

RMI MEMBERS COMMITMENT BOOK



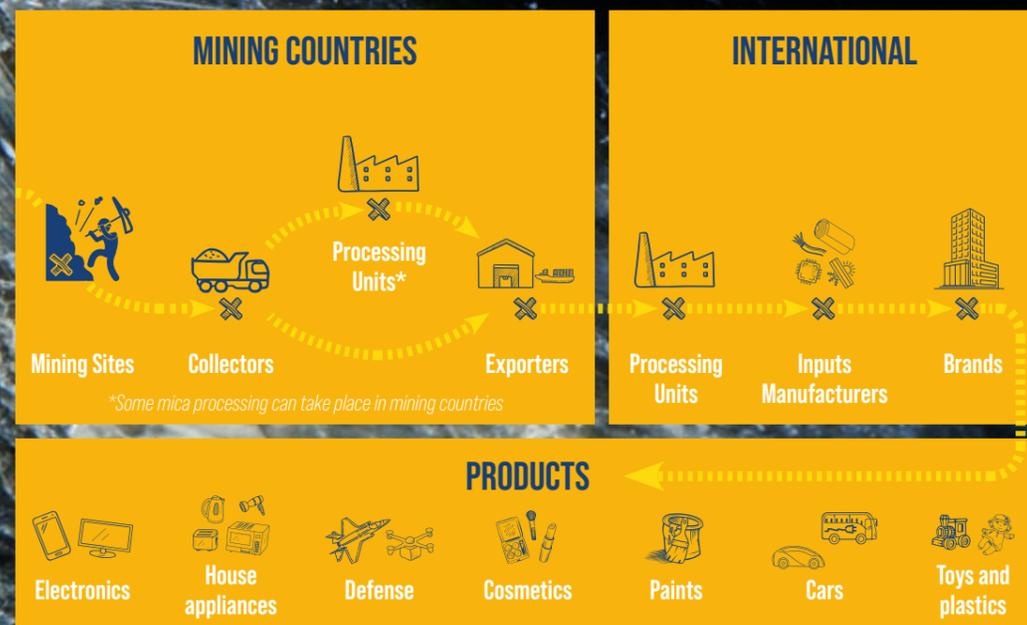
"A coalition for action toward a fair, responsible and sustainable mica supply chain"

- 4 What Is Mica?
- 5 The Mica Industry Landscape and Its Challenges
- 6 Why You Should Join the RMI
- 8 Your Commitments and Ongoing Journey as a RMI Member
- 10 Milestones
- 11 Results
- 12 The Responsible Mica Initiative: A Coalition for Action and Impact
- 13 A Localized Action for a Global Impact
- 14 RMI Budget
- 15 Membership Fees
- 16 India 2030 Strategy
- 18 Madagascar 2030 Strategy
- 20 Join Us Making a Difference!

This versatile mineral, renowned for its sparkle as well as its **high electrical insulation properties and heat resistance**, is used in a wide range of industrial sectors that benefit from its diverse properties. Its **brilliance**, enhanced when calcined, is valued in cosmetics as well as in paints and coatings. As well, its exceptional natural insulating properties and heat resistance make it **indispensable for certain industries and in many electrical appliances**. It is used in blast furnaces, oil extraction and household appliances, but it is also the most widely used insulator in electric vehicle batteries.

The growing utility of mica demands that the industries relying on mica understand and address the many significant challenges faced by parties in the upstream supply chain. **Unsafe working conditions and the use of child labor** in mining, sorting and processing mica are further enabled by the informality and lack of traceability within the mica supply chain. The structural and systemic nature of these problems requires **a holistic approach with the collaboration of all stakeholders** as many countries in Europe and elsewhere are establishing stronger regulatory frameworks and transparency along the mica supply chain to protect the rights of workers and hold all parties accountable for their roles in creating safe and secure ecosystem for mica.

