



# COP 6 & COP 7 Ask Me Anything

16 February 2022

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RESPONSIBLE  
JEWELLERY  
COUNCIL



RESPONSIBLE JEWELLERY COUNCIL SUPPORTS THE SUSTAINABLE DEVELOPMENT GOALS

# Agenda

01

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COP 6 Human Rights

02

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How do I implement COP 6?

03

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How is COP 6 linked to other provisions?

04

---

COP 7 Supply Chain Due Diligence

05

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How do I implement COP 7?

06

---

How is COP 7 linked to other provisions?

07

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FAQs

08

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Questions

01

COP 6 Human Rights

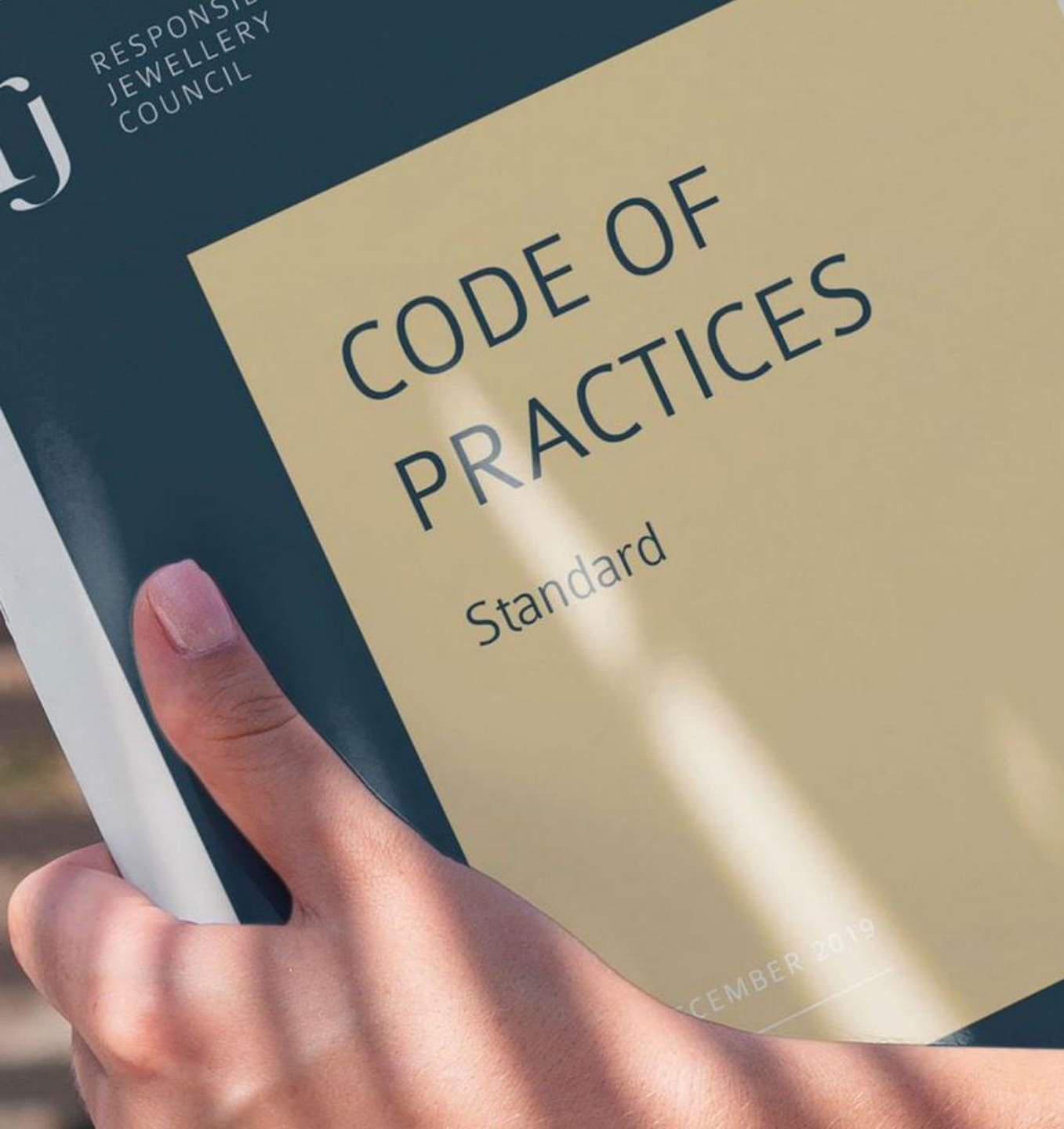


# What are human rights?

- Listed in the United Nations' Universal Declaration of Human Rights, human rights are the universal rights and freedoms that belong to all people without discrimination.
- Since 2011, the UN Guiding Principles on Business and Human Rights have become the primary reference for the private sector's responsibility to respect human rights.
- Risks of Human Rights abuses or impacts can be found in any country, sector and workplace.







## What is the purpose of COP 6?

The Code of Practices (COP) contains many provisions that cover Human Rights considerations in an implicit way. COP 6 is designed to help members explicitly integrate the UN Guiding Principles into their operations by focusing on Human Rights risks relevant to their business.



# Why are Human Rights important to my business?

Here are some examples of regulations that cover Human Rights:

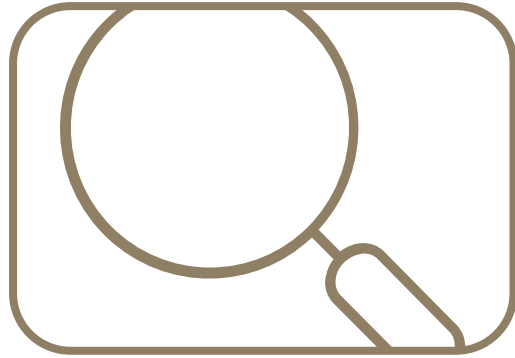
- 2010 California Transparency in Supply Chains Act
