

# amfori Supply Chain Grievance Mechanism – Rules of Procedure

## Note to reader

The current Rules of Procedure will be valid for the duration of the Supply Chain Grievance Mechanism (SCGM) pilot in Vietnam and will be revised after an initial roll-out period of six months implementing the received feedback of stakeholders (public consultation process foreseen in September-October 2021) and learnings from the SCGM Pilot.

## 1. Introduction

amfori is a global business association advocating for open and sustainable trade, bringing together over 2,400 retailers, importers, brands and associations from more than 40 countries. Our [membership](#) contains organizations of all sizes and all sectors with a combined turnover of more than one trillion euros.

Our mission is to enable each of our members to enhance human prosperity, use natural resources responsibly and drive open trade globally. These are major challenges and we need to work collaboratively to tackle them. Together we can influence and drive positive change at scale.

We offer a [practical framework](#) to enable our members to respect the [UN Guiding Principles on Business and Human Rights](#) and conduct due diligence. Our world-class tools such as amfori [BSCI](#) and amfori [BEPI](#), allow our members to manage the social and environmental performance of their supply chains and anticipate future trends. We [advocate](#) for progressive policy and collaborate with national, European and international partners to achieve social, environmental and economic progress.

To ensure the effective character of the Supply Chain Grievance Mechanism (SCGM), the creation process was inspired by the guidance provided by the [UNGP 'effectiveness criteria' \(UNGP 31\)](#), the [OECD Due Diligence Guidance for Responsible Business Conduct](#) and the OHCHR [ARP III Main Report](#) and [Addendum](#).

## 2. General Principles

### *Independent*

Non-state-based grievance mechanisms differ greatly in terms of their proximity to the business activities they address. The extent to which a mechanism must be independent from relevant business activities in order to be legitimate will depend on the mechanism's mandate and

objectives. The SCGM establishes an equilibrium between our members' involvement and the need for independence that inspires stakeholder trust during different stages of the complaint handling process. Different features are built into the complaint handling process to safeguard the independent character of the SCGM.

### **Confidentiality**

The SCGM owes a duty of confidentiality to the complainant and any other party that contributes to the investigation of the complaint (i.e. witnesses, etc.). Nonetheless, in an attempt to facilitate successful remedial outcomes, the SCGM needs to strike an appropriate balance between the need for certain personal information and for confidentiality. For evident reasons, there are certain stages during the complaint handling process, especially the investigation phase, where the disclosure of the complainant(s) identity can be necessary, but will be limited to specific actors such as the case investigation handler. Any disclosure of sensitive or personal information, shall only take place with the consent of the complainant or any other party that contributes to the investigation of the complaint.

### **Protection from retaliation**

The SCGM has been designed in such a manner to prevent retaliation as much as possible and to protect complainants from its harmful effects. A SCGM *Retaliation Guidance* is adopted, outlining the SCGM approach towards retaliation and detailing what steps should be taken at what point during the complaint process to prevent or mitigate retaliation. This includes, but is not limited to: anonymity, retaliation risk assessment during the grievance process, outlining a clear follow-up plan during remediation of a complaint, and clear communication to all participants on what the consequences to retaliation can be. The *Retaliation Guidance* is meant for all case parties, including the complainant, and amfori will ensure that all have access to it.

### **Transparent**

The SCGM will be transparent and will share information with the following target groups:

- a) Non-involved members, external stakeholders and the public

The SCGM will annually publish a report on the SCGM's overall performance including aggregated information regarding the following:

- Nature of complaints,
- Nature of received complaints,
- Percentage of cases successfully resolved and cases rejected,
- Types of remedial outcomes
- Recurring challenges and learned lessons.

Besides the annual report, the SCGM online portal will continuously provide updates regarding ongoing cases and share disaggregated information regarding

- Nature of a complaint(s)

- Status of the complaint(s)
- High level summary report on the process
- Outcome of the complaint(s).

#### b) Complaint involved parties

The SCGM installs procedures and practices that strive to guarantee the ongoing and proactive involvement between the SCGM and the involved case parties, providing a status on the complaint handling process at regular moments.

Where possible, the SCGM considers the needs of the impacted individual or community when determining the communication channels.