THE MICA SUPPLY CHAIN



The mica supply chain is complex, with multiple stages and actors involved in the extraction, processing and distribution of the mineral. Materials from different sources may be combined along the supply chain, making it **difficult to trace the origin** and conditions under which the mica was extracted and processed. Each participant in this chain may know only its immediate supplier - often not its supplier's supplier - and is thus unaware of the origin of the raw material present in the products it uses. The lack of visibility, combined with an **insufficient regulatory framework in some extracting regions**, a lack of market formalization and governance, and inadequate infrastructure combine to create a precarious situation for local communities that provide the mica workforce and undermine opportunities for true economic development.

The **majority of mica volumes comes from India, Madagascar, China, Brazil and Nigeria**, while the expected increase in demand is driving some players to seek resources in new mineral sources, mainly in Africa. In India, a large proportion of mica is collected by small-scale artisanal miners in the eastern states of Jharkhand and Bihar, where more than **20,000 children** endure extremely difficult conditions in order to contribute to their families' income. Similarly, in the southern regions of Madagascar, **one in two mica miners** is a child working with his or her family in informal mines. Due to a lack of control and traceability, mica of unknown origin - potentially collected by children or in unacceptable working conditions - can infiltrate mica supply chains.

Recognizing the urgency and these challenges, **the Responsible Mica Initiative (RMI) emerged in 2017** as a collaborative force uniting stakeholders across the mica supply chain. RMI's mission is to build fair, responsible and mica supply chains, eradicate child labor and improve working conditions throughout the mica value chain. To achieve its mission, RMI brought together members of industries that depend on mica as well as non-governmental civil society organizations which together also engaged with governments at national, state and local levels.

RMI's inclusive platform promotes innovative problem-solving and joint efforts toward responsible sourcing practices. It offers a forum in which all voices in the mica supply chain can be heard, from miners to global brands, facilitating the discovery of innovative approaches and solutions.



By becoming an active member of the RMI, you will:

COLLABORATE WITH OTHER STAKEHOLDERS

As a member, you will collaborate with other stakeholders in the mica supply chain and related NGOs to **develop concrete solutions** and best practices for addressing the challenges presented by the mica supply chain.

INFLUENCE RMI STRATEGIES

Participate in **Action Groups** to enhance traceability and workplace standards, community empowerment programs, advocacy efforts, and the living wage initiative. Secure your place at the decision-making table by joining the **annual General Assemblies**, where you can contribute to RMI's **strategy** and network with other stakeholders in the mica supply chain.

LEVERAGE COLLECTIVE STRENGTH

Join forces with fellow members to amplify your **voice** and **impact**. Together we can expedite the implementation of RMI's comprehensive programs and push for **structural changes** of the **legal framework**.

Note: It is important to note that RMI is not a certification scheme. Membership in RMI does not grant member the right to assert the responsible nature of your supply chain or to imply that it is free from child labor.



RESPOND TO HUMAN RIGHTS DUE DILIGENCE REQUIREMENTS

Align your practices with increasing regulatory demands for **Human Rights Due Diligence**. Membership in RMI demonstrates your commitment to **ethical sourcing** and helps mitigate risks related to your mica supply chain.

UTILIZE THE TRACEABILITY PLATFORM

Gain access to RMI's **traceability platform**, which enables you to **map your mica supply chain** and **trace** your mica back to its **source** acquiring insights that can be shared with interested third parties.

ACCESS VALUABLE RESOURCES

Receive **updates**, **contextual analyses**, **studies**, and **training materials** that provide insights into responsible mica sourcing, equipping your organization to make informed decisions.

JOIN A COMMUNITY OF CHANGE

Become part of a vibrant **network** dedicated to transforming the mica supply chain. Attend **events**, **webinars**, and **general assemblies** to connect with fellow members and share insights.

OVERVIEW OF FIRST YEAR EXPECTATIONS**DESIGNATE AN RMI COORDINATOR**

As a member, you will collaborate with other stakeholders in the mica supply chain and related NGOs to develop concrete solutions and best practices for addressing the challenges presented by the mica supply chain.

SCHEDULE A CALL WITH A RMI TEAM MEMBER

Connect with an RMI representative to discuss expectations for the year and identify any needed support.

INTEGRATE RMI STANDARDS AND MAP YOUR SUPPLY CHAIN

Start to incorporate RMI commitments into your management system and ensure supplier transparency through necessary audits.

