increase in SOR’s reporting operational impacts from the last survey. This could indicate that companies have not yet been able to fully resolve operational/staffing/safety gear issues.
Q: In light of the COVID-19 pandemic, have your customers provided additional flexibility (i.e. delivery time) for your products/services? (Trends)

Trend: Overall respondents did cite customers providing additional flexibility across all 3 surveys; however, there was a 9% decrease in reported customer flexibility from Survey #2 to Survey #3. This may be signaling a shift towards a more normal customer demand to meet agreed upon timelines / volumes within certain regions.
Q: In light of the COVID-19 pandemic, have your customers provided flexibility for audit/assurance reports, conclusions, certificates, and/or disclosures. (Trends)

Survey #1

Survey #2

Survey #3

Trend: The percentage of customers providing flexibility for audit reports, conclusions, certificates, and/or disclosures remains relatively unchanged from previous surveys.
Q: Have you seen, or do you expect to see, a negative impact to revenue? (Trends)

Survey #1

Survey #2

Survey #3

Trend: The overall percentage of SORs reporting any type of negative impact to revenue has stayed constant. There has been an increase of approximately 5% of SORs stating their revenue has been largely impacted instead of moderately impacted.
Q: What percentage of your operations is functioning as normal? (Trends)

Trend: There was a 12% increase of SORs reporting at least 50% of their operations returning to normal from Survey #2 to Survey #3; however, few still report that their operations are off-line.
Q: What percentage of your employees are working as normal? (Trends)

Trend: There was a 8% increase of SORs reporting at least 50 percent of employees working normally from Survey #2 to Survey #3. This continues the previous survey trend of SORs shifting back towards regular employee hours.
Q: When do you expect to be back to full production? (Trends)

Trend: The SORs’ reported estimated return to full production remained approximately the same from the last surveys. There was a decrease of SORs that stated “unknown” for this question from close to 30% for survey #1 to 13% for survey #2 to only 8% for survey #3, which represents greater clarity on future production.
Q: Which policies have you put in place because of COVID-19 (select all that apply)? (Trends)

Survey #1

Survey #2

Survey #3

Trend: There continues to be widespread SOR implementation of policies designed to address the COVID-19 pandemic. There was a slight drop-off on upgraded sanitation and limiting visitors, which follows the trend from previous survey questions on resuming normal operations.
Q: Have you had any impacts on your due diligence and responsible sourcing efforts? (Trends)

Trend: There was a 3% decrease with SOR’s reporting they have had impacts on their own due diligence and responsible sourcing efforts from Survey #2 to Survey #3.

Impacts highlighted in Survey 3:
- Inability to perform onsite visits
- Delays in receiving standard RMS documents from traders due to movement limitation set forth by source country.
- Due diligence has been delayed accordingly, and raw material delivery has been severely affected.
- Due diligence is mostly conducted online
- Longer review time
Q: If sourcing from CAHRAs, what has been the COVID impact on upstream due diligence? (Trends)

<table>
<thead>
<tr>
<th></th>
<th>Survey #2</th>
<th></th>
<th>Survey #3</th>
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<tbody>
<tr>
<td><strong>No Impact</strong></td>
<td>39.91%</td>
<td></td>
<td>50.00%</td>
<td></td>
</tr>
<tr>
<td><strong>Partial Impact</strong></td>
<td>47.13%</td>
<td></td>
<td>41.67%</td>
<td></td>
</tr>
<tr>
<td><strong>Significant Impact</strong></td>
<td>12.98%</td>
<td></td>
<td>8.33%</td>
<td></td>
</tr>
</tbody>
</table>

**Trend:** Of those sourcing from CAHRAs, there was a 10% increase in SORs reporting they have had no impacts on upstream own due diligence from Survey #2 to Survey #3.
Q: Which upstream assurance mechanisms are using for your due diligence, if any? Please select all that apply (Trends)

Survey # 2

- BSP: 13.94%
- ITSCI: 24.02%
- Fairtrade Gold: 0.00%
- Fairmined: 7.15%
- Just Gold: 2.94%
- Own Due Diligence: 35.76%
- Not Applicable: 35.23%
- Other: 9.74%

Survey # 3

- BSP: 15.38%
- ITSCI: 23.08%
- Fairtrade Gold: 0.00%
- Fairmined: 9.62%
- Just Gold: 3.85%
- Own Due Diligence: 30.77%
- Not Applicable: 36.54%
- Other: 9.62%

SOR’s reported conducting their own due diligence as the number one method for their upstream assurance mechanisms, while a quarter of SOR’s use ITSCI and about 15% use BSP.
Q: How are these assurance mechanisms impacted by COVID? (Trends)

