

# BUILDING FOREVER

OUR MATERIAL TOPICS: PROGRESS REPORT 2020



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## COVER IMAGE

School children singing in assembly, Bathoen House Primary School, Orapa.

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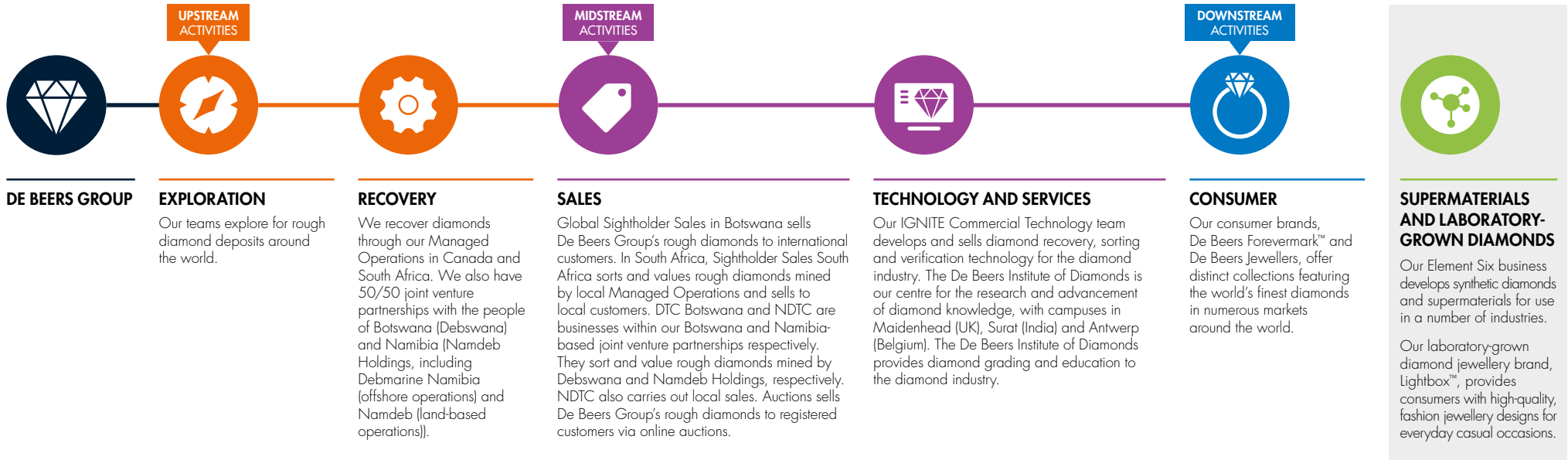
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## ABOUT THIS REPORT

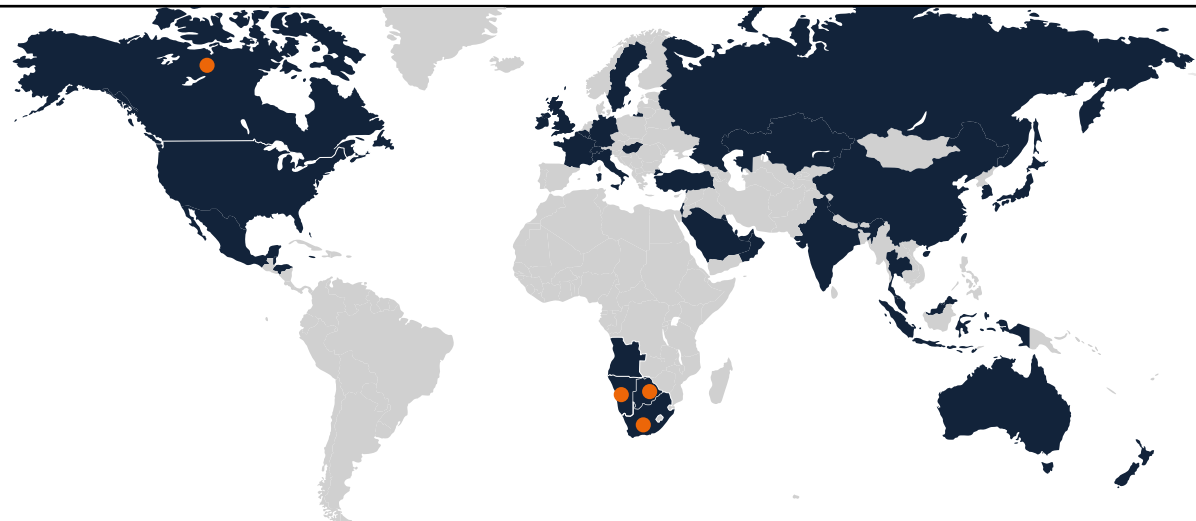
This PDF report contains updates on our management approach and progress across our material sustainability topics, from January to December 2020.

