

Application of RMI Methodology

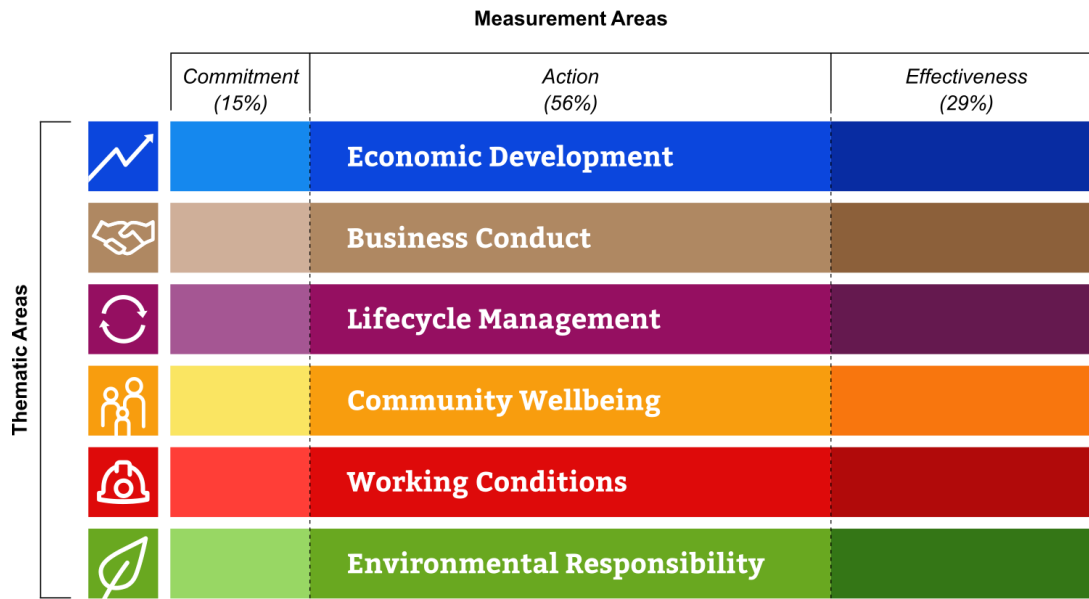
The complete RMI assessment methodology is set out in a separate document (Methodology 2017 for the 2018 Responsible Mining Index) available in [Methodology 2017](#). The information below provides further details on how the methodology was applied and, in some cases, adapted in order to better reflect the wide range of company behaviour and address issues of uneven information availability. A list of the main limitations of the RMI methodology is included at the end of this section.

Adaptation of assessment methodology

The following adaptations were made to the RMI methodology:

- *Use of arithmetic mean.* It was decided to use the arithmetic mean at all stages of aggregation, rather than the geometric mean, in order to align with RMI's emphasis on encouraging continuous improvement (using the geometric mean would mean that low scores have a stronger influence on aggregated results than if the arithmetic mean is used).
- *Overall scores.* It was decided not to show the overall company scores, but only the scores at the thematic area and measurement area levels. An overall score would hide the wide variation seen within individual company performances across the different thematic areas.
- *Overall ranking.* It was decided not to produce an overall ranking of companies but rather to show the rankings for each thematic area and measurement area. This decision was taken primarily to operationalise RMI's goal of encouraging continuous improvement across the whole range of performances. And as with the overall scores, the wide range of performances seen for most companies between the different thematic areas would be hidden by an overall ranking.
- *Measurement area weightings.* It was decided to remove the pre-set weightings of the measurement areas, as the relative weights of the measurement areas have already been built into the RMI assessment, through the inclusion of different proportions of Commitment, Action and Effectiveness indicators (15%, 56% and 29%, respectively). The chart below presents the RMI analytical framework and illustrates the inherent weightings of the measurement areas.
- *Thematic area weightings.* It was decided to remove the pre-set thematic area weightings, as these were unnecessary, given that thematic area scores are no longer aggregated to an overall company score.
- *Leading practices.* It was decided not to award companies additional points for any leading practices they demonstrate, due to the high variability in the information available on different companies. Leading practices are still highlighted in the RMI report, to encourage learning.
- *Controversial incidents.* It was decided not to reduce company scores on the basis of any controversial incidents, again due to the high variability in the information available on different companies, as well as the influence of other factors, such as the number of mine sites and the types of mines operated.

RMI analytical framework



[Details on assessment methodology](#)

Ranking system

The RMI rankings, at the thematic area level, compare each company's performance relative to: (1) the maximum achievable score (of 6); and (2) current best practice based on the collective performance of all companies assessed. This current best practice value represents the aggregate best score achieved for all indicators in a given thematic area, taking into account all company results.

Data collection and assessment process

The overall process for producing RMI 2018 is shown in the summary report of RMI 2018. The following list provides a more detailed break-down of the steps involved in the data collection and assessment process.