Trend: There was a 3% increase in SORs reporting that their assurance mechanisms have been partly impacted by COVID-19; but there was a positive development with only 2% reporting complete shutdown of mechanisms for Survey #3 as compared to 8% from Survey #2.
Q: If you are utilizing upstream due diligence mechanisms and where there have been impacts on upstream due diligence, are you exploring alternative ways of continuing to gather and verify that information? Please select all that apply (Trends)

<table>
<thead>
<tr>
<th>Method</th>
<th>Survey #2</th>
<th>Survey #3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Virtual assessments</td>
<td>15.59%</td>
<td>13.46%</td>
</tr>
<tr>
<td>Conference calls</td>
<td>28.14%</td>
<td>25.00%</td>
</tr>
<tr>
<td>Desktop reviews</td>
<td>10.82%</td>
<td>19.23%</td>
</tr>
<tr>
<td>Utilize government databases</td>
<td>23.59%</td>
<td>25.00%</td>
</tr>
<tr>
<td>Temporarily stopped sourcing</td>
<td>12.55%</td>
<td>9.62%</td>
</tr>
<tr>
<td>Not applicable</td>
<td>48.48%</td>
<td>48.08%</td>
</tr>
<tr>
<td>Other</td>
<td>3.03%</td>
<td>5.77%</td>
</tr>
</tbody>
</table>

Trend: SORs continue to use a variety of alternative methods to carry out their upstream due diligence.
Q: Have you requested or are you seeking RMAP reschedule due to COVID-19? Please explain. (Trends)

Survey #1

Yes (Please explain if...)

No

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100

Survey #2

Yes 27.54%

No 68.72%

Survey #3

Yes 27.66%

No 72.34%

Trend: The percentage of SOR’s reporting they will seek RMAP audits to be rescheduled has remained constant from Survey #1 to Survey #3 at roughly 28%.
Q: What activities is your company engaged in to assist with COVID-19 response for upstream actors (mine and trading operations), mining communities, or supply chain partners? (Trends)

Survey #1

Survey #2

Survey #3

Trends: SOR continued to utilize a variety of assistance strategies engaged with their upstream actors to provide the following assistance between the survey periods:

- Supporting mobile clinics continued to be important and stayed around the same
- Supporting community or company level sanitation projects and/or infrastructure varied, increasing from 29% to 50% the lowering slightly to 42%
- Meanwhile, supporting community health and sanitation education and messaging on preventative measures increased steadily from 35% to 39% to 44%
- Providing or supporting emergency relief to support community basic needs increased from survey 1 from 29% to 36% and then stayed constant at that level
- Providing financial support to offset losses from mine closures and trade stagnation stayed at around 10%
Q: What other resources (expertise, networks, financial) would be helpful to support vulnerable populations in the mineral supply chain? (Trends)

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<tr>
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<tr>
<td>- Awareness and information campaigns.</td>
<td>- Financial support for the ASM inside the mine boundary and for community.</td>
<td>- Political/NGO influence to allow restart under strict sanitation rules</td>
</tr>
<tr>
<td>- Financial support would be helpful to the populations in the mineral supply chain.</td>
<td>- Avoiding boycotts triggered by excessive DD expectations that are applied in a blanket fashion and are not risk-based.</td>
<td>- Awareness campaigns for the factory and the community.</td>
</tr>
<tr>
<td>- Financial help with the lack of sales of raw material, and experts to train miners in to taking health and sanitation measures for POST Covid-19 work.</td>
<td>- A positive understanding view on ASM supported by help and training to continuously improve OHSE performance.</td>
<td>- Expertise and networking with regard to proper medical aid and awareness.</td>
</tr>
<tr>
<td>- Medical equipment’s for the hospitals in small cities.</td>
<td>- Support on health programs.</td>
<td>- Improving local livelihood security, local hygiene, and medical systems through funding from the United Nations, AfDB, or ODA from developed countries</td>
</tr>
<tr>
<td>- Keep mine price stable.</td>
<td>- It is necessary to secure financial livelihoods to vulnerable upstream companies.</td>
<td>- Maintain a viable conduit to the global market for ethically sourced minerals from areas where these populations live.</td>
</tr>
<tr>
<td>- Supply masks.</td>
<td>- Continue sourcing from ASM especially if this is their main source of income.</td>
<td>- Medical equipment</td>
</tr>
<tr>
<td>- Network action (if any possible)</td>
<td>- All mines need financial support since they have stopped producing for the past month.</td>
<td>- Government support policy</td>
</tr>
<tr>
<td>- Enhancement of medical technicians, hygiene medical facilities, and hospitals Life security for unemployed and declining income.</td>
<td>- Seek government or industry subsidy funds.</td>
<td>- Appropriate financial support</td>
</tr>
<tr>
<td></td>
<td>- Internet</td>
<td>- Supply of self-produced protective products and equipment to vulnerable groups upstream</td>
</tr>
</tbody>
</table>