- 2015 UK Modern Slavery Act
- 2017 French Duty of Vigilance Law
- 2018 Australian Modern Slavery Act
- Upcoming EU Directive on Human Rights and Environmental Due Diligence.
- German Supply Chain Act 2023
- Swiss Responsible Business Initiative

# 02

## How do I implement COP 6?



Policy



Due Diligence



Grievance  
Mechanism



Reporting

## How do I implement COP 6?

COP 6 requires you to:

- Have a written policy on Human Rights.
- Conduct Human Rights Due Diligence.
- Develop a grievance mechanism and remedy risks identified.
- Report annually on your Human Rights due diligence efforts and remedy activities.



## 6.1a Policy

- The policy can be standalone or integrated into other policies you already have, and will need to be:
  - Approved at senior manager level;
  - Clear on what your expectations are of your employees, business units, suppliers and subcontractors
  - Publicly available
  - Proactively communicated to relevant stakeholders





## 6.1b Due Diligence

1. **Risk Assessment** - The first step is to conduct a risk assessment of your Human Rights risks.
2. **Mitigation** - If you identify any Human Rights impacts, you will need to stop them from happening.
3. **Review** - You should review your risk assessments whenever your business faces changes.



## 6.1c Grievance Mechanism

- You must develop a grievance mechanism.
- This is similar to a complaint's procedure for external stakeholders to raise Human Rights risks and concerns.
- You may combine this with the grievance mechanism developed for your employees under Harassment, Discipline, Grievance Procedures and Non-Retaliation (COP18.4C).



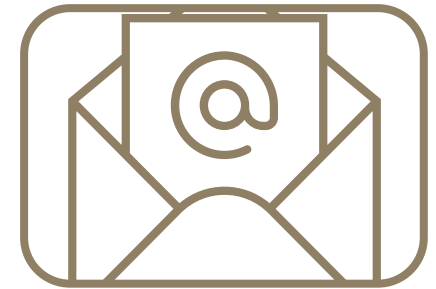




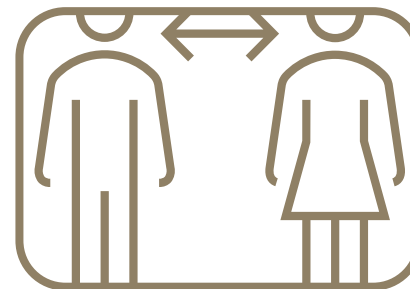
## 6.1d Reporting



Document



Email



Send Directly



Website

# 03

How is COP 6 linked to other provisions?



