



# COMPLAINTS AND GRIEVANCE PROCEDURE



COMMITMENT



ACCOUNTABILITY



RESPECT



ENABLING



SAFETY

# 1 Table of Contents

- 1. INTRODUCTION..... 3
- 2. DEFINITIONS & TERMS ..... 3
- 3. PURPOSE OF THE PROCEDURE ..... 5
- 4. COMPLAINTS AND GRIEVANCES OUTCOMES ..... 5
- 5. COMPLAINTS AND GRIEVANCE PROCEDURE PRINCIPLES ..... 6
  - 1.1 Principle 1: Proportionality: A mechanism scaled to risk and adverse impact on affected communities ..... 6
  - 1.2 Principle 2: Cultural Appropriateness: Designed to consider culturally appropriate ways of handling community concerns ..... 6
  - 1.3 Principle 3: Accessibility: A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost..... 7
  - 1.4 Principle 4: Transparency and Accountability to All Stakeholders ..... 7
  - 1.5 Principle 5: Appropriate Protection: A mechanism that prevents retribution and does not impede access to other remedies ..... 7
- 6. HUMAN RIGHTS EFFECTIVE GRIEVANCE AND COMPLAINTS MECHANISM..... 8
- 7. GENERAL GUIDELINES IN IMPLEMENTING THIS PROCEDURE ..... 10
- 8. MONITORING AND EVALUATION: COMPLAINTS AND GRIEVANCE PROCEDURE ..... 10
- 9. Step-By-Step to the Complaints and Grievance Procedure ..... 14
- 10 ANNEXURE 1: COMPLAINTS AND GRIEVANCE PROCEDURE FLOW CHART ..... 15



## 1. INTRODUCTION

Sibanye-Stillwater (or “the Company” as the context requires) recognizes that its social licence to operate depends on the quality of its stakeholder relationships<sup>1</sup>. Sibanye-Stillwater acknowledges that the complex and sometimes challenging environment in which it operates can hinder the realisation of its purpose.

As a leading international precious metals mining company, Sibanye-Stillwater has to comply with all national legal and regulatory requirements<sup>2</sup>, international voluntary obligations<sup>3</sup> and responsible mining principles<sup>4</sup>. To complement the responsible mining principles, the Company has reviewed and developed social policies<sup>5</sup> that contribute to creating shared value. At the core of these processes, is demonstrating the CARES values<sup>6</sup>, which guide the Company’s approach to stakeholder engagement.

This complaints and grievance procedure is benchmarked against best practice models and is flexible to enable accessibility in responding to social barriers faced by marginalised and vulnerable groups. It also considers international guidelines that protect the rights of these groups from exclusion and ensures that issues raised are properly dealt with to avoid negative impacts on affected, impacted and interested stakeholders.

## 2. DEFINITIONS & TERMS

Complainant	An individual, group or organisation that submits a complaint to the Company.
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<sup>1</sup> Integrated Report 2019.

<sup>2</sup> DMRE - Mining Charter and Social & Labour Plans.

<sup>3</sup> United Nations Business and Human Rights Guiding Principles and the United Nations Sustainable Development Goals.

<sup>4</sup> ICMM, UN Global Compact and World Gold Council Principles.

<sup>5</sup> Human Rights Policy, ESG Policy, Indigenous Peoples and Mining Position Statement, Partnership for Development Position Statement and Stakeholder Engagement Policy.

<sup>6</sup> CARES values – Commitment, Accountability, Respect, Enabling and Safety

Complaints and Grievance	A grievance or complaint is action that is brought to the attention of the company an individual, group, or organisation, who allege damage, impact or dissatisfaction as a result of the actions of the Company <sup>7</sup> .
Issues register	A database of incoming and historic complaints used, to keep records of and monitor the Company's responses and remedies (Feedback) to complaints.
Closed/Grievance complaint	A complaint is "closed" when a resolution that is accepted by both parties and meets the legal or social requirements has been reached.
Contractor	An individual or firm that has entered into a contract to provide goods or services to the Company. The term covers those entities directly contracted by the Company as well as subcontractors.
Non-judicial grievance mechanism	Encompasses those administered by a business enterprise alone or with stakeholders, by an industry association or a multi-stakeholder group. They are non-judicial however may use adjudicative, dialogue-based or other culturally appropriate and rights-compatible processes.
Stakeholder	Individuals, groups of individuals, communities, institutions and organisations that have an interest in and or are affected by or can affect the operations of Sibanye-Stillwater.
Vulnerable Groups <sup>8</sup>	Vulnerable groups refers to women, children, Indigenous People, People living with disabilities and the LGBTIQ community.
Engagement	The manner in which Sibanye-Stillwater communicates and interacts with its stakeholders.