Begin mapping your supply chain by collecting and reporting all mica purchases and sales. Work internally to identify where to gather information about mica volumes and origins, while also reaching out to suppliers to obtain this data.

ONBOARD SUPPLIERS

Engage both RMI members and non-members to participate in data collection campaign sharing. Inform them about your membership in RMI, explain its significance, and share expectations for the data you will need, encouraging them to actively contribute to the data collection campaign.

PARTICIPATE IN ACTION GROUPS AND ATTEND EVENTS

Attend general assemblies, events, and webinars to connect with the RMI community and explore collaboration opportunities.

Choose one or more RMI Action Groups and/or Taskforces to collaborate on initiatives and share best practices.

EVERY YEAR**DATA COLLECTION CAMPAIGN**

Declare all mica purchases and sales to RMI members through the secure, blockchain-based traceability platform. Share your mica sourcing information annually with the RMI Secretariat.

REPORT ON PROGRESS

Submit your progress toward RMI's collective goals and individual commitments. Assess your impact, plan next steps, and share results with the RMI executive team.

MEMBERSHIP FEE PAYMENT

Pay your annual membership fee to support impactful changes in your supply chain, with contributions especially funding Community Empowerment Programs like health initiatives, school enrollment campaigns, and alternative livelihoods for mica mining communities.

NON-MANDATORY, BUT ENCOURAGED, COMMITMENTS**COMMUNICATIONS ALIGNMENT**

Communicate on the progress achieved and remaining challenges.

PARTICIPATION IN GOVERNANCE

Participate in Action Groups, Taskforces, and Consultation Sessions.

SUPPORT SUPPLY CHAIN MEMBERS

Engage the members of your mica supply chain for better practices.

ADVOCACY CONTRIBUTIONS

Contribute to RMI advocacy activities and campaigns.

GRIEVANCE MECHANISMS

Promote mechanisms accessible to all workers and third parties to allow the identification of child labor, unacceptable working conditions, unfair trading practices.

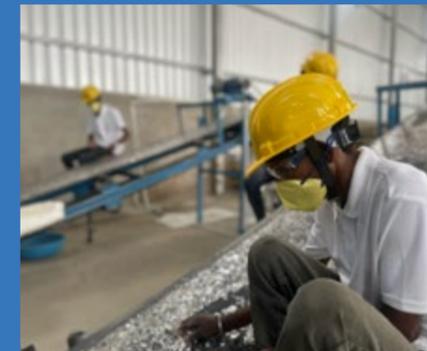
- 2017**
 - Creation of RMI and launch of its first **Workplace Standards for mica processors**.
- 2018**
 - Launch of the **Community Empowerment Program** in India.
 - Recognition of RMI by the United Nations as the **most innovative and inspiring approach** to translating the UN Guiding Principles on Business and Human Rights (UNGPR) from paper to practice.
- 2021**
 - Creation of the **Global Workplace ESG and Due Diligence Standard for mica processors** in partnership with the Responsible Minerals Initiative.
- 2022**
 - Launch of a **blockchain-based traceability platform** for mica supply chains.
 - Determination of **living income** and **wage levels in India** for miners and processing unit workers.
 - Adoption of a **local mica collection policy** in the Indian state of Jharkhand, a crucial step toward the formalization of mica pickers.
 - Start of operations in **Madagascar**.
- 2023**
 - **Launch of the baseline** in Madagascar for the implementation of the Community Empowerment Program.
 - Start of the **pilot program** in Madagascar.
- 2024**
 - Determination of **living income** and **wage levels in Madagascar** for miners and processing unit workers.
 - Launch of the **MICA CRAFT Code**, a standard dedicated to artisanal small scale mica miners.



180 villages, 16,500 households and more than **90,000 persons supported** through the implementation of the Community Empowerment Program in India.



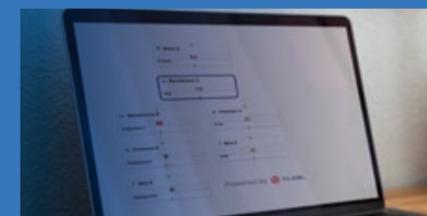
From **20** to more than **100 mica industry players** and **NGOs** united to drive change in the supply chain.



