RMI Grievance Mechanism

About this Document

This document outlines the process to note incidents and file grievances with the Responsible Minerals Initiative (RMI), formerly Conflict Free Smelter Initiative (CFSI), and the steps taken by the RMI staff, leadership, and the Independent Review Committee (IRC) to address such matters. The mechanism was designed based on existing international frameworks and peer learning. The RMI reserves the right to revise this document from time to time as deemed appropriate. The document will be made available for members and other key stakeholders to review prior to publication of the final version and for substantial updates. All questions should be directed to rmi@responsiblebusiness.org.

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1 Based on the OECD, UNGP, ISO, IFC, ISEAL, and Verite guidance, and peer program documents such as RJC, LBMA, iTSCI, DMCC.
Introduction

Overview and Scope
The purpose of this document is to outline RMI’s Grievance review process, available on its Grievance Mechanism webpage. Stakeholders can utilize this Mechanism to raise concerns about the RMI, Responsible Minerals Assurance Process (RMAP) standards, smelter or refiner (SOR) operations that fall in scope of the Responsible Minerals Assurance Process (RMAP), audit quality and auditor competencies, mineral supply chains and upstream/downstream initiatives, as well as mineral sourcing activities and due diligence of RMI member companies. The document also covers processes used to address these grievances. RMI collaborates with other programs that address minerals due diligence issues, which may have grievance, complaints and/or whistleblowing mechanisms in place. RMI will coordinate with these programs as appropriate.

Out of Scope Determinations
RMI reserves the right to not undertake a grievance review, if it is determined to be out of scope at the time of the submission. RMI reserves the right not to pursue the matter further if at any point during the review process it becomes evident that the grievance is out of scope. Matters not pertaining to the RMI Grievance Mechanism scope outlined above and/or legal challenges that are typically handled through legal processes, are outside RMI purview and considered out of scope. RMI will not consider grievances that appear to have been made with a malicious intent and/or for the purposes of financial gain and/or business competition.

Alternative Measures
The incident source/complainant should seek to resolve any issues at the lowest and least formal levels, with submission of a formal grievance being the option of last resort. Thus, the grievance resolution process should start with bilateral discussions, use of ombudsman, or use of another type of mediation to discuss and attempt to resolve issues before lodging a formal grievance. RMI may request evidence demonstrating that all reasonable alternative measures have been exhausted before a formal grievance was launched. Examples of alternative tools include iTSCI ombudsman, OECD National Contact Point, LBMA, RJC and DMCC Complaints and Whistleblowing processes, etc.
RMI Grievance Process

Nature of Grievance
- Participating Smelter or Refiner
- Operations of RMI / RMAP
- RMAP Standard
- RMAP auditor or audit firm
- RMI Member
- Inappropriate claim or reference re RMI
- Other

Definitions
For purposes of this document:

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2 Specific mechanism for anyone to report companies that are making false claims of membership, RMAP, audit compliance, or exaggerating their involvement / affiliation with RMI.
### Allegation:
an initial claim or assertion that someone has done something wrong, which may or may not be supported by evidence

### Corrective Action:
includes both mitigating and preventative actions (remediation)

### Grievance:
general expression of dissatisfaction with a situation, activity, behavior or a more specific and serious feeling of wrong doing that relates to harassment, discrimination or another abuse (i.e. conflict, corruption, human rights violation, etc.)

### Respondent:
party against whom the grievance is submitted

### Source:
source of grievance (complainant)

### IRC:
Independent Review Committee

### QPM:
Quality Program Manager (RMI Program Manager)

#### Submission Process

Incidents are to be submitted to the RMI Grievance Mechanism page. They will be directed to an email box, designated specifically for this purpose. Incidents may also be raised through other means, such as public reports and news articles monitored by RMI staff and/or shared by RMI members, partners, and stakeholders, etc. All incidents are logged in the RMI Tracking Tool for Incidents and Emerging Risks by the QPM. The QPM reviews each submission and, where needed, refers it to the appropriate party for additional review and resolution. Incidents involving RMI operations and program will be escalated to the Independent Review Committee (IRC). The RMI aims to investigate incidents in a fair, balanced, and transparent manner and to resolve the issues efficiently and effectively.