### *Complementarity*

The SCGM recognizes the need for flexibility and for impacted stakeholders to be able to decide which route to remedy they prefer as part of a crucial 'empowering process'. Therefore, the SCGM wants to contribute to the current grievance mechanism landscape and complement existing grievance mechanisms. Understanding the importance of providing access to remedy at the local level, amfori is committed to strengthening operational-level grievance mechanisms (OGMs)<sup>1</sup>, enhance the roles and relations of trade unions and other relevant local stakeholders in addressing labour- and community-related disputes, escalate to other judicial or non-judicial grievance mechanisms when required and support the use of constructive social dialogue.

### *Collaborative*

The working methods of the SCGM is based on the principle of collaboration between the member brand and the business partner, one of the core values of amfori BSCI. amfori members are committed to the [BSCI Code of Conduct](#) as well as [the Responsible Purchasing Practices \(RPP\) during COVID-19 Guidelines](#) and will adopt techniques of dialogue and engagement to address raised complaints jointly with their business partners and the complainant. The different members connected to the business partner where the complaint was raised, are obliged to use their joint leverage to facilitate remediation and to share the responsibility to provide effective remedy.

### *Remedy*

The SCGM establishes processes and provides guidance on what remedy can look like and how it can be achieved. This guidance will grow with experience. The SCGM is committed to facilitate and enable a remediation process resulting in full remedy for the impacted workers or communities meeting international standards, but the SCGM cannot guarantee that full remedy will always be achieved, given current mandate and resource limitations.

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<sup>1</sup> UNGP 29 defines operational grievance mechanisms as being "accessible directly to individuals and communities who may be adversely impacted by a business enterprise. They are typically administered by enterprises, alone or in collaboration with others, including relevant stakeholders. They may also be provided through recourse to a mutually acceptable external expert or body. They do not require that those bringing a complaint first access other means of recourse. They can engage the business enterprise directly in assessing the issues and seeking remediation of any harm."

## **Inclusiveness**

The needs of impacted stakeholders lie at the core of the SCGM design and functioning. In addition, specific attention is given to the perspective of those who are at heightened risk of vulnerability or marginalization such as, for example:

- Women
- Children
- Members of the LGBTTTQQAAP community
- Indigenous communities or
- Individuals with disabilities.

This approach includes making necessary adjustments to:

- (i) Eliminate certain barriers that they may face
- (ii) Operate in a manner that is sensitive to their needs and
- (iii) Track their patterns of use and identify additional needs originally not foreseen.

The engagement with impacted stakeholders is not a one-off event, but is an integral part of our continuous improvement process. This will result in adaptations to our SCGM design and functioning and the creation of additional guidance or strategies on relevant topics.

## **3. Governance**

amfori members have the primary responsibility to address and remediate incoming complaints (following guidance of/in consultation with the investigation and/or remediation handler) in compliance with applicable (local) laws (incl. the data protection rights of all parties involved), and in cooperation with their business partners and local stakeholders, where deemed necessary. During this process the SCGM will function as a facilitator and provide support on the:

- Channelling of complaints from various access points into a central repository which is linked to amfori members (SCGM case management system)
- Facilitation of the situation in which a submitted complaint is linked to a business partner which is used by multiple amfori members, by providing a joint remediation process and guidance regarding the investigation and remediation of the received complaints. This guidance will grow with experience.
- Facilitation of a submitted complaint linked to a business partner which is shared by members of other collaborative initiatives and grievance mechanisms, by setting up a Collaboration Protocol via which joint remediation could be made possible

The different case parties involved in the SCGM will have specific roles and responsibilities, as outlined in the [SCGM Participation Standards](#). These responsibilities are interconnected and complementary to each other and will enhance the effective character of the SCGM.