More than **43 processing units** supported with better workplace practices, including more than **200 visits** to explain the **RMI Global Workplace ESG and Due Diligence Standard for mica processors**, the concept and benefits of a **living wage**, RMI's data collection campaign and **RMI's mica traceability platform**.



15 audits of processing units conducted and **65 in-person and virtual workshops** organized to improve the practices in processing units.



Creation of a fit-for-purpose **blockchain mica traceability** platform launched in 2023 that provides RMI members with access to a unique material tracking and transparency resource.

RMI APPROACH: THE THREE PILLARS OF CHANGE:**IMPLEMENT RESPONSIBLE WORKPLACE STANDARDS:**

1

RMI has pioneered the development of workplace standards for mica processing units. Today, the initiative is developing standards for mica mines to create fairer and safer work environments on mine sites. RMI supports the dissemination of these standards by developing tools and training to facilitate the adoption of better practices in mining countries. In addition, RMI has developed a traceability platform to help its members identify their upstream supply chain partners, support their transformation and measure their progress to improve labor and other workplace standards.

EMPOWER COMMUNITIES:

2

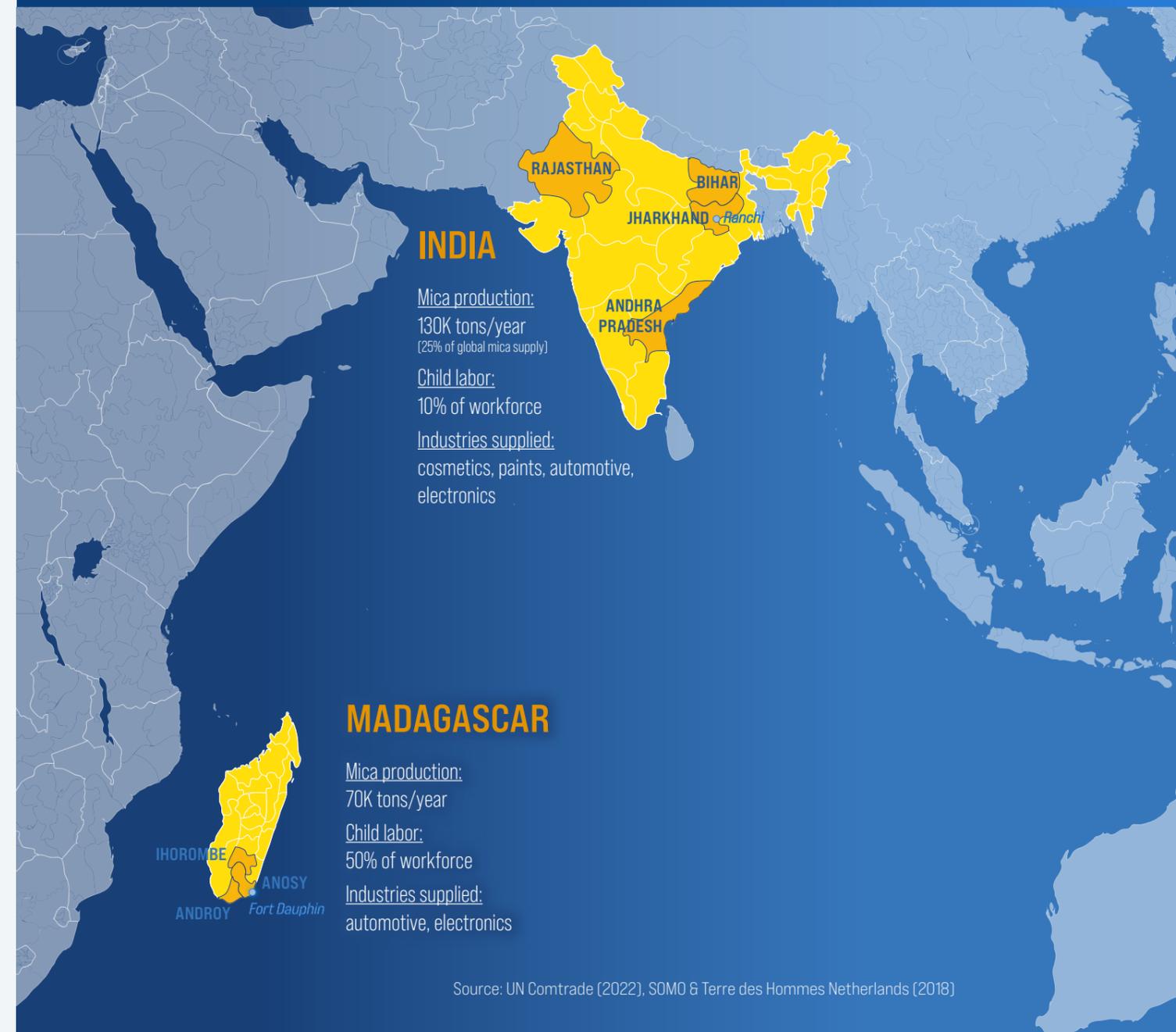
To break the cycle of child labor, RMI implements community empowerment programs that elevate living conditions and facilitate access to quality education, health and nutrition services, redirecting children from mica collection towards classrooms. RMI efforts to secure better wages and incomes for workers at miners and mica processors mean that families have less need to use their children to supplement meagre wages.