<sup>7</sup> ICMG Grievance Mechanism Tool 5, available online at: <https://guidance.miningwithprinciples.com/community-development-toolkit/tool-5-grievance-mechanism/>

<sup>8</sup> Ibid.

### **3. PURPOSE OF THE PROCEDURE**

The purpose of this Procedure is:

- To ensure that complaints and grievances are received and responded to in a timely, transparent and consultative manner;
- To collaborate with groups of people affiliated by geographic proximity, special interest, or other affected parties to address issues affecting the well-being of those people;
- To manage complaints and grievances from host communities and other local stakeholders systemically and fairly in order to promote mutual confidence and trust-building; and
- To provide a safe environment that is sensitive to protecting the rights of marginalised and vulnerable groups in host communities to ensure social inclusivity.

### **4. COMPLAINTS AND GRIEVANCES OUTCOMES**

Through the application of this procedure, we aim to achieve the following outcomes:

- a. Establish and implement a fair, transparent, confidential and human rights compatible complaints and grievance procedure;
- b. Ensure communities that are “involuntarily excluded” due to societal barriers<sup>9</sup> are responded to in the Complaints and Grievance Procedure;
- c. Ensure proper documentation of complaints and grievances and that remedial actions are undertaken;
- d. Ensure that suitable representatives from the Company (i.e. those with the required technical expertise) are involved in assessing, investigating and responding to the complaints and grievances raised;

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<sup>9</sup> Societal barriers include; language barriers (interpreters will be made available on request by the Company and/or the parties); distance, gender marginalization and cultural barriers are incorporated into the Complaints and Grievance Procedure

- e. Meaningfully engage stakeholders through continuous dialogue in co-designing, reviewing the performance of complaints and grievance mechanism as a means to address and resolve grievances; and
- f. Contribute to the continuous improvement in performance through the analysis of trends, publicising emerging trends and lessons learnt.

## 5. COMPLAINTS AND GRIEVANCE PROCEDURE PRINCIPLES <sup>10</sup>

### 1.1 Principle 1: Proportionality: A mechanism scaled to the risk and adverse impact on affected communities

The scope, form and level of complexity of a grievance mechanism should be proportionate to the potential adverse impacts on and interaction with local /host communities. If the groups affected are diverse, or the impacts on them are severe, the nature of interaction can pose serious challenges even where the number of people is relatively small. Therefore, the project's social and environmental footprint, as well as social sensitivity, should be taken into consideration.

### 1.2 Principle 2: Cultural Appropriateness: Designed to consider culturally appropriate ways of handling community concerns

To achieve this principle the following are key:

- Seek input on culturally acceptable ways to address complaints and grievances from significantly different groups within affected communities, including different ethnic or cultural groups within the operational footprint of the Company;
- Understand cultural attributes, customs and traditions that may influence or impede their ability to express their grievances, including differences in the roles and responsibilities of marginalised groups (women, children, people living with disabilities and LGBTIQ community) and cultural sensitivities and taboos; and

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<sup>10</sup> IFC.2009.Good Practice Note: Addressing Grievances from Project Affected Communities. Available online

- Agree on the best way to access grievance mechanisms, taking into consideration the ways communities express and deal with grievances.

### **1.3 Principle 3: Accessibility: A clear and understandable mechanism that is accessible to all segments of the affected communities at no cost.**

If people perceive the grievance process to be unclear, difficult, or inappropriate, they are less likely to use it. Grievance procedures work only if they present no (or low) barriers to access by communities. Accessibility depends on:

- Clear communication - availability of easy-to-understand information about the grievance process and how the mechanism works; and
- Ease of use - simple, convenient, culturally appropriate means for filing complaints, at no cost to Complainants (this may involve encouragement and assistance for affected communities to make complaints when problems arise).