## 4. Admissibility Criteria

4.1 The SCGM can receive complaints related to one or more amfori members, for an alleged violation, during their membership of the following “**SCGM Standards**”:

- The amfori BSCI Code of Conduct including the following principles: (i) the rights of freedom of association and collective bargaining; (ii) no discrimination; (iii) fair remuneration; (iv) decent working hours; (v) occupational health and safety; (vi) no child labor; (vii) special protection for young workers; (viii) no precarious employment; (ix) no bonded labor; (x) protection of the environment; (xi) ethical business behavior.
- The Responsible Purchasing Practices in times of COVID-19 amfori Guidelines

4.2 The following non-exhaustive list of issues will not fall under the scope of the SCGM:

- Complaints alleging a breach of the SCGM Standards outside the membership period of the Member and which are not of a continuous nature.
- Complaints that are not made in good faith, including complaints that: (i) are politically or commercially motivated; or (ii) include abusive or derogatory language.
- Complaints related to facts where a final decision in relation to the complainant has already been rendered by the SCGM (*non bis in idem rule*). If there is an ongoing case with another grievance mechanism of an amfori partner organization or with the local authorities, this will not impact the admissibility of the complaint, but it can influence the remediation procedure depending on what will be the best outcome for the complainant and this to avoid potential overlap.

4.3 The complainant is encouraged to attempt to solve the complaint first through the local operational-level grievance mechanism at business partner level provided that such an OGM is available, effective, trusted and sufficient (*local remedies rule*).

4.4. Complaints where serious matters of physical harm or criminal activities are raised and require urgent processing, should be referred to the relevant local authorities if possible. The SCGM developed an Escalation Chapter (see Chapter 8) establishing in which cases it might be warranted to escalate a complaint to the local judicial authorities with the permission of the complainant. The SCGM will assess on a case by case basis whether additional follow-up actions are required.

4.5 A complaint can be submitted by anyone who is harmed, including:

- Workers and their legitimate representatives;
- Trade unions and associations;
- Employers’ organizations;
- NGOs;
- Communities; and

- Other parties such as importers and business partners, in the case of a complaint related to the amfori **“Responsible Purchasing Practices in times of COVID-19 amfori Guidelines”**

## 5. Complaint Submission

5.1 A complaint can be submitted via the following access points:

- Telephone;
- Online form; and
- Chat application

5.2 A complaint is preferably submitted in English or the local language of the complainant. The SCGM has built in technology features to cater for submitting complaints in the most common local languages. This does not guarantee that we can receive complaints in all existing local dialects.

5.3 The complaint should include the following **“Required Information”**:

### a) Regarding the “Complainant”

- The manner in which the complainant can be contacted in the future by providing its preferred communication channel (email or phone number).

### b) Regarding the “Location”

- The name of the amfori members’ business partner (factory, facility, farm, etc.) where the alleged violation of the “SCGM standards” took place; and
- The name of the (nearest) city or village where the amfori members’ business member is located.

### c) Regarding the “Complaint”

- Identification of the complaint category and, if possible, a short description of the facts leading to the alleged violation of the SCGM Standards; and
- Short explanation of the good faith steps that were undertaken to seek remediation directly at the OGM prior to initiating the SCGM. If this was not possible, the complainant is invited to explain why such a prior engagement was impossible.

5.4 In case a complaint does not contain the required information, the complainant will be informed regarding which additional information needs to be submitted.

5.5 The following **“Additional Information”** might be requested when the complaint is accepted by the SCGM:

a) Regarding the “Complainant”

- Details about the complainant making the complaint (name, gender, etc.), or, where applicable the name of the representative organization, contact person and title/position;
- The explicit consent to share the complainants’ identity with the involved case parties;
- If a complaint is made by an organization or on behalf of individuals or communities, the organization should provide the details of those individuals or communities they are acting on behalf of and evidence that they are representing their interests; and
- In case the complainant is not an individual or a group of individuals, information demonstrating the legitimacy of a representative organization as a legal entity or its alternative formal capacity.

b) Regarding the “Complaint”

- Date or time period in which the alleged violations took place; and
- What kind of remediation the complainant is seeking.

5.6 The SCGM may request further information from the complainant or respondent member(s) at any time. When submitting a complaint, the complainant is provided with a four digit report number that allows them to follow up with the SCGM on their submitted complaint at any time.

## 6. Complaint Admissibility

6.1 Once a complaint is received by the SCGM, the SCGM will notify the complainant that the complaint was well received within one Business Day (including any day other than weekends or bank holiday) from the date of receipt.

6.3 When a complaint meets the SCGM admissibility criteria, the complaint will be declared admissible. A decision on whether the complaint is admissible or not will be made by the SCGM and communicated to the complainant and respondent member(s) within five Business Days from the date of the receipt.