PROMOTE A SUSTAINABLE LEGAL FRAMEWORK:

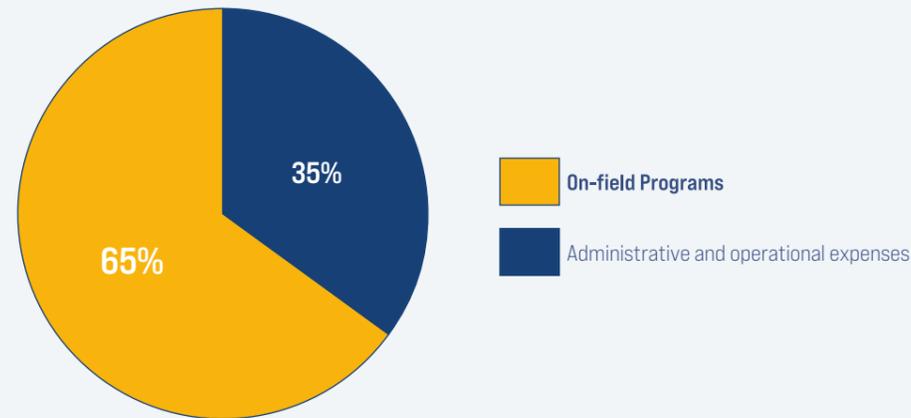
3

Real change requires systemic evolution. RMI advocates comprehensive legal frameworks and effective governance that would regulate the mica sector, fostering a culture of compliance, transparency and accountability both locally and internationally.

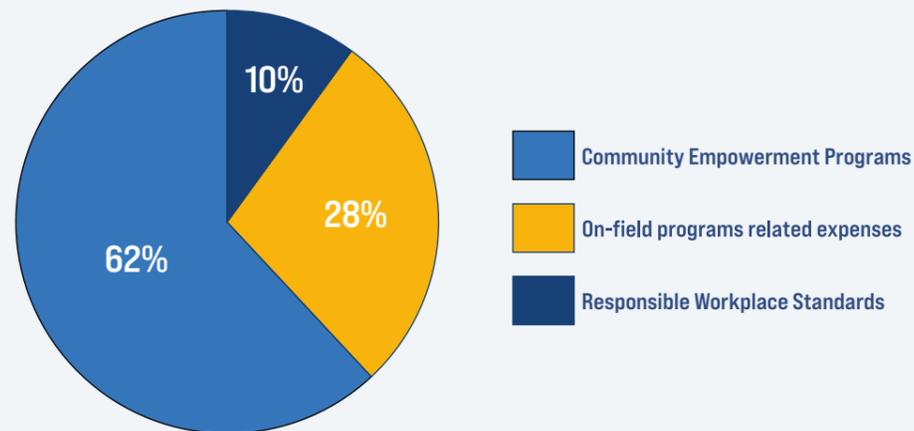
RMI concentrates its efforts on pivotal mica production areas, such as the Indian states of Jhar-khand, Bihar, Rajasthan and Andhra Pradesh, as well as in southern Madagascar. Starting in Jhar-khand and Bihar in 2017, RMI's three-pillar approach has been gradually implemented, adapting the strategies to local challenges and realities. Building on the lessons learned and the success of its Indian programs, in 2022 RMI began work in the South of Madagascar where it is currently launching its first programs. In 2023, RMI formally extended its strategies in both India and Madagascar to 2030.



