



(COP 3) REPORTING

A *Definition and applicability*

Reporting is a process for publicly communicating about an organization's business practices relevant to the RJC Code of Practices.

Source:

- RJC Code of Practices (2013)
- Global Reporting Initiative (GRI)
<https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx>

The **Reporting** provision 3.1 is applicable to all Members, whereas 3.2 is only applicable to Members in the Mining Sector. Conformance with provision 3.2 will result in automatic conformance with 3.1 for these Members.

B *Issue background*

Increasingly, companies are incorporating economic, environmental and social information into their public reporting. This form of reporting responds to the expectations of stakeholders, including regulators, civil society, shareholders, communities, employees, and customers, in understanding the impacts of companies on society.

Many larger companies, particularly public companies, already issue non-financial sustainability reports as part of their normal reporting practice. For example, CorporateRegister.com, an online directory, provides access to sustainability reports issued by approximately 10,000 companies.

Companies must follow a generally accepted reporting framework for financial reporting. This common framework provides credibility, consistency, and comparability (see **Financial Accounts**). The need for a similar common framework for sustainability reporting led to the development of the Global Reporting Initiative (GRI) in 1997. Other reporting frameworks are also emerging to focus on particular regulatory context, sectors, and issues.

Reporting can benefit from alignment with stakeholder and community engagement processes, to identify relevant issues for data collection and reporting. Some reports take the opportunity to include third party commentary, such as from stakeholder panels, community groups, unions, non-government organisations or subject-matter experts. However approached, the ability of a company to communicate effectively with its key stakeholders can be critical to its long terms success, viability and growth.

C *Key initiatives*

INTERNATIONAL INITIATIVES

The GRI Reporting Framework contains the core product of the Sustainability Reporting Guidelines ("the Guidelines"), as well as Tools, Protocols and Sector Supplements. The Guidelines contain principles and guidance as well as standard disclosures – including indicators – to outline a disclosure framework that organizations can voluntarily, flexibly, and incrementally, adopt. The Mining and Metals Sector Supplement, which was released in 2010, complements the Guidelines and includes supplementary reporting tools specific to the mining and metals sector.

Other relevant reporting initiatives include:

- UN Global Compact requires business signatories to submit an annual Communication on Progress (COP). The COP is a public disclosure through which a business informs stakeholders about its efforts to implement the principles of the United Nations (UN) Global Compact. External assessment of Advanced Level COPs will be required from 2014.
- The Sustainability Accounting Standards Board (SASB) is a not-for-profit that provides standards for use by publicly-listed corporations in the U.S. in disclosing material sustainability issues for the benefit of investors and the public. SASB standards are designed for disclosure in mandatory filings to the Securities and Exchange Commission (SEC), such as the Form 10-K and 20-F.

C Key initiatives (cont)

- The International Integrated Reporting Council (IIRC) is piloting an integrated reporting framework to elicit material information about their strategy, governance, performance and prospects in a clear, concise and comparable format. The Framework aims to underpin and accelerate the evolution of corporate reporting, reflecting developments in financial, governance, management commentary and sustainability reporting.
- The OECD's *Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* includes, as one of the 5 due diligence steps, an annual reporting of information on due diligence for responsible supply chains of minerals from conflict-affected and high-risk areas.
- ICMM's Assurance Procedure, which outlines ICMM's members' commitment to independent external assurance of the implementation and measurement of performance against the 10 ICMM Principles, and public reporting of performance. In addition, the ICMM Assurance Procedure helps guide ICMM member companies in developing their sustainability reports and in engaging with assurance providers.

NATIONAL LAW

Some jurisdictions may impose a requirement for regular public reporting from the mining sector, or on significant environmental impacts in general. It is important to be fully informed of all relevant legislation and regulations in every jurisdiction of operation.

D Suggested implementation approach

The Suggested implementation approach provides general guidance for implementing the mandatory requirements of the Code of Practices. The guidance is not normative and should be seen as a starting point for information and support.

COP 3.1: COMMUNICATION TO STAKEHOLDERS:

Members shall communicate to stakeholders at least annually on their business practices relevant to the RJC Code of Practices.