6.4 In exceptional circumstances, the SCGM may decide to accept the complaint even if all the required information was not provided, if the SCGM considers that this will not jeopardize the effective investigation of the complaint, or, that the specific circumstances of the complainant warrant to continue to the investigation stage.

6.5 The decision that a complaint is declared admissible does not imply that there was a violation of the SCGM Standards.

6.6 The SCGM will make a preliminary assessment of the received complaint to determine whether it will follow the SCGM or RPP GM investigation and remediation procedure.

6.7 Where multiple complaints are made against the same or multiple respondent member(s) relating to the same issues and business partner, the SCGM can decide to join and consolidate the complaints and address them together. If relevant, the SCGM can decide to incorporate a new accepted complaint into an ongoing investigation or remediation phase of another complaint relating to the same facts and business partner. Before doing so, the SCGM will consult with the complainant.

6.8 If the 'Admissible Complaint' is linked to multiple respondent member(s), a meeting will be set up via the SCGM to determine the "**Lead Respondent Member**" who will take the responsibility to roll-out the complaint investigation process with the support of the SCGM, the other respondent member(s) and an investigation handler. If the 'Admissible Complaint' is linked to one respondent member that member brand will automatically become the Lead Respondent Member.

## 7. Complaint Investigation

7.1. The investigation of a complaint refers to the planning process and gathering of further evidence and information to understand if and how the complainant has been disadvantaged against the SCGM Standards. The outcome of the investigation will also determine the next steps in the complaint process. Information regarding the following shall be collected:

- Description of event or situation that is provided as reason for the complaint
- Perspective of all involved parties on the case
- Information on if and how the SCGM Standards were breached
- Information about prior attempts by the complainant to communicate or escalate the complaint
- If available, information on a proposed remediation of the case

7.2. The Lead Respondent Member must take steps to investigate the issues pertaining to a complaint in coordination with the other respondent member(s), if there are any. The Lead Respondent Member is responsible for deciding on the investigation strategy and appoints an "**Investigation handler**". This investigation handler can be selected from a pool of investigation handlers provided by the SCGM. If an investigation handler is appointed from outside the pool of investigation handlers, then the Lead Respondent Member makes sure that the determined timelines are respected. The investigation shall commence within ten Business days after the complaint was admitted.

7.3. The investigation is conducted by the investigation handler, which is an external person or party that is appointed by the Lead Respondent Member from a pool of local investigation handlers set up by the SCGM. The person or third party selected to conduct the investigation should be independent, objective and knowledgeable, and comply with the SCGM Participation Standards. In very exceptional circumstances, such as the existence of a robust grievance mechanism run by an amfori member, an amfori member could also fulfil the role of an investigation handler and will therefore also need to comply with the according responsibilities of an investigation handler as stipulated in the SCGM Participation Standards.

7.4. The investigation handler should collect all information they reasonably can and need to assess the complaint and decide on further steps. The investigation should be fair, objective,



timely, focused on collecting evidence from both sides and addressing all relevant issues. During this process, the investigation handler will continuously engage with the case parties via the SCGM case management system. The investigation handler must follow the principles of evidence collection of the [amfori BSCI System Manual](#). At all times, the investigation must respect local laws and the privacy rights of all parties involved. The investigation process strives to be conducted within a reasonable timeframe not exceeding thirty Business days.

7.5. The Lead Respondent Member is responsible to arrange the contractual arrangements with the investigation handler directly within a basic framework set-up by the SCGM. When determining the financial contribution of the respondent member(s) (and if warranted the involved business partner) to the costs of the investigation handler, an equal division of costs between the respondent member(s) is preferred. If an equal division between the respondent member(s) (and if warranted the involved business partner) is not possible, the following elements could be considered:

- The nature of the alleged complaint (severity, scale, number of impacted complainants, etc.)
- Whether the alleged complaint constitutes a single event or is part of an ongoing pattern of behaviour resulting in systematic or structural violations
- The leverage of the “Respondent Member(s)” considering aspects such as the share of the production volume the brand buys from a business partner, the length of the business relationship, etc.