**Trends**: Providing medical support and education are the constant themes across all of the surveys. The last 2 surveys also called for further governmental and industry support.
Q: Please provide any additional feedback regarding RMAP assessment timeline, conformance, or communications that would be helpful for smelters & refiners in connection to COVID-19. (Trends)

**Survey #1**
- Using online platform is the best way to communicate and transfer information. Have an online assistance channel to give advice.
- Regarding RMAP, in a situation where it is difficult to predict the exact schedule due to COVID-19, we would like to temporarily suspend activities such as auditing and report submission and resume all activities after COVID-19 stabilizes.
- We should all be part of a communal work to train and give simple knowledge tools to miners both large and small or ASM. If this situation extends for more months, then all RMAP should be flexible to accommodate to each individual situation.
- International benchmarking from actions and situations that other players in the market are facing
- Suggest pushing out all repeat audit for 6 months or maybe to make is simpler for a year.
- Reduce the audit cost and conduct audits using electronic data whenever possible

**Survey #2**
- We hope to get the RMAP audit schedule after covid-19 period completed.
- Please be more flexible for the due date due to limitation of people (employees) movement regulated by government.
- It is difficult to set an exact schedule. At the point where the company's survival needs to be prioritized, do not just ask for standards, but provide a way to help establish a principle that does not deviate from the purpose, or provide a more specific sample activities such as auditing and report submission and resume all activities after COVID-19 stabilizes.
- The entire RMI/RMAP program is well organized. Good job and we are happy to be able to participate.
- It would be helpful if RMI releases the audit result of the smelters which have been gone through the re-auditing asap.
- To shift the timing of the on-site audit according to the actual situation.

**Survey #3**
- Suggest that all deadlines be pushed back by 1 year
- Auditors should not expect site visits performed during 2020 because of Covid and travel restrictions
- The earliest possible notice of audit schedule would be helpful for necessary preparation.
- Help avoid unnecessary distortion of upstream market mechanism: support making due diligence related cost part of the cost of doing business i.e., built into unit price of minerals (if not absorbed by other efficiencies)
- Positive messaging that reflects mineral's segment resilience
- RMAP assessments should stay on track as much as possible
- The current epidemic situation constrains the resources of our company, so the assessment of our upstream and upstream smelters cannot be implemented as usual, and the specific timelines are not clear.

**Trends:** SORs emphasize the need for flexibility in scheduling and deadlines across all of the surveys. More recent feedback encouraged continued RMAP participation and industry resilience despite the challenges presented by the COVID-19 pandemic.
Next Steps for COVID-19 Survey Results

• This concludes the initial series of RMI’s COVID-19 Surveys.

• We will continue to track impacts and trends over time.

• The RMI has a dedicated page for COVID resources including the RMI, OECD and Civil Society Calls to Action. Presentations with survey results for the three Covid-19 Surveys and any relevant updates are posted here.
During this trying time, the RMI encourages companies to take actions that will support their upstream supply chain partners and help safeguard critical due diligence activities and systems, this includes:

- Reach out to see how your supply chains are doing and open the lines of communication with suppliers
- Support supply chain partners – maintain supply chain due diligence expectations and offer support to address issues
- Support small and medium-sized enterprises in mineral supply chains through loan guarantee programs and grants
- Support efforts of on-the-ground initiatives (IMPACT, iTSCI, BSP, Artisanal Gold Council, etc.) by allocating funding to maintain due diligence processes and investments
- Support community health and sanitation projects in mining communities
- Foster the sustainable inclusion of responsible ASM projects into global supply chains
- Activate humanitarian and emergency response networks to reduce the potentially devastating impacts of COVID-19 on ASM communities. Please see resources on COVID-19 impact on ASM below for more information.
- Ensure a balance of maintaining integrity and flexibility in due diligence efforts during this period, taking into account government virus containment and mitigation measures, and impacts or delays to on-on-the-ground risk assessments and audits
- Help support auditees' assessments and upstream due diligence efforts by contributing to the RMI’s Audit Fund and Upstream Due Diligence fund. For more information please visit our Foundation webpage (ADD HYPERLINK)

http://www.responsiblemineralsinitiative.org/about/rba-foundation-rmi-funds/