#### Anonymous Reporting and Whistleblower Protections

This mechanism allows for anonymous reporting of incidents. For anonymous submissions contact information is not required, only comments section should be filled out. While providing contact information is encouraged, as it allows for further follow up during the incident resolution process, anonymous submissions will be investigated in the same manner as all other submissions.

Whistleblower protections, including maintaining confidentiality of incident source upon request and treating such submissions in a confidential and sensitive manner, unless disclosure is required by law, will be offered to those individuals who disclose concerns pursuant to this policy provided the disclosure is made in good faith; and in the reasonable belief of the occurrence of serious malpractice or wrongdoing.

Whistleblowers who disclose information in good faith will be protected irrespective of the quality of the evidence provided or the outcome of any review or subsequent investigation undertaken by RMI. The identity of the whistleblower if shown on any submitted documents will be removed by the recipient.

An exception on the above will be necessary if the source is required to be disclosed as part of a legal process under the relevant laws. In these cases, effort will be made to protect the source from retaliation in collaboration with the relevant authorities, and in conformity with national and international procedures that may apply.
Independent Review
The IRC is an independent body whose role is to oversee grievances process in situations where there is a potential or actual conflict of interest. Each member of the IRC has a duty to review, deliberate, and decide on all conflict of interest matters related to grievances referred to the IRC by the QPM. The IRC is created in accordance with international good practice on ISO ISO/PAS 17001 and ISEAL requirements for Impartiality. In addition, the IRC agrees to consider whether it will provide a recommendation, approval, or advice in respect of other matters referred to the IRC by the QPM, such as audit appeals. The constitution of the IRC, including qualifications, composition, selection and scope of activities is detailed in the RMAP Qualification Operations Manual.

Incident Review: Risk Management and Continuous Improvement

Overview
The RMI aims to have a clear and coherent process to address incidents, and to adequately manage risks. Any incident may pose some level of risk that may have a potential or actual impact on the credibility of RMI and its members, RMAP Auditees, Auditors, and/or external partners and stakeholders. At the same time, this mechanism is a way to receive constructive feedback that may drive continuous improvement and effectiveness of RMI/RMAP towards international best practices and develop the program to address its stakeholders’ needs in the changing geopolitical and socioeconomic climate. This mechanism outlines a systematic way that the RMI assesses and responds to risks and/or potential opportunities for improvement that may stem from incident reporting and review. The RMI views risk management and continuous improvement as an iterative process, particularly in situations where new information is produced or the situation escalates or deteriorates. It is expected that this procedure would be invoked in response to any incident that could affect the credibility and/or effectiveness of the program with every submission treated seriously and addressed in a reasonable time frame.
Process

Receipt of Incident
The RMI receives incident information from a variety of sources, including but not limited to: auditors, individuals, industry associations, members, the media, and various actors throughout the supply chain. The incident may be submitted through the Grievance Mechanism page on the RMI website or directly to RMI staff.

Receipt and Initial Response Process
- At the time of incident receipt the QPM will determine if the incident is in scope. The determination will be logged.
- If in scope:
  - The QPM will notify the complainant of the RMI Grievance Process.
  - The QPM will solicit consent from the complainant to log the grievance and will notify the complainant that the grievance is being logged.
  - The QPM will check if the grievance is intended to be anonymous.
  - The QPM will log incidents received in the RMI Tracking Tool for Incidents and Emerging Risks, unless an incident is determined to be out of scope.
  - The QPM will log corroborating information where available
  - The QPM will assess the seriousness of the incident and categorize the incident as green, yellow, or red, according to the criteria below.
- If QPM determines that the incident is out of scope, no further action is needed.