## 8. Escalation

8.1 The decision whether a complaint should be escalated to other judicial or non-judicial authorities should always be the decision of the complainant, but the SCGM endeavours to assist the complainant in this decision-making process. This means for example that the investigation handler will provide information to the complainant on escalation if the investigation handler or another involved party determines that escalation should be considered or if the complainant asks for information and possibilities on this topic.

8.2 Collaboration with local authorities is recommendable when a legal or administrative remedy is required. Local partners - such as trade unions, national experts, NGO's, legal aid initiatives, union representatives - are another resource that can provide essential support to the escalation process, especially in cases where authority involvement could lead to retaliation or retribution against the complainant or any other party involved in the resolution of the complaint. Therefore, the SCGM is determined to liaise and collaborate with the before mentioned parties, to support any future escalation processes.

8.3 The SCGM and all the parties involved in the complaint process, will assist the complainant where possible during the escalation process. As escalation cases differ greatly, the type of assistance given will differ as well. Options for assistance can include, but are not limited to: connecting complainants with external resources and contacts, respondent member(s) using their combined influence to ensure a correct implementation of a judicial remediation process, etc.

## 9. Investigation closure

9.1. The investigation handler must prepare an investigation report summarizing the complaint, the steps taken during the investigation and the evidence and information gathered. The report must include the following elements:

- Process and methodology of the investigation;
- Assessment on the likelihood of retaliation and if there is a risk, recommended actions to prevent retaliation;
- Findings of the investigation;
- Conclusion, including a recommendation if the complaint is grounded, not grounded or no conclusion possible;
- If the complaint is grounded, any recommendations as to the appropriate remedy based on the investigation handler's meaningful consultations with affected people and communities; and
- Potentially supporting documents.

9.2 The investigation handler will submit the investigation report, within a reasonable timeframe not exceeding more than thirty Business days since the day the investigation handler was appointed by the Lead Respondent Member, to the SCGM case management system. The investigation report will also be shared directly with the complainant and involved business partner by the investigation handler. The investigation handler will provide an English translation of the investigation report and where necessary a summary or an extract translation of (parts) of supporting documents. All parties have the right to provide a statement to the SCGM within ten Business days after the investigation report was made available. The investigation handler will consolidate the received statements and adapt the investigation report where it deems necessary. The final investigation report will be submitted to the SCGM case management system. The final investigation report will also be shared directly with the complainant and involved business partner by the investigation handler. The investigation handler will provide an English translation of the final investigation report and where necessary a summary or an extract translation of (parts) of supporting documents.

9.3. Based on the initial and final investigation report and the received statements, the investigation handler decides on the outcome of the investigation and communicates it to all involved parties within a reasonable time, but no later than twenty-five Business days after the initial investigation report was made available. The outcome can be one of the following:

- **Grounded**

The investigation confirms that the SCGM Standards were violated

- **Not grounded**

The investigation provides evidence that the SCGM Standards were not violated

- **No conclusion possible**

E.g. due to a lack of evidence, unappropriated investigation methodology or report it cannot be established if the SCGM Standards were violated. The Lead Respondent Member and the respondent member(s), must consult the amfori secretariat on the next steps. If the result is due to the capacity of the investigation handler, the Lead Respondent Member shall appoint a new investigation handler.

## 10. Complaint Remediation

10.1 If a complaint is found to be 'grounded', the Lead Respondent Member needs to appoint a "Remediation Handler" within five Business days since the investigation closure, which will be responsible for the development of the remediation plan. This remediation handler can be selected from a pool of remediation handlers provided by the SCGM. If an remediation handler is appointed from outside the pool of investigation handlers, then the Lead Respondent Member makes sure that the determined timelines are respected.

10.2 In very exceptional circumstances when the nature of the complaint allows it and if requested by the Lead Respondent Member and in consultation with the complainant, the SCGM can also function as a remediation handler. Provided that the investigation handler is a third party, they can also take on the role of the remediation handler. The person or third party selected to develop a remediation plan should be independent, objective, and knowledgeable and meet the SCGM Participation Standards.

10.3 The development of the remediation plan needs to be done in close consultation with the complainant and/or their appointed representatives, as well as the respondent member(s) and the involved business partner. If the complainant agrees, the remediation handler can also consult the involved trade unions and other relevant stakeholders. The different consultations should allow the remediation handler to assess the different preferred remedial outcomes and their feasibility.