# Aligned Implementation

**COP 2 & COP 7:** Members must develop a policy on their responsible business practices under COP 2.

**COP 3:** Members must report their responsible business practices under COP 3.

**COP 12:** Members must conduct KYC due diligence on business partners and suppliers.

**COP 18:** Under Harassment, Discipline, Grievance Procedures and Non-Retaliation COP 18.4c, members must develop a grievance mechanism for employees to raise concerns or complaints.





# What is the link with COP 7 on Due Diligence?

## UN Guiding Principles

## OECD Guidance

<b>6.1A</b> Commitment to respecting human rights	<b>Policy</b> A written policy on your own operations and your supply chain that outlines your commitment, and is reflected in operational processes and procedures.	Commitment to responsible supply chains <b>S1</b>
<b>6.1B</b> Focus on your own operations and supply chains	<b>Due diligence</b> An effective due diligence process that is overseen and coordinated through effective management systems. That includes a review to identify and assess human rights impacts, a strategy and action plan to respond to identified impacts, and ongoing monitoring and evaluation of efforts.	Focus on your supply chains <b>S2</b> <b>S4</b>
<b>6.1C</b> Remedy as per your involvement (cause, contribute or link to)	<b>Remedy</b> Appropriate remedy for any identified actual impact, and action to stop it happening again.	Focus on your supply chains <b>S3</b>
<b>6.1D</b> Report to internal and external stakeholders	<b>Communication</b> Reporting on your efforts to prevent and address human rights impacts, at least once a year.	Information needed varies with business type <b>S5</b>

COP 6 Human Rights and COP 7 Supply Chain Due Diligence work in tandem to define RJC's expectations for how members conduct due diligence of their supply chain.

# Internal Risks

- Health & Safety (COP 23)
- Hazardous Wastes (COP 25)
- General Employment Terms (COP 5)
- Working Hours (COP 16)
- Remuneration (COP 17)
- Harassment, Discipline, Grievance Procedures and Non-retaliation (COP 18)
- Child Labour (COP 19)
- Forced Labour (COP 20)
- Freedom of Association (COP 21)
- Non-Discrimination (COP 22)





## External Risks

- Sourcing from ASM (COP 8)
- Conflict-Affected and High-Risk Areas and transportation routes (COP 7)
- Wastes & Emissions (COP 26)
- Informed Peoples & Free Prior Informed Consent (COP 33)
- Resettlement (COP 36)