Each will have the following result:
- Green – low risk: incident logged, no further action
- Yellow – medium risk: requires further investigation and can be either escalated to red or deescalated to green
- Red – critical/high risk: requires further investigation and will be discussed with EICC Executive Director, RMI Program Director, RMI Steering Committee, as appropriate

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3 In general, the criteria will be weighed based on the seriousness of risk (i.e. if an incident meets criteria under both yellow and red categories, it will be categorized as red, or if both green and yellow as yellow), unless the timing of the incident is outside of the one (1) year scope, then it may be de-prioritized, unless RMI leadership decides otherwise. Not all criteria in each category have to be met for an incident to be categorized.
## Incident Review Process for Green – Low Risk Incidents

### Review

- Beyond the basic review of information provided, the RMI will not review additional information for incidents identified as Green – Low Risk

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4 Credible – source of information that is considered to be reputable and trustworthy, expert in the subject area, key stakeholder with well established reputation, source that has provided either validated/corroborated claims in the past or published reports that have been fact-checked.

5 Conflict Affected and High Risk Areas (CAHRAs)

6 For more information, please see Annex I: Criteria for Review

7 Incident related to violation of local and/or national law(s)
Follow Up Actions and Closure Process

- No further investigation or corrective actions are needed
- If the source is not anonymous QPM will contact the source to inform them of the determination no later than 5 business days after green level risk determination
- Explore possible continual improvement opportunity
- Mark incident as closed
- Include incident in aggregate number of incidents for public reporting/tie-out

Incident Review Process for Yellow – Medium Risk Incidents

Review

- If the source is not anonymous: the QPM will reach out to the source for additional information and/or clarification if needed
- If the respondent is a RMAP-audited entity: the QPM will contact the respondent
- If the incident may have legal ramifications: the RMI will send relevant information to EICC legal counsel for review and determination of appropriate actions

For Gold Only:

- If the incident respondent is a cross-listed entity, the RMI will hold a discussion with the cross-recognized partner to assess:
  - Credibility and validity of allegations
  - Actions being taken by that program
  - Any information the program may have received from the incident respondent
  - In cases where a gold refiner is the incident respondent, the cross-recognized program under which standard that auditee is validated will develop the corrective actions process, and will follow-up with other programs on the action items/resolution

Follow up Actions and Closure Process

- If the above outreach indicates that the incident is likely not accurate or has been resolved / corrected: the QPM will de-escalate the incident to Green – Low Risk
- If the above outreach indicates that there is a likely chance the allegation is accurate but more verification is needed: the QPM will escalate the incident to Red – Critical/ High Risk
- If the above outreach indicates that the allegation is accurate, the QPM will proceed to the incident response options:
  - Follow up with the source and/or respondent if more information is needed
  - Request documented corrective actions from the respondent, as needed
  - Review corrective actions, follow-up with the respondent if further actions are needed
  - If corrective actions are satisfactory, mark incident as closed
  - Include incident in aggregate number of incidents for public reporting/tie-out
Incident Review Process for Red – Critical/High Risk Incidents

Review
- If the source is not anonymous: the QPM will reach out to the source for additional information and/or clarification
- If the respondent is a RMAP-audited entity: the RMI will contact the respondent
- If the incident may have legal ramifications: the RMI will send relevant information to RBA legal counsel for review and determination of appropriate actions

For Gold Only:
- If the incident respondent is a cross-listed entity: the RMI will hold a discussion with the cross-recognized partner to assess:
  - Credibility and validity of allegations
  - Actions being taken by that programs
  - Any information the program may have received from the incident respondent
  - In cases where a gold refiner is the incident respondent, the cross-recognized program under which standard that auditee is validated will develop the corrective actions process, and will follow-up with other programs on the action items/resolution

Actions and Closure Process
- If the above outreach indicates that the incident is likely not accurate or has been resolved/corrected: the QPM will deescalate the incident to Green – Low Risk
• If the above outreach indicates that the incident fits defined Medium Risk criteria instead of Critical/High Risk criteria: the QPM will deescalate the incident to Yellow – Medium Risk