### **1.4 Principle 4: Transparency and Accountability to All Stakeholders**

All Complainants want to be heard, taken seriously, and treated fairly. They expect consistency and predictability in the process. This procedure also provides for the community to hold the Company accountable, to be sure it takes stakeholder inputs seriously, deals with them through a clear and transparent process, follows through with actions, and communicates with the community.

### **1.5 Principle 5: Appropriate Protection: A mechanism that prevents retribution and does not impede access to other remedies**

A grievance mechanism will work when communities are encouraged to share their concerns freely, with the understanding that no retribution will be exacted for participation. Coming out with a complaint can pose risks for people, especially if it concerns such issues as corruption, misconduct, or monetary compensation, or if it interferes with local social norms, including gender norms.

A mechanism free of retribution will consider potential dangers and risks to Complainants and incorporate ways to prevent harm. These precautions include a clear policy of non-retaliation, measures to ensure confidentiality and physical protection of Complainants, safeguarding of personal data collected concerning a complaint, and an option for Complainants to submit anonymous grievances where necessary.

## 6. HUMAN RIGHTS EFFECTIVE GRIEVANCE AND COMPLAINTS MECHANISM

The United Nations Guiding Principles on Business and Human Rights stipulate that “business enterprises should respect human rights. This means that they should avoid infringing on the human rights of others and should address adverse human rights impacts with which they are involved<sup>11</sup>.” Where a business enterprise identifies such a situation, where human rights are infringed upon and where communities are aggrieved by the activities of the Company through protest action and other means, it's the responsibility of the Company to ensure that there are means provided for communities and other stakeholders to raise their concerns or human rights violations identified through a grievance and complaints mechanism<sup>12</sup>.

The Centre for Applied Legal Studies<sup>13</sup> identifies five human rights centred Best Practice Guidelines to establish a non-judicial grievance mechanism by mining companies:

- Individual mining companies should develop clear internal grievance mechanisms. These should be complemented by independent grievance mechanisms established by national laws.
- Grievance mechanisms should be accessible to communities with no strict requirements for technicalities or legal representation.
- All affected parties should play a role in deciding on the procedure to be followed in the event of a grievance. Components of processes should include problem diagnosis, facilitated dialogue, grievance hearing, mediation and arbitration.

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<sup>11</sup>Ibid.

<sup>12</sup> Office of the United Nations High Commissioner for Human Rights and the African Court on Human and Peoples Rights describes this process as a non-State/judicial based grievance mechanism.

<sup>13</sup> Centre for Applied Legal Studies. 2019. Best Practice Guidelines for Mining Companies: Towards an inclusive and sustainable approach.



- Communities pursuing a complaint through an independent grievance mechanism should have access to specialists to enable them to engage on an equal footing with mining companies.
- Laws should provide for the establishment of an independent, transparent and accountable monitoring body with investigative and punitive powers in cases of non-compliance.

In establishing an effective non-judicial grievance mechanism and to ensure their effectiveness companies should ensure that the mechanism meets the following criteria as set out in the United Nations Business and Human Rights Guidelines<sup>14</sup>:

- **Legitimate**<sup>15</sup>: enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct for grievance processes.
- **Accessible**: known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access.
- **Predictable**: providing clear and known procedure with an indicative time frame for each stage, and clarity and purpose on the types of process and outcome available and means of monitoring implementation.
- **Equitable**: ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms.
- **Transparent**: ensure that parties to a grievance are informed about its progress and provide sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake.
- **Rights compatible**: ensure that outcomes and remedies accord with national, regional and internationally recognised human rights standards.
- **Continuous learning**: drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms.

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<sup>14</sup> Ibid.

<sup>15</sup> Obtain Free Prior and Informed Consent from communities including Indigenous People and traditional authorities.

