BETTERCOAL GRIEVANCE MECHANISM

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General Enquiries
Bettercoal welcomes questions and feedback on this document.
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Bettercoal is part of the Responsible Commodities Sourcing Initiative, a not-for-profit organisation.

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1. Introduction

The Bettercoal Programme is operated by the Responsible Commodities Sourcing Initiative (RECOSI), an international membership organisation working with our members and their suppliers to raise social and environmental standards in global energy supply chains by developing and implementing commodity-specific ESG programmes and assurance frameworks. The Bettercoal Programme assesses coal producers across the three pillars of ESG – Environment, Social and Governance, working to promote continuous improvement of sustainability performance in the global coal supply chain.

Coal mining operations participating in the Bettercoal Assessment Programme are known as Bettercoal Producers. The Bettercoal Programme does not provide a certification of performance to Producers.

For clarity and consistency, the Bettercoal Programme will be referred to as 'Bettercoal' throughout the rest of this document.

2. Objectives

The Bettercoal Grievance Mechanism seeks to ensure that expressions of dissatisfaction are handled in a timely, comprehensive, consistent, transparent, and effective manner. This document explains the types of grievances the Secretariat will review, the process and timelines for the review, and the potential outcomes.

3. What Is a Grievance Mechanism?

A grievance arises when a person or group perceives injustice or harm to have been done to them, in connection with the business. A grievance mechanism is a process which allows grievances to be raised, and through which remedies can be sought.

4. Scope

This grievance procedure applies to Bettercoal and addresses expressions of dissatisfaction in the following areas:

1. **Grievances against Bettercoal.** Grievances regarding the implementation of Bettercoal Code, policies, procedures, and operating processes under the direct governance of Bettercoal's management and Board. This includes grievances against Bettercoal, its Board of Directors, staff, contractors and approved assessors.
2. **Grievances against a participant in the Bettercoal Assessment Programme.** Grievances against a Candidate Producer or Bettercoal Producer which does not conform with or follow the guidance of all applicable Bettercoal policies, procedures and documents, including Bettercoal standards or Claims & Labelling Rules[1].

[1] All Bettercoal policies, procedures and documents, including Bettercoal standards or Claims & Labelling Rules, can be found on the Bettercoal website at www.bettercoal.org/resources.

3. **Grievances against Bettercoal-approved Assessors.** Complaints against a Bettercoal-approved Assessor for conduct that does not conform with or follow the guidance of all applicable Bettercoal policies, procedures or documents, including the Assessment manual.[2]

5. Eligibility

Grievances or appeals may be submitted by:

- A member of the Bettercoal Programme, their employees and contractors
- Bettercoal-approved or prospective Assessors
- Individuals or groups, including assessors, local community members or groups, Indigenous Peoples, non-governmental organisations (NGOs), trade unions, workers, contractors, or the general public.

Prior to submitting a Grievance under the Bettercoal Grievance Mechanism, Complainants are encouraged to make reasonable attempts to resolve their Complaint at the lowest and most appropriate level. Where possible, this includes raising the Complaint directly with the organisation or person subject to the Complaint and giving them an opportunity to respond and/or rectify the situation. Ideally, issues should first be addressed through bilateral discussions, ombudsman services, or mediation before grievances are lodged.

Grievances against Bettercoal Producers should initially be resolved directly with the Producer or Operation through their operation-level grievance mechanism. If unresolved or if there is an immediate risk to life or health, the Bettercoal Grievance Mechanism or relevant authorities may be engaged.

Inadmissible Grievances

The following grievances will not be accepted as they are not within the scope of the Bettercoal Grievance Mechanism:

- Legal matters outside of Bettercoal's jurisdiction.
- Events on which it is based occurred more than 5 years prior to the complaint.
- Grievances that are trivial, malicious, or intended to gain competitive advantage.
- Grievances unsupported by objective evidence (such as verifiable factual information, records, observations, personal knowledge and/or statements of fact, which can be qualitative or quantitative).
- Personal grievances or private disputes not related to Bettercoal assessments.
- Grievances aimed at revising Bettercoal standards or procedures (these will be directed to scheduled reviews).

[2] All Bettercoal policies, procedures and documents, including the Bettercoal Assessment Manual, can be found on the Bettercoal website at www.bettercoal.org/resources.

6. Filing a Grievance

Grievances and appeals may be submitted in writing to info@bettercoal.org or to:

Bettercoal Programme
71-75 Shelton Street,
Covent Garden,
London, WC2H 9JQ,
United Kingdom

Grievances may be submitted in the local language of the complainant. Where possible, grievances and associated evidence submitted in English is preferred.

Parties filing a formal grievance are asked to provide the following information:

- Identifying and contact information of the complainant, including name, email address;
- Basic information about the respondent/respondent's organisation (or "Independent", if none);
- Details about the grievance (including details of all relevant stakeholders and a detailed summary of the issues);
- Evidence to support the grievance (this includes verifiable factual information, records, observations, personal knowledge and/or statements of fact, which can be qualitative or quantitative);
- Indicate whether and in what form the issues have been raised directly with the organisation or person subject to the complaint prior to lodging the grievance and what response was provided;
- Expected outcomes, including alternative outcome options to assist with reaching a resolution of the grievance. If all other information is provided, Bettercoal may accept the grievance and work with the complainant on this point.

Bettercoal may return incomplete complaints, with an explanation of what is needed to constitute a complete submission that can then be further processed. Any grievance based upon hearsay cannot be accepted. In such case, Bettercoal will request further information from the Complainant to assess whether the Grievance can be substantiated. If no response is received within thirty (30) calendar days, the Grievance will be considered withdrawn and therefore closed.