• If the above outreach indicates that there is a likely chance the incident is accurate but more verification is needed:
  o The QPM will conduct further research and inquiry
  o RMI will engage outside experts to discuss the incident and appropriate response
  o Launch an investigation with an independent third party to assess the truthfulness and accuracy of the allegations and recommend appropriate actions

• If the above outreach indicates that the allegation is accurate, the QPM will proceed to the incident response options:
  o Follow up with the source and/or respondent if more information is needed
  o Request documented corrective actions from the respondent, as needed
  o Review corrective actions, follow-up with the respondent if further actions are needed
  o If corrective actions are satisfactory, mark incident as closed
  o Include incident in aggregate number of incidents for public reporting/tie-out
Incident Response Options and Closure Process

When incidents have been reviewed by legal counsel, investigated by a third party, or discussed with relevant experts, the RMI will take those parties’ recommendations into consideration.

Incident responses will vary from case to case, but will include one or more of the following actions:

- The RMI will contact Auditees or Auditors within ten (10) business days if the incident may have an impact on the process or findings of an audit, including but not limited to:
  - Completeness and Scope of Audit
  - Corrective Actions
    - Corrective actions should include mitigation and prevention (remediation)
  - Potential missed opportunities
  - Quality

- The RMI may take the following actions relating to the Auditee:
  - Encourage the Auditee to issue public statements and disclosures
  - Encourage transparency and public reporting
  - Encourage enhanced due diligence
  - Encourage more frequent contact and regular updates
  - Implementing Corrective Action Plan (CAP) or Extended Corrective Action Plan (ECAP)
  - Re-audit where audit process or findings are called into question
  - More frequent audit (for example, moving SOR in Risk Based Audit Program on a 3 year cycle back to an annual audit cycle)
  - Suspension subject to resolution
  - Removal from program participation (or cross-recognition)

- The RMI may take the following actions relating to industry stakeholders:
  - Request relevant information, especially under circumstances of cross-recognition
  - Enter into Non-Disclosure Agreements
  - Share relevant information not in violation of existing non-disclosure agreements
  - Encourage development of a joint or independent, short- or long-term response or action plan
  - Encourage enhanced due diligence
  - Recommend a change to standards or procedures

- The RMI may take the following actions relating to the Steering Committee:
  - Add to agenda of monthly meeting for discussion, decision, and recommendation (e.g., ongoing monitoring, pursuit of legal opinion/action, formal communication, etc.)
  - When an incident report involves RMI program operations and/or governance, QPM will inform the RBA Executive Director and the Steering Committee and forward the report to the Independent Review Committee (IRC) for resolution.

- The RMI may take the following actions relating to RMI Member disclosure:
  - The QPM may issue a members-only statement regarding the incident when appropriate through workgroups, newsletters, and plenary calls.
When an incident report involves a specific member or members of RMI, QPM will inform the RMI Executive Director and forward the report to the IRC for resolution.

- The RMI may take the following actions relating to public disclosure:
  - The QPM may issue public statements regarding the incident when appropriate. Any public disclosure by the RMI will be approved and disseminated through correct channels.

### Incident Response Timeline

- The RMI will review, investigate, and recommend an initial incident response within forty-five (45) business days of the determination of Critical/High Risk Level.
- The respondent will then be allotted another forty-five (45) business days for corrective actions, which will include the following phases:
  - Respondent to provide a response to RMI on the incident (5 business days)
  - Respondent to outline actions to be taken (10 business days)
  - Respondent to demonstrate implementation of corrective actions with supporting documentation (30 business days)
- RMI will verify the response and seek to close the incident within twenty (20) business days after the respondent’s submission.

RMI may extend the incident review timeline for incidents that require a more in-depth analysis, and will communicate to relevant parties accordingly.

Respondents may request reasonable extensions to their responses or to the corrective action timeline, if a reasonable extension is necessary to finalize those actions.

