

2016

General Guidelines For Implementation of FIMI's Code of Conduct (CoC)



SUSTAINABLE MINING INITIATIVE (SMI)
Federation of Indian Mineral Industries
(FIMI)

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General Guidelines for Implementation of FIMI's Code of Conduct (CoC)

(Reporting Period FY 2015-16)

Introduction:-

Objective:-

In August 2012, FIMI's Code of Conduct was launched for voluntary adoption by its members. FIMI members, while adopting the Code of Conduct, became members of SMI (Sustainable Mining Initiative). In turn SMI is required to carry out desktop assessment against the implementation status of these principles and publish a report on yearly basis. In order to carry out the desktop assessment, member companies are required to include in a public report, statements on how the company complies with the FIMI's Code of Conduct.

FIMI's Code of Conduct aims to improve stakeholder perception about mining sector through a process of committing to the principles enshrined in the CoC by the Members and periodically publishing the list of Members along with progress made by the Members towards implementing these principles within their organisation. This approach of performance assessment and reporting in public domain will make it more effective in terms of completeness of implementation of SMI principles and transparency in a company's policies and will, hopefully, **lead to a positive change in society's perception towards mining industry.**

SMI recognizes that members' sustainability related policies and standards as well as their systems and approaches to managing sustainable development issues will differ. While these guidelines highlight the need for alignment between a member company's sustainability policies and/or standards and the FIMI's Code of Conduct, there is no expectation that member company's management systems will be structured specifically around the FIMI's Code of Conduct.

Use of these guidelines : -

These guidelines set out:

- SMI's requirement for member companies to provide details about their systems and approaches in alignment with 10 SMI principles to carry out desktop assessment
- Guidance to ensure that SMI member companies implement and adopt an approach consistent with these principles.
- Information required by SMI to carry out desktop assessment

The aim to provide member companies with the necessary guidelines is to meet SMI's requirements and draw on best practice. These guidelines are not intended as an assurance standard and are only to guide the member companies to provide necessary information to carry our desktop assessment.

SMI Desktop assessment Requirements

Table provided below sets out the SMI desktop assessment requirements. It is structured in two columns:

SMI's Requirements; and

Details of what the requirement means in practice for member companies

SR No	SMI's Requirement	Practical Steps
	SMI members are required to implement the SMI Principles throughout their business and report the following selected information [disclosures]	SMI member companies should report as minimum on the following
1.	The alignment of the Member's policies to 10 SMI Principles	How its policies are aligned to 10 SMI principles. Any gaps in the alignment should be identified/ explained and should provide a broad road map as to how these gaps will be addressed.
2.	Member's material SD risks and opportunities based on its own review of the business and the views and expectations of its stakeholders	A brief description of the processes in place to identify and prioritize the SD risks and opportunities faced by the business during the reporting period and the outcome of these processes. [i.e. its list of material issues, the number will depend on the size and complexity of the business]
3.	The existence and status of implementation of systems and approaches that the Member is using to manage each (or a selection) of the identified material SD risks and opportunities.	A brief description of the systems and approaches the Member is using to manage each (or a selection) of the identified material SD risks and opportunities and a brief description of the status of implementation of these.
4.	The Member's reported performance during the given reporting period for each (or a selection) of the identified material SD risks and opportunities	Performance information (e.g. key performance indicators for the reporting period, progress against targets etc) for the identified material SD risks and opportunities.
5.	*The Member's self-declared application level of the GRI G3 Sustainability Reporting Guidelines (G3 Guidelines)	
	<i>*Not mandatory</i>	

Explanatory Notes

1. This page is for understanding purpose only. The information required to be filled up by the member companies for submission to SMI for desktop assessment as provided at Annexure I
2. Format, that will be published on SMI website after desktop assessment is provided at **Annexure III** and is only for information.
3. These 10 SMI Principles are applicable to the whole business of the Member and not only its mining operations.
4. Explanation for steps to implement 10 SMI Principles:-
 - a. Align polices of the business/company with 10 SMI Principles.
 - b. Have an internal Audit of current management systems and identify the status of implementation of 10 SMI Principles.
 - c. Identify the gaps between current management systems and Implementation requirements of 10 SMI Principles.
 - d. Prepare an action plan to address those gaps.

- e. Execute the action plan to cover the gaps and full implementation of 10 SMI Principles.

Guidelines (Check together with Annexure I)

1. All the member companies are required to submit a write up in the prescribed format provided at Annexure 1, while clearly addressing the mentioned potential activities single handed or collectively for each of the 10 principles detailed in the said annexure.
2. **For the Documentation section, member companies can follow any of the below methodologies:**

Members who are publishing a SD report, can refer to the details provided in SD report as documentary proof of the details provided in respect of each (or a selection of activities), wherever applicable. Provide documents for the rest of the potential activities which are not reported in the SD report.

Members which have not yet published any SD report should provide the documentation as detailed in Annexure I

In addition to information required as per Annexure I, Members are required to provide the following:

- A brief Organization Profile. The Organizational Profile should be 2000 words (approximately). It should help Assessors to understand what is relevant and important to the applicant's business. For example, the Profile should include the brief history about the company and its business areas. Members may also like to include the key characteristics of organizational culture, workforce profile, governance system, socio-economic status, sustainability challenges faced in the business and opportunities that have been, and are being, capitalized.
- A Statement (enclosed as Annexure II) signed by an Authorized Person from Corporate Office.

3. Time line for implementation of these guidelines

Calendar Year	2015 – 16	2016 - 17
Reporting year	Financial year ending March 2016	Financial year ending March 2017
Mandatory Subject Matter	The alignment of the member company's policies to 10 SMI Principles	The alignment of the member company's policies to SMI's 10 SMI Principles
		Company's material SD risks and opportunities based on its own review of the business and the views and expectations of its stakeholders
		The existence and status of implementation of systems and approaches that the company is using to manage each (or a selection) of the identified material SD risks and opportunities.
		The company's reported performance during the given reporting period for each (or a selection) of the identified material SD risks and opportunities
Optional Subject Matter	The company's self-declared application level of the GRI G3 Sustainability Reporting Guidelines (G3 Guidelines)	The company's self-declared application level of the GRI G3 Sustainability Reporting Guidelines (G3 Guidelines)