- RMI initial assessment based on public-domain data on the 30 companies and 127 mine sites
- Companies invited to review RMI-collected data and provide additional information
- RMI reviews public-domain and company-reported data
- Companies invited to propose any additional leading practices
- RMI finalises assessment
- RMI identifies leading practices
- RMI collects contextual data on the companies and mine sites
- Companies invited to check factual accuracy of contextual data
- External Panel reviews RMI assessment and scoring
- RMI finalises the assessment
- Companies invited to verify all source documents used in the assessment
- RMI publishes the Index report

Mine-site results are not included in companies' overall scores; rather they are shown separately alongside the company results.

Evidence-based assessment

The RMI assessment is evidence-based. Evidence was primarily sourced from existing public domain sources, including, but not exclusively: company annual reports, sustainability reports and other information and data disclosed on company websites, as well as government and regulator websites. Companies were also invited to provide their own responses to metrics. A company's response to a given sub-question needed to be backed up by evidence (e.g. in the form of a company's management standard, guidance document, monitoring data, or assessment report). Without providing this evidence in the form of a source document, the company was not able to achieve any score for the sub-question.

RMI did not enter into any confidentiality agreements with companies. Companies were required to confirm they had read the following reminder, each time they entered the RMI Platform during the company reporting period: "For transparency purposes all information provided on the RMI Platform is considered open data, and may be made public by RMI at the time of the RMI report or at a later date. This includes responses to questions entered on the RMI Platform, supporting documents uploaded, links provided to digital information, and any additional information or comments provided."

Exceptions

As described in the 2017 Methodology report, a company providing appropriate evidence that a particular indicator does not apply to their business was not assessed on that metric. Indicators for which exceptions were applied for one or more companies include the following:

- D.06.1 Where applicable, the company has systems in place to ensure its operations identify, through inclusive participation, the rights, interests, needs and perspectives of all Indigenous Peoples groups potentially affected by current and planned mines and associated facilities, and to design and implement strategies and plans to respect identified rights, interests, needs and perspectives.
- D.06.2 Where applicable, the company tracks its performance on respecting the rights, interests, aspirations, culture and natural resource-based livelihoods of all Indigenous Peoples groups potentially affected by current and planned mines and associated facilities, demonstrating continuous improvement in avoiding adverse impacts and ensuring sustainable benefits and opportunities for these groups.
- D.09.1 Where applicable, the company has systems in place to ensure its operations facilitate ongoing and proactive engagement with artisanal and small-scale mining (ASM) communities and activities in and around their operations.
- D.09.2 Where applicable, the company has systems in place to ensure its operations support technical assistance programmes and/or alternative livelihood programmes for ASM miners.
- D.10.2 The company has systems in place to ensure its operations carry out regular due diligence to identify and assess risks for workers and communities associated with their presence in any conflict-affected and high-risk areas, and to design and implement strategies to address identified risks.

These indicators had already been identified by RMI, during the methodology development process, as the few potential sources of exceptions.

Main limitations

The following are the main limitations inherent in the RMI 2018 methodology. These limitations constitute the boundaries set during the methodology development process.

Availability of information

As an evidence-based assessment that uses data already in the public domain or made available by companies for release in the public domain, RMI 2018 produces results that strongly reflect the different levels of disclosure by the 30 companies. The scores achieved by each company are partly a function of: (i) the extent to which the company publicly reports on its policies and practices; and (ii) the extent to which RMI was able to source this information. For this reason, the results of the lowest-scoring companies do not necessarily reflect a lack of relevant policies and practices; rather they may be due to a lack of public reporting by the companies and/or problems in accessing the information (e.g. due to language limitations).

Verification of information

Mine-site level information, whether it relates to the company-wide or mine-site indicators, has not been verified by site visits. RMI makes available all source documents used in the assessment, and specifies which sources were used for specific mine-site indicators. By including this information in the RMI report, it is hoped to make site-disaggregated data more readily accessible, encourage more open data reporting, and enable other stakeholders to verify the data on the ground.

Outcomes

While RMI does look for evidence of companies demonstrating continuous improvement (via the effectiveness indicators), the Index does not seek to measure the actual outcomes achieved on EESG issues. For this reason, RMI results do not reflect the negative impacts of mining on societies and environments. Assessing company performance in this way would be highly problematic, as outcomes are not directly comparable between companies; they will depend, for example, on the number and type of a company's mine sites, and the stage of production of these operations. There is also a high level of variability in the availability of information on negative impacts caused by, or contribute to by, the different companies.

Implementation of company-wide systems

Most of the Action indicators examine the extent to which companies have put in place company-wide systems to ensure their operations undertake certain activities, and some of these indicators also look at the extent to which companies are tracking the implementation of these activities. In general however, RMI 2018 does not provide an indication of where company systems are not being applied at particular sites (e.g. where a mining operation is not complying with the management standards of the company). Nonetheless, RMI does consider the consistency of company action on certain issues, by scoring companies down if the evidence provided relates to only certain sites or certain countries, and by asking for site-disaggregated data on particular topics (e.g. disclosure of payments to governments, or disclosure of contracts).

Small differences in scoring

The RMI assessment criteria, while very clearly defined, are largely qualitative. For this reason, very small differences in company scores should not be viewed as significant, given the inevitable (though minimal) subjectivity involved in any such assessment, notwithstanding the precision used in developing assessment criteria.