10.4 The remediation plan should strive to reinstall the complainant in the original state before the violation of the SCGM standards occurred and create a situation that complies with the SCGM Standards. The remediation plan must include, where possible, the following elements:

- The assessment of the potential effect of existing judicial procedures on the SCGM process
- Assessment on the likelihood of retaliation and if there is a risk, recommended actions to prevent retaliation
- The specific remediation activities needed to correct the violation (exploring different kind of remedies and a potential combination thereof)
- The assessment of potential risks of implementing the remediation plan and proposals to mitigate these
- The timeline for the proposed remediation activities
- A proposal for monitoring the implementation of the proposed remediation activities (and where necessary, follow-up activities)
- The recommendations to improve the functioning of the operational grievance mechanism of the involved business partner

- The proposed determination of the roles and responsibilities of the respondent member(s) and involved business partner in providing remedy.

10.5 The Lead Respondent Member is responsible to arrange the contractual arrangements with the remediation handler directly within a basic framework set-up by the SCGM. When determining the financial contribution of the respondent member(s) (and if warranted the involved business partner) to the costs of the investigation handler, an equal division of costs between the respondent member(s) is preferred. If an equal division between the respondent member(s) (and if warranted the involved business partner) is not possible, the following elements could be considered:

- The nature of the grounded complaint (severity, scale, number of impacted complainants, etc).
- Whether the grounded complaint constitutes a single event or is part of an ongoing pattern of behaviour resulting in systematic or structural violations
- The leverage of the respondent member(s) considering aspects such as the share of the production volume the brand buys from a business partner, the length of the business relationship, etc.

10.6 The remediation handler will submit the remediation plan, within a reasonable timeframe not exceeding more than twenty Business days since the day the remediation handler was appointed by the Lead Respondent Member, to the SCGM case management system. The remediation plan will also be shared directly with the complainant and involved business partner by the investigation handler. The remediation handler will provide an English translation of the remediation report and where necessary a summary or an extract translation of (parts) of supporting documents. All parties have the right to provide a statement to the SCGM within five Business days after the report was made available. The remediation handler will consolidate the received statements and adapt the remediation plan where it deems necessary. The final remediation plan will be submitted to the SCGM case management system within a reasonable time, but no later than fifteen Business days after the initial remediation plan was made available. The final remediation plan will also be shared directly with the complainant and involved business partner by the remediation handler. The remediation handler will provide an English translation of the final remediation plan and where necessary a summary or an extract translation of (parts) of supporting documents.

10.7 Any costs associated with the implementation of the remediation plan, will be carried by the respondent member(s) and involved business partner, depending on the agreement as reflected in the remediation plan.

## **11. Complaint Remediation Monitoring**

11.1 The Lead Respondent Member and involved business partner are responsible to ensure the implementation of the remediation plan within the agreed timeframe. The remediation handler will monitor the implementation process in close consultation with the case parties.

11.2 In the case that remediation is not provided according to the agreed remediation plan or there are unexpected circumstances, the remediation handler will organize a meeting with the

respondent member(s) to discuss the situation and determine next steps. If the remediation plan needs to be adapted, it will be done in consultation with the case parties.

11.3 After the agreed timeline, the remediation handler will verify whether the complaint was fully remediated according to the remediation plan. This verification will be done in consultation with the case parties, as well as on the basis of the amfori BSCI monitoring system.

The following categories will be adopted to establish the outcome of the remediation process:

- **Full remediation**

If the remediation plan has been implemented and effective remedy was provided to the satisfaction of all case parties, the complaint status will change to *'closed: full remediation'* and the complaint will be closed.

- **Incomplete remediation by business partner**

If the complaint remediation monitoring demonstrates that the involved business partner has not implemented its necessary remediation activities, the complaint status will change to *'incomplete remediation by business partner'*. The remediation handler will consult with the complainant, respondent member(s) and involved business partner to determine appropriate next steps. If necessary, the initial remediation activities might be revised to still allow for remediation to be provided to the complainant. If warranted, the respondent member(s) will make use of their leverage to assure that the involved business partner adheres to its remediation activities. In case of a high risk situation, the respondent member(s) will need to consider the adoption of other enforcement measures, such as the ending of the business relationship, the disclosure of the name of the involved factory or the escalation to judicial authorities, as a measure of last resort and in consultation with the complainant.