The incident will be marked as closed once it is resolved through the process outlined above or determined low risk, or out of scope. Once the incident has been closed with the approval of the RMI leadership and/or the IRC, the QPM will update the status in the RMI Tracking Tool for Incidents and Emerging Risks.

### Lessons Learned and Continuous Improvement

Based on the above, the QPM will generate a list of trends, lessons learned and recommend changes to standards, procedures, systems, and cross-recognition programs, on at least an annual basis for discussion with RMI leadership, members, and other relevant stakeholders.

### Communication and disclosure to RMI Members

- Member communications will be as follows: bi-annual summary reports (aggregated data report highlighting incident status, type, risk categories, geographic breakdown).
- A public summary report will be available for stakeholders on annual basis.
## Annex I: Criteria for Review

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<tr>
<td>OECD</td>
<td>Serious abuses associated with the extraction, transport or trade of minerals: a) Torture, cruel, inhuman and degrading treatment b) Forced labor c) The worst forms of child labor d) Other gross human rights violations and abuses such as widespread sexual violence e) War crimes or other serious violations of international humanitarian law, crimes against humanity, or genocide</td>
<td>No</td>
<td>Yes</td>
<td>OECD DDG; ILO Conventions; Geneva Conventions; UNGPs; UDHR; Various UN Conventions</td>
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<td>OECD</td>
<td>Direct or indirect support to non-state armed groups who a) Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain b) Illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded c) Illegally tax or extort intermediaries, export companies or international traders</td>
<td>No</td>
<td>Yes</td>
<td>FCPA, US DF, EU CM</td>
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<tr>
<td>OECD</td>
<td>Regarding public or private security forces – no indirect or direct support to those who a) Illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; Illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; Illegally tax or extort intermediaries, export companies or international traders b) Act in any way contrary to maintaining the rule of law, including safeguarding human rights, providing security to mine workers, equipment and facilities, and protect the mine site or transportation routes from interference with legitimate extraction and trade c) Violate the Voluntary Principles on Security and Human Rights</td>
<td>Yes</td>
<td>Yes</td>
<td>Voluntary Principles on Security and Human Rights</td>
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<td><strong>OECD</strong></td>
<td>Regarding bribery and fraudulent misrepresentation of the origin of minerals: offer, promise, give or demand or accept bribes to conceal or disguise the origin of minerals, misrepresented taxes, fees and royalties paid to government for the purposes of mineral extraction, trade, handling, transport and export</td>
<td>Yes</td>
<td>Yes</td>
<td>FCPA</td>
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<td><strong>OECD</strong></td>
<td>Regarding money laundering: money-laundering resulting from, or connected to, the extraction, trade, handling, transport or export of minerals derived from the illegal taxation or extortion of minerals at points of access to mine sites, along transportation routes or at points where minerals are traded by upstream suppliers</td>
<td>No</td>
<td>Yes</td>
<td>AML, Money Laundering Control Act</td>
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<td><strong>OECD</strong></td>
<td>Regarding payment of taxes, fees, and royalties due to governments: non-payment of taxes, fees, and royalties related to mineral extraction, trade and export from CAHRAs are paid to governments and disclosed in accordance with the principles set forth under the Extractive Industry Transparency Initiative</td>
<td>No</td>
<td>Yes</td>
<td></td>
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<td><strong>Other human rights abuses</strong></td>
<td>Human trafficking, child labor, Freedom of Association, other labor rights; other human rights</td>
<td>No</td>
<td>Not explicitly</td>
<td>UDHR; ILO Conventions; CA Transparency in Supply Chains Act; UK Modern Slavery Act</td>
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<td><strong>Environmetal</strong></td>
<td>Environmental concerns that go against the spirit or letter of international and domestic environmental protection laws</td>
<td>No</td>
<td>No</td>
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<td><strong>Sanctions</strong></td>
<td>Trade sanctions against countries or individuals engaged in the gold supply chain from mine to downstream company; other legal obstacles doing business in a specific country or with individuals</td>
<td>No</td>
<td>Not explicitly</td>
<td>Trade Law, US OFAC</td>
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