Anonymity

It is essential that complainants be protected from retaliation of any kind. The Bettercoal Grievance Mechanism aims to ensure that complainants can access and participate in the process without fear of reprisals.

A complainant seeking anonymity must declare this at the time of filing a grievance. The complainant should be aware that depending on what information they choose to share with Bettercoal, they might ultimately be identifiable from certain information, which is shared with the respondent, although every effort will be made to ensure

identifying information is not shared through redaction and other means. However, this may significantly limit what can be shared and therefore the respondent's ability to respond completely to the grievance. While every effort will be made to consider a grievance on the basis of information provided, ultimately it might not be possible for a grievance to be admissible if the complainant does not consent to certain information being shared with the respondent.

7. Grievance Process

The timelines outlined below are goals, however, it is recognised that there may be circumstances that prevent timelines from being met (e.g. communications challenges, national or cultural holidays, translation requirements, or other issues). Bettercoal will strive to meet the timelines and if they cannot be met will inform relevant stakeholders of expected new timelines.

7.1 Acknowledge Receipt

Bettercoal will acknowledge receipt of a grievance within ten business days. If this does not occur, the complainant will be informed.

7.2 Review for Admissibility

Grievances are initially considered by the Bettercoal Secretariat to determine admissibility. Bettercoal will inform the complainant of the admissibility decision within 10 business days from when it acknowledged the receipt of the grievance. The decision may be "admissible", "conditionally admissible", or "not admissible" as appropriate.

Please refer to Section 3. Scope and Section 4. Eligibility for what types of grievances will be considered inadmissible.

Where an admissible grievance involves a third party, the Secretariat will also inform that party about the grievance at this time. If a grievance is deemed inadmissible, the grievance will be dismissed. Complainants may appeal a dismissed grievance through the appeals process outlined below.

7.3 Fact-finding and Action

If deemed admissible, the grievance is then passed through a consultative process that may include the Technical & Advisory Committee, the Bettercoal Programme Committee, and the Board of Directors, as appropriate.

Bettercoal will respond to the complainant with a proposed resolution within sixty calendar days of receiving the original comment. If this does not occur, the complainant will be informed.

Based on the review, Bettercoal may issue a decision to:

- Dismiss the grievance.
- Require an improvement plan / corrective action.

- Encourage / provide a remedy to be determined in consultation with the complainant taking into account the limitations on Bettercoal's ability to enforce compliance.
- Require the respondent to remove the Bettercoal logo, and/or remove any claim about its association with Bettercoal.
- Suspend or disassociate and remove the Bettercoal Producer, approved assessor or assessment firm from the Bettercoal Assurance Framework.
- If not identified when considering whether the grievance is admissible, recommend that the complainant considers raising the grievance to another body that is better suited to handle the complaint, for example the local ombudsman or legal tribunal.

Bettercoal will share the decision and inform the parties of their right to appeal the decision. The grievance may be considered resolved at this point.

Bettercoal will communicate decisions regarding the resolution of grievances to the complainant and other individuals or institutions directly affected by the decision via email. Bettercoal will provide information on decisions made and how the decision was arrived at to other interested parties where relevant and on request, unless providing the information would violate reasonable guidelines or requirements for confidentiality.

7.4 Appeals

If the complainant is not satisfied with the resolution, appeals may be made. Appeals should be filed using the contact details provided in Section 6 within 20 business days of the Bettercoal decision or dismissal is communicated. The complainant must submit justification for a reconsideration based on:

- Procedural appeal: The Bettercoal Grievance Mechanism was not followed and therefore the grievance should be reconsidered.
- Substantive appeal: additional information or evidence is available for consideration together with an explanation of why this information was not available when the grievance was originally considered.

Bettercoal has 10 business days to determine if the appeal has merit.

If the appeal is admissible, the grievance process will begin again, this time with the Bettercoal Programme Committee, and if relevant the Bettercoal Technical and Advisory Committee. The original grievance and all corresponding documentation will be received and additional evidence may also be considered. As relevant, this will be elevated to the Board of Directors.

8. Reporting

A summary of all grievances received shall be provided to the Bettercoal Programme Committee on a quarterly basis. Complainants that submit grievances and request anonymity will not be identified in the summary of grievances provided to the Bettercoal Programme Committee.

Bettercoal shall make available on its website a public summary of grievances and appeals received, as appropriate annually, ensuring to safeguard anonymity.

9. Personal Data

As part of considering and managing a grievance, Bettercoal will be collecting personal data (which may include sensitive data). This will be processed in accordance with RECOSI's Privacy Notice.

10. Legal Disclaimer

The processes outlined in this mechanism are not intended to replace, contravene or otherwise alter the requirements of any applicable international, national, state or local governmental statutes, laws, regulations, ordinances, or other requirements.

11. Terms of Definitions

- **Grievance**: a complaint, grievance, or expression of dissatisfaction made by a Complainant to Bettercoal under the Bettercoal Grievance Mechanism.
- **Complainant**: any organisation or individual or other stakeholder who makes a complaint.
- **Appeal**: a formal procedure commenced by a complainant, seeking to challenge certain prior determination by Bettercoal of a complaint.
- **Respondent**: the person or organisation whose conduct gives rise to the complaint, being any of: Bettercoal, a Bettercoal Producer or Candidate Producer, a Bettercoal-Approved Assessor, or any other person who is covered by the Bettercoal Grievance Mechanism.