- **Incomplete remediation by member(s)**

If the complaint remediation monitoring demonstrates that the involved respondent member(s) has/have not implemented its/their necessary remediation activities, the complaint status will change to *'incomplete remediation by member(s)'*. The remediation handler will consult with the complainant, respondent member(s) and involved business partner to determine appropriate next steps. If necessary, the initial remediation activities might be revised to still allow for remediation to be provided to the complainant. In case of a high risk situation, the SCGM will need to consider the adoption of other enforcement measures, such as the suspension or termination of the respondent member(s) participation in amfori BSCI or the escalation to judicial authorities, as a measure of last resort and in consultation with the complainant.

- **No remediation**

If after incomplete remediation, no solution is found via a revision of the initial remediation activities or via the exploration of other enforcement measures, the complaint status will change to *'Closed: Incomplete Remediation'* or *'Closed: No Remediation'*.

- **Drop-out complainant**

If the SCGM or other case parties are unable to reach the complainant repeatedly via their preferred channel of communication during the investigation or remediation process, the complaint status will change to *'Closed: Drop-out Complainant'*.

## 12. Complaint Closure

12.1 After the verification process, the SCGM will submit a complaint report to the SCGM case management system which will be shared with the case parties. The complaint report will include a description of:

- The occurred complaint;
- The outcomes of the investigation process and motivation; and
- The outcomes of the remediation process and motivation.

All case parties have the right to provide a statement to the SCGM within five Business days after the complaint report was made available. The SCGM will consolidate the received statements and adapt the complaint report where it deems necessary. The final complaint report will be submitted to the SCGM case management system and will be shared with the case parties. A high level summary will be published on the SCGM portal.

## 13. The Appeal Procedure

13.1 Any of the case parties can submit an appeal to assess the manner in which the investigation/remediation process was conducted given that they also made use of previous opportunities to submit their concerns in their statements to the investigation report and the remediation plan. The appeal will not re-examine the substance of decisions rendered during the complaint process.

13.2 An appeal must be made in writing to the SCGM within ten Business Days from the date of a decision regarding the implementation status of the remediation plan, referred to in paragraph 10.3 above. The appeal must set out clear motivations for requesting an appeal.

13.3 The appeal will be reviewed by an Appeal Committee consisting out of independent and external experts within thirty Business Days of receipt of the request for an appeal. This decision will be motivated and final. If the decision requires the reopening of a SCGM complaint, necessary steps will be taken by the SCGM.

## **14. Miscellaneous**

### **14.1 Data Protection**

14.1.1 All complaints submitted to the SCGM, will be kept in a database. Any original documentation submitted by the case parties will be returned to those parties as soon as is practically possible by the SCGM or investigation handler and copies are stored in the SCGM database.

14.1.2 If a case party collects and transmits personal data as part of the complaint, it carries the responsibility to do so in compliance with local applicable data protection laws. This may require a notification of the relevant individuals about the use of their data for the purpose of resolving the complaint, and to establish a lawful basis for that use (including the consent of that individual).

14.1.3 The case parties need to ensure that any personal data included in a complaint was lawfully collected and can be lawfully disclosed to the other case parties.

14.1.4 As a general rule, sensitive personal data (such as for example data about an individual's health, race, ethnic origin, trade union status, sex life or sexual orientation, etc.) will not be disclosed by the case parties. In the exceptional cases that disclosure of such data is absolutely necessary, the case party making the disclosure must obtain consent from the individual.

14.1.5 The SCGM is located in the European Union and is regulated by the Regulation (EU) 2016/679 (General Data Protection Regulation).

### **14.2 Evaluation & Continuous Improvement**

14.2.1 The amfori Secretariat will assess the functioning of the SCGM every year against predetermined Key Performance Indicators (KPIs) to measure the SCGM against best practice (including the UNGPs effectiveness criteria). A report will be provided to the amfori Board for review.

14.2.2 The amfori Secretariat will commission, at least every three years, the external assessment of the functioning of the SCGM requesting recommendations for improvement. A report will be provided to amfori's board for review.

14.2.3 When necessary, the SCGM will undergo a revision cycle to ensure that learnings and feedback from case parties are continuously implemented.