# 04

## COP 7 Supply Chain Due Diligence

# What is due diligence?

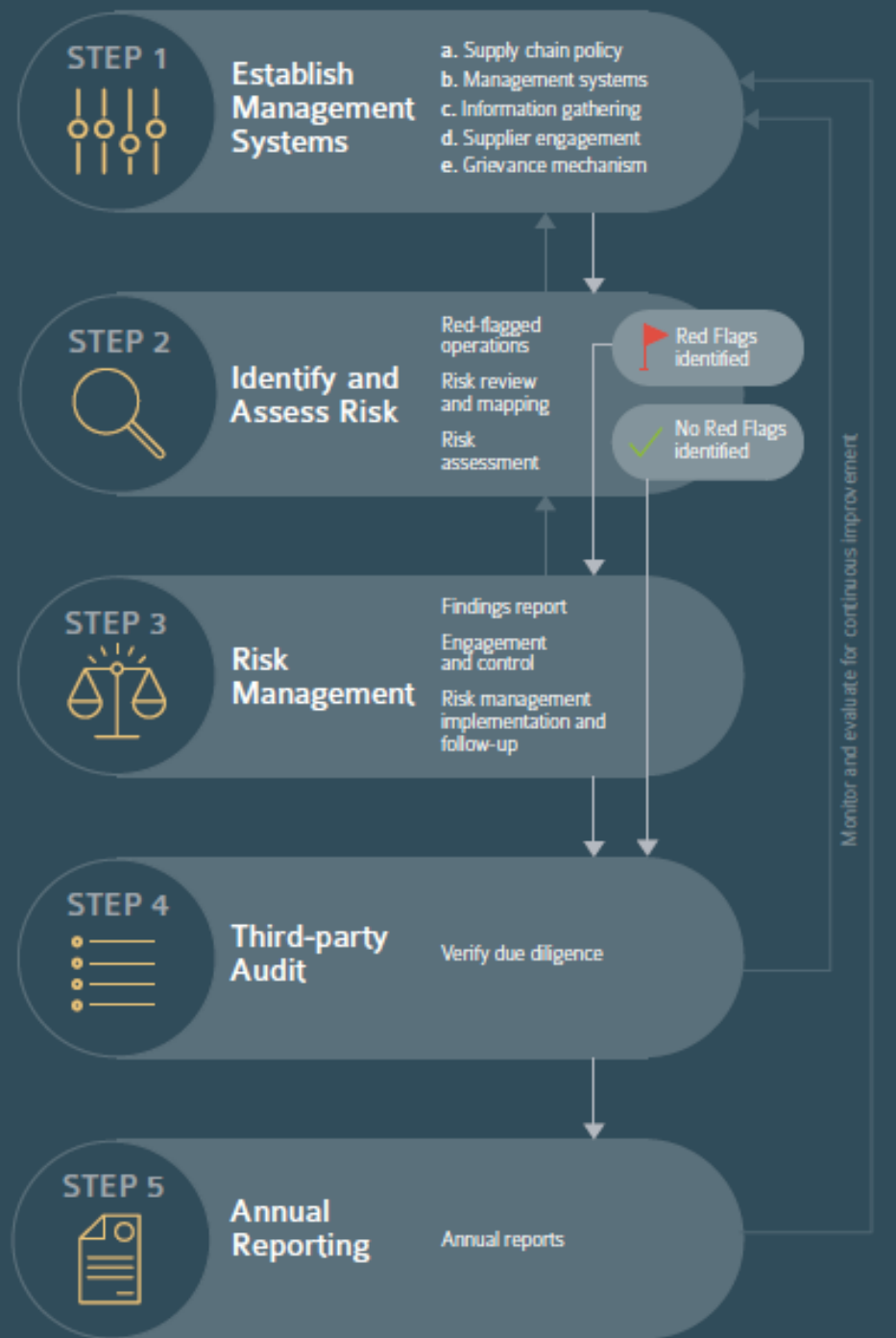
- Under COP 7, due diligence refers specifically to the reasonable identification and assessment of risks related to sourcing from conflict-affected and high-risk areas (CAHRAs).
- These risks are outlined in Annex II of the Organisation for Economic Co-operation and Development's (OECD's) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the 'OECD Guidance').



05

How do I implement COP 7?





# How do you conduct due diligence?

- Based on the OECD 5 steps process/framework.
- Focus on continuous improvement - perfection is not expected straight away.
- There is a need to document the process and your systems, as well as report on what you've done.

# Step 1: Establish Management systems

Step 1 requires five parts:

1. Supply chain policy – RJC has a draft template available for members.
2. Management systems – Ensure due diligence is a managed process that has the necessary resources.
3. Information gathering – collect data from your suppliers.
4. Supplier engagement – explain and support suppliers to understand requirements and work on gaps.
5. Grievance mechanism – Does not need to be a complex IT solution, you simply need an established process to manage grievances.





## Step 2: Identify and assess risks in the supply chain

Step 2 requires analysis of your data collection from step 1:

1. CAHRA – Has the material you are purchasing originated from or transports through a Conflict Affected or High Risk Area (CAHRA).
2. Has the material you are purchasing contributed to any of the identified risks by Annex II of OECD or your own risk assessment?
3. If any sources of material, transport routes, suppliers or applicable risks are identified as a “red-flag” then you need to conduct step 3. If no sources are “red-flag” then do not conduct step 3.



## Step 3: Design and implement a strategy to respond to identified risks

Step 3 is only required if you identified any red-flags from step 2:

1. If you have red flags in your supply chain then you need to develop a plan for managing and responding to actual or potential risks.
2. You need to conduct enhanced due-diligence to verify whether your material has contributed to any of the risks, i.e. purchasing gold that has contributed to human rights abuse.