Points to consider:

- Nominate a senior manager to oversee the preparation of the report/communication.
- Identify relevant issues – those that pertain to the COP and are of interest to stakeholders, and/or are of concern to the Member. These could include, for example, human rights due diligence, factory working conditions, promotion of responsible business practices with business partners, reduction of wastes, local procurement, or other issues of most relevance to the business, or that have been raised as concerns by affected stakeholders. Review issues relevant to the report during the course of the year, integrating it where possible with regular business review processes.
- Review the GRI Guidelines for a general orientation about sustainability reporting and consider whether the company could adopt some or all of the reporting framework. Reporting pursuant to international guidelines such as the Global Reporting Initiative or other comparable programs is encouraged. However smaller businesses may want to start with a simpler approach for their first communications.
- Identify relevant stakeholders (employees, civil society, business partners etc.)
- Establish mechanisms for communication, such as through use of email, social media, mail-outs etc. As a minimum, companies that have a website should post the report/communication on the website.
- Adopt a flexible, practical approach to the form and content of the report/communication, taking into account the scale and impacts of the business. For example for a small business, the report/communication could be in the form of a memorandum or email, it does not need to be a printed publication. It may be useful if the report/communication could be timed to tie into the annual process for [Policy and Implementation](#).
- In the report/communication, consider how to communicate the following in a suitable form for your relevant stakeholders:
 - The company's policies or positions with respect to the relevant issues that have been identified above.
 - Any actions the Member has taken or plans to take with respect to the identified relevant issues, and / or any other matters that are relevant to the COP. Note these actions could apply to the Member's own operations, or could apply more broadly, such as through a Member's involvement in community initiatives.
 - Where possible, quantitative or qualitative outcomes that the actions are expected to achieve.
 - Where particular issues such as human or labour rights impacts have been raised with the Member by affected stakeholders, the report/communication should aim to provide information sufficient to assess the adequacy of the Member's response.
- *Note: RJC also welcomes the opportunity to work with Members on case studies for the RJC website.*

C Key initiatives (cont)

COP 3.2: GRI MINING AND METALS SECTOR SUPPLEMENT:

Members with Mining Facilities shall report annually on their sustainability performance using the Global Reporting Initiative (GRI) Guidelines and GRI Mining and Metals Sector Supplement or comparable reporting guidelines. The reports shall have external assurance.

Points to consider:

- The GRI Supplement provides detailed guidance for the preparation of the report, including content, quality, boundary, disclosure, assurance etc.
- A responsible senior manager should be appointed to oversee the report content, strategies for report quality, data collection and external assurance.
- Opportunities for harmonisation of reporting should be identified, for example:
 - annual financial reporting
 - communicating progress under the Global Compact
 - disclosing revenues under the Extractive Industries Transparency Initiative
 - business contributions to the Millennium Development Goals
 - stakeholder, community and employee engagement processes
 - regulatory reporting
 - information for ethical investment markets
- Systems for data collection, integrity and verification should be established and coordinated with existing management systems.
- *Note: Members in the Mining Sector automatically comply with 3.1 by complying with 3.2.*

CHECK

- All Members: do you communicate at least annually to relevant stakeholders about your business practices?
- Members in the Mining Sector: do you prepare an annual sustainability report according to GRI Guidelines or comparable reporting guidelines?

E Further information

The following websites have further information on sustainability and public reporting:

- CorporateRegister.com www.corporateregister.com/
- Global Initiative for Sustainability Ratings <http://ratesustainability.org/>
- Global Reporting Initiative (GRI) www.globalreporting.org/Pages/default.aspx
- International Integrated Reporting Council (IIRC) <http://www.theiirc.org/>
- International Corporate Sustainability Reporting Site www.enviroreporting.com/
- International Council on Mining and Metals (ICMM) - Sustainable Development Framework – Public Reporting www.icmm.com/our-work/sustainable-development-framework/public-reporting
- International Council on Mining and Metals (ICMM) Sustainable Development Framework - Assurance Procedure (2008) www.icmm.com/document/439
- KPMG - KPMG International Survey of Corporate Responsibility Reporting (2011) www.kpmg.com/NL/en/Issues-And-Insights/ArticlesPublications/Pages/KPMG-International-Survey-of-Corporate-Responsibility-Reporting-2011.aspx
- OECD Due Diligence Guidance on the Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Second Edition (2012) www.oecd.org/fr/daf/inv/mne/mining.htm
- Sustainability Accounting Standards Board <http://www.sasb.org/>
- United Nations Global Compact – Communicating Progress www.unglobalcompact.org/COP/index.html