## 7. GENERAL GUIDELINES IN IMPLEMENTING THIS PROCEDURE

- The Company needs to raise awareness with its stakeholders about the complaints and grievance procedure. Awareness-raising can take the form of email notifications, leaflets, website links, and posters in local newspapers and common public places in host communities.
- In cases where the Company delegates resolution of a complaint to a third party (e.g. its contractor), the accountability for closing the complaint remains with the Company.
- All complaints should be recorded and tracked fortnightly.
- Quarterly reviews will be conducted by the Stakeholder Relations Department to monitor if all stages of the procedure have been followed, e.g. stakeholder awareness of the procedure, logging of complaints, acknowledgement of receipts, adherence to agreed timelines, evidence of complaint closure and level of stakeholder satisfaction

## 8. MONITORING AND EVALUATION: COMPLAINTS AND GRIEVANCE PROCEDURE<sup>16</sup>

Nature of Complaint and Grievance	Monitoring Parameters
<p><b>Minimal Impact</b></p>	<ul style="list-style-type: none"> <li>• The person(s) in charge of administering the complaints and grievance procedure should analyse information and report to management regularly on all or some of the following types of grievances received:</li> </ul>

<sup>16</sup> IFC.2009. Good Practice Note: Addressing Community Grievances from Project-Affected Communities. Available online at: <https://www.ifc.org/wps/wcm/connect/f9019c05-0651-4ff5-9496-c46b66dbee4b/IFC%2BGrievance%2BMechanisms.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-f9019c05-0651-4ff5-9496-c46b66dbee4b-jkD0-.g>

	<ul style="list-style-type: none"> <li>➤ Types of complaints and grievances received;</li> <li>➤ Causes of or reasons for grievances;</li> <li>➤ Number of complaints and grievances received;</li> <li>➤ Profile of complainants;</li> <li>➤ Number of complaints closed, pending, escalated to management;</li> <li>➤ Specific actions taken by the Company;</li> <li>➤ Complaints and grievances referred to external remedies and mechanisms (Independent bodies i.e. Benchmarks Foundation or the South Africa Human Rights Commission).</li> <li>• Consideration preparing and reviewing a summary of grievances received, closed, pending or escalated for routine project review meetings.</li> <li>• Quarterly report provided to Segment MANCOs and functional heads</li> </ul>
<p><b>Medium Impact</b></p>	<ul style="list-style-type: none"> <li>• Complaints and Grievance Procedure should be put under periodic review;</li> <li>• This review (annual) should include the criteria for ensuring an effective and meaningful Complaints and</li> </ul>

	<p>Grievance Procedure in with the UN Business and Human Rights Guiding Principles criteria.</p> <ul style="list-style-type: none"> <li>• The review will help determine whether any recurring grievances point to the need for changes in complaints and grievances procedure;</li> <li>• Keep track of the number of complaints and grievances that have been escalated to the local courts for litigation;</li> <li>• Management should request and review regularly summary of complaints and grievance reports prepared by the responsible staff and conduct random follow-up interviews with complainants;</li> <li>• Monitor the number of complaints and grievances received through various methods to determine which processes work best;</li> <li>• Track the number of complaints and grievances received from various subgroups (Business Forums or Community Engagement Forums) to determine the best ways to reach out to them.</li> <li>• Quarterly report provided to Segment MANCOs and functional heads</li> </ul>
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<p><b>High/Significant Impact on the Company</b></p>	<ul style="list-style-type: none"> <li>• Complaints and Grievance Procedures should include monitoring points at different levels of project management;</li> <li>• Periodically review the complaints and grievance handling process to ensure that system meets requirements established by the Company as well as the expectations of all stakeholders;</li> <li>• Track all matters significantly affecting the Company policy (stakeholder relations policy and Engagement policy) or requiring legal review;</li> <li>• Monitoring the implementation of the Complaints and Grievance Procedure by an external group such as NGO( Benchmarks Foundation) who are experts on Complaints and Grievance evaluation;</li> <li>• Inclusion of statistics on complaints and grievances handling and redress in action plans and annual reporting;</li> <li>• Conducting a cost-benefit analysis that will quantify resources spent on administering a Complaints and Grievance Procedure as contrasted with avoided costs that otherwise would have been incurred to operational disruptions or litigation.</li> <li>• Quarterly report provided to Segment MANCOs and functional heads.</li> </ul>
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	<ul style="list-style-type: none"> <li>Escalation to relevant leads in Group EXCO and where appropriate to the Board.</li> </ul>
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## 9. Step-By-Step to the Complaints and Grievance Procedure



# 10 ANNEXURE 1: COMPLAINTS AND GRIEVANCE PROCEDURE FLOW CHART

## COMPLAINTS AND GRIEVANCE PROCEDURE FLOW-CHART