## Step 4: Carry out independent third-party audit of supply chain due diligence

Step 4 will be completed by having your RJC audit:

1. An RJC accredited auditor will assess your evidence on whether you have complied and conducted thoroughly steps 1, 2, 3 (if applicable) & 5.
2. If there are gaps in your compliance, such as missing information, this is ok, but you must demonstrate that you have conducted good faith efforts and have a plan to address the gaps.



# Step 5: Report on supply chain due diligence

Step 5 requires you to annually report on what actions you have completed for your due diligence:

1. You must have a report ready for the auditor to review, even if you have not completed all steps, they must see what you will be reporting on an annual basis.
2. Reports can be included with your other RJC reporting and must be publicly available, either through email, request or website.
3. They do not need to be formal, highly designed documents, it simply need to detail your compliance with due diligence your actions taken.
4. Reporting templates are available for COP 7.







# Due Diligence Toolkit

- The toolkit has been developed to help members implement the COP 7 requirements for sourcing from conflict-affected and high-risk sources
- Includes a practical set of tools such as templates, forms, and checklists, in word format to simplify the due diligence process as much as possible, particularly for small businesses.
- Additional due diligence documents on supplier education & information.

# 06

How is COP 7 linked to other provisions?

## Other Provisions

- COP 12 Know Your Counterparty
- COP 6 Human Rights
- COP 29 Kimberley Process Certification Scheme and World Diamond Council System of Warranties





07

FAQs



## What if my suppliers are RJC certified?

Under the OECD Guidance, you are responsible for identifying red flags and carrying out a risk assessment for your suppliers whether they belong to any external supply chain initiatives and programmes or not. That means you should not rely only on external parties, including RJC certification, to undertake any aspect of due diligence on your behalf.

My suppliers are not getting back to me with any information – will this affect my audit?

RJC auditors will seek evidence that you are actively communicating your due diligence expectations to suppliers as part of the audit. Members need to demonstrate good faith efforts to engage suppliers.

Please note that you'll be expected to keep a record of your attempts to reach out to your suppliers – this is automatic if this is done through email.







Do I need to conduct due diligence on all my materials beyond gold, platinum, silver, diamonds and coloured stones?

RJC COP certification covers gold, silver, PGM, diamonds and coloured gemstones (rubies, emeralds and sapphires) only. However we recommend you conduct the same due diligence on all your materials.

# Is there any support available?

## Toolkits

- Human Rights Toolkit
- Due Diligence Toolkit for Diamonds & Coloured Gemstones
- Due Diligence Toolkit for Gold, Silver & PGM
- Reporting Templates
- Risk Assessment Toolkit

## Provision Pages

- COP 6 Provision Walkthrough
- COP 7 Provision Walkthrough
- COP 12 Provision Walkthrough



# Reporting Template COP 6 & 7

## COMPANY MANAGEMENT SYSTEMS

DELETE THIS TABLE ONCE COMPLETED	
REQUIREMENT	TIP
Include details about your policies within your own operations and in your supply chain relating to human rights and supply chain due diligence on minerals originating from conflict-affected and high-risk areas and how they are communicated internally, to suppliers and other stakeholders.	To demonstrate your compliance with COP 6 & 7 you need to have policies in place within your organisation which are endorsed throughout your supply chain, you need to give brief details of what these policies include, how you communicate them throughout your own operations and your supply chain and where they can be found.

**[Insert company name]** have the following policies in place **[give details e.g. link to policy]**, detailing our commitment to respect human rights throughout our supply chain and our supply chain due diligence on minerals originating from conflict-affected and high-risk areas. **[Insert company name]** endorse these policies to our suppliers and stakeholders by distributing them via **[give details e.g. link to policy]**, these policies can also be accessed by our internal stakeholders via **[give details of where employees will find this information]** and externally via **[give details of where else these policies can be found for those outside of your business, e.g. website, social media]**.



08

Questions



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# RESPONSIBLE JEWELLERY COUNCIL

LEAD WITH PURPOSE . . . INSPIRE WITH TRUST  
CONTRIBUTE TO DEVELOPMENT

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