As of Q3 2024, **65% of expenses are related to on-field programs:**



Among **On-field programs expenses**, CEP activities are predominant.



CEP activities are predominant in India, accounting for 85% of expenditure in India, while expenditure on field introduction and training is predominant in Madagascar, accounting for 81%.

Your contribution will be determined based on your organization profile and annual turnover. The annual fee for our active members is directly invested in the support of RMI's mission and program pillars.

	Turnover	Membership fee (k€/year/member) <small>Starting 2025</small>
Processors, traders and mines		0.5
NGOs		5.5
Companies	0-3M€	4
	3- M€	8
	50 -500M€	11
	500M€ - 1Bn€	22
	1-3 Bn€	33
	3-10 Bn€	50
	More than 10Bn€	60

OTHER FINANCIAL CONTRIBUTIONS

Addition donations are also possible to support our action beyond your initial membership fee. These donations can allow you to support additional communities and support specific axes of our work. Contact our team for more information.

Global Vision: A world in which mica supply chains are fair, responsible, sustainable and free of child labor.

Mission: Engage multiple stakeholders under a Coalition for Action to contribute to the establishment of a fair, responsible and sustainable mica supply chain in India that is free of child labor and provides responsible working conditions.

1st Pillar: Implement Responsible Workplace Standards

Target for 2030: 100% of members' volumes from India are compliant with responsible workplace standards.

- By 2022, RMI members ensure that 30% of their mica volumes from India are compliant with the Global Workplace Standard for Mica Processors; 50% by 2025; 100% by 2030.
- By 2025, RMI members ensure that 50% of their mica volumes from India are compliant with responsible workplace standards for Mica Collection; 100% by 2030.
- By 2030, RMI members ensure that 100% of the mica workers within their India supply chains are receiving a living income based fair price for mica.
- Continuously ensure 100% tools and solutions developed under RMI are suitable and available to the larger mica business community.

Relation to the eradication of child labor: Standards apply zero tolerance on the use of child labor and advocate for payment of fair local wages.

Relation to the establishment of responsible supply chains: Ensure responsible workplace practices along members' and all mica supply chains.

2nd Pillar: Empower Communities

Target for 2030: 100% of mica-dependent villages in India are covered by components of community empowerment programs, thanks to a coordinated approach.

- By 2030, 100% of mica-dependent villages are covered by components of Community Empowerment Programs thanks to a coordinated approach, including

120 villages supported directly by RMI programs by 2022 and 300 villages by 2030.

In RMI program villages,

- 100% of children are regularly in school and have access to a quality education; and
- 100% of mica-dependent households' livelihood is increased, contributing to a better life.

Relation to the eradication of child labor: Poverty and lack of quality education are two root causes of child labor which CEPs are designed to address.

Relation to the establishment of responsible supply chains: Empower mica-dependent households and reduce child labor occurrences along members' supply chains as well as in the whole mica belt.

3rd Pillar: Promote a Sustainable Legal Framework

Target for 2030: Aim for 100% of mica workers to be benefiting from a clear and enforced legal framework in India.

- By 2022, 50% of mica volumes exported from India is used by organizations that are RMI members and committed to address mica-related issues in their supply chains; 80% by 2025; 100% by 2030.
- Continuously advocate and aim by 2025 to have 100% of mica workers benefiting from a clear and enforced legal framework in Jharkhand; by 2030 in Bihar.
- Continuously advocate for supranational bodies and national governments in mica importing countries to adopt legal frameworks favoring responsible mica sourcing practices.

Relation to the eradication of child labor: Formalization and legal recognition of mica mining activities will make child protection laws enforceable.

Relation to the establishment of responsible supply chains: Collectively accelerate transformation of practices at territory level, benefiting members' supply chains. Increase legitimate and legal sources of mica.

Note: Members joining the RMI benefit from transitional measures for the progressive application of the objectives linked to the India 2030 strategy. These objectives may also be reviewed at any time by the members.

Global Vision: A world in which mica supply chains are fair, responsible, sustainable and free of child labor.

Mission: Engage multiple stakeholders under a Coalition for Action to contribute to the establishment of a fair, responsible and sustainable mica supply chain in Madagascar that is free of child labor and provides responsible working conditions.

1st Pillar: Implement Responsible Workplace Standards

Target for 2030: 100% of members volumes from Madagascar comply with responsible workplace standards.

- By 2025, RMI members ensure that 30% of their mica volumes from Madagascar comply with the global workplace standards for mica exporters; 50% by 2027, 100% by 2030.
- By 2025, RMI members ensure that 30% of their mica volumes from Madagascar comply with responsible workplace standards at mine sites; 100% by 2030.
- By 2030, RMI members ensure that 100% of mica workers in their supply chain in Madagascar receive an income for a decent living based on a fair price for mica.

Relation to the eradication of child labor: The standards include zero tolerance for the use of child labor and advocate for the payment of fair local wages.

Relation to the establishment of responsible supply chains: The implementation of the standards ensures responsible workplace practices throughout the members' mica supply chain and the entire chain.

2nd Pillar: Empower Communities

Target for 2030: By 2030, 100% of mining communities have a decent life and can meet their basic needs, without recourse to child labor, and through a coordinated approach.

The 2030 target may be reviewed in light of the ability of organizations in southern Madagascar to cover 100% of mica-dependent communities.

- By 2024, RMI has developed a capacity building program model and has defined a collaborative approach with organizations active in the region to cover 100% of the mining sites. The program model empowers communities, acts against child

labor, and empowers women in mining communities.

- Following the design phase of the capacity building program, RMI developed a strategy to cover 100% of mica-dependent communities with a capacity building program through coordinated implementation with other stakeholders.

Relation to the eradication of child labor: Awareness and capacity building of adults, poverty alleviation, education and awareness of their rights contribute to the eradication of child labor.

Relation to the establishment of responsible supply chains: Building the capacity of mining communities and reducing child labor along members' supply chains and throughout the mica supply chain contributes to responsible supply chains.

3rd Pillar: Promote a Sustainable Legal Framework

Target for 2030: By 2030, 100% of the volumes used by RMI members come from a formalized supply chain that respects the legal framework of Madagascar.

- RMI contributes to the formalization and good governance of the supply chain by building on the existing legal framework and facilitating a dialogue between stakeholders.
- RMI contributes to a better understanding, knowledge and application of the legal framework related to mica mining.
- By 2025, 50% of mica volumes exported from Madagascar are used by RMI member organizations that have committed to addressing mica issues in their supply chain; 80% by 2026; 100% by 2030.
- Supranational bodies and national governments of mica-importing countries adopt legal frameworks that promote responsible mica procurement practices.

Relation to the eradication of child labor: Enforcement of the legal framework and good governance throughout the supply chain contribute to the eradication of child labor.

Relation to the establishment of responsible supply chains: By focusing on the supply chains of RMI members, the collective implementation of responsible practices across the country can be accelerated.

Note: Members joining the RMI benefit from transitional measures for the progressive application of the objectives linked to the India 2030 strategy. These objectives may also be reviewed at any time by the members.

Ready to contribute to a fair, responsible and sustainable mica supply chain? By becoming a member of the Responsible Mica Initiative (RMI), you'll join a community committed to eradicating child labor and improving working conditions.

Take the next step today! Contact us to learn how your organization can benefit from membership and start your journey with the RMI.

Visit www.responsible-mica-initiative.com

Email: contact@responsible-mica-initiative.com

Follow us on LinkedIn: www.linkedin.com/company/responsible-mica-initiative/