# DE BEERS GROUP: AT A GLANCE



## A GLOBAL BUSINESS

- Countries in which De Beers Group's diamond recovery operations are located.
- Countries in which De Beers Group conducts one, some or all of the following functions: exploration, recovery, rough diamond sales, technology, services, consumer marketing and retail.



# REINFORCING OUR COMMITMENT TO BUILDING FOREVER



**Bruce Cleaver**  
CEO, De Beers Group

*In this report a year ago, as we began to deal with the myriad challenges presented by the Covid-19 pandemic, I wrote: “2020 has been a year unlike any other for De Beers Group”. Looking back now, I can only re-emphasise what I said then. It was a year when our work and processes underwent a major shift, and when our communities, our partners and consumers were all forced to make significant changes to how they work and live.*

Our priorities changed accordingly. The most obvious and fundamental shift relates to the pandemic and its impact on our business and stakeholders. You can read in more detail about our response elsewhere in the coming pages, but I would here like to express my gratitude and pride relating to the way people across De Beers Group have risen to the challenges of the past year.

As always, the headlines tell only part of the story: how we have acted to protect our people, putting stringent new safety, health and hygiene measures in place. How, through our ‘We Care’ programme, we focused energy, expertise and resources on the four main areas of physical health, mental health, ‘Living with dignity’, and community response. And how, through our own initiatives and those of our joint venture operations, we have collectively delivered a combined support programme totaling more than US\$10 million.

These and the other initiatives you can read about on [page 12](#) are united by the commitment of our organisation and our people to fulfilling an important social purpose, as set out in our Building Forever™ sustainability framework. This, I believe, has been strengthened yet further by the visible impact of the pandemic on the world around us, and particularly on the partner countries and communities where we operate. Other forces were also at play during 2020 to bring conversations about inequity and its consequences to the fore, led by the Black Lives Matter movement and the ever-increasing influence of #MeToo.

The pandemic has shown that progress cannot be taken for granted, highlighted through the disproportionate impact of lockdowns on women and an increase in instances of gender-based and domestic violence. This is why we have sought as part of our response to Covid-19 to help

address the scourge of this ‘shadow pandemic’. At De Beers Group, Covid-19 has impacted our progress in certain areas, including our ‘Accelerating Women-Owned Micro-Enterprises’ (AWOME) initiative with UN Women, as we were unable to continue on-the-ground work to identify new recruits due to restrictions resulting from the pandemic.

Within this context, we have remained committed to strengthening our Building Forever sustainability framework in 2020 (see [page 6](#) for details). Building Forever has long been central to our business strategy, and now we have added to it with a set of 12 ambitious goals for 2030 based around four pillars and in line with the United Nations’ call for a ‘Decade of Action’.

We believe we have a profound responsibility to create lasting benefits for the people and the places where diamonds are discovered, and this has never been more important. It is only by pushing ourselves to achieve these goals that we can maximise our ability to deliver a positive lasting impact that will endure well beyond the discovery of our last diamond.

Looking ahead, I am confident that our performance, ambitions and strategy mean we will continue to be able to take whatever action is required as we build forever in those areas that are most important to our people, our stakeholders, the wider diamond industry and consumers everywhere.



# OUR COMMITMENT TO BUILDING FOREVER

## WHAT BUILDING FOREVER MEANS TO US

De Beers Group is built around forever.

From the formation of our diamonds over billions of years to the timeless emotions they represent for those who buy them, diamonds are the closest thing to forever that we can hold in our hands.

But we know that forever cannot be taken for granted; it takes effort. That is why we talk about 'Building Forever'.

Building Forever is our commitment to creating a positive lasting impact that will endure well beyond the recovery of our last diamond. It is our blueprint for a holistic, integrated approach to create a better future – one that is fairer, safer, cleaner and healthier, where safety, human rights and ethical integrity continue to be paramount, where communities thrive, and where the environment is protected.

To succeed, we must create partnerships, forge connections and constantly push ourselves to think differently and develop better and more innovative ways of doing things to ensure that our positive impact continues far beyond our operations.

## WHY BUILDING FOREVER IS IMPORTANT TO US

Building Forever is not a 'nice to have' for De Beers Group. It is mission critical to creating a stronger business by helping us to strengthen trust and pride with our partners, our consumers and each other.

We have a fundamental responsibility to ensure that diamonds deliver meaningful value to the people of Botswana, Namibia, South Africa and Canada. Building Forever guides our approach to partnering with governments and local communities to create long-term socio-economic benefits. Our ability to operate successfully relies on having trusted relationships with these partners and we want them to feel proud to work with us.

We also want our consumers to feel proud to wear our diamonds. Through Building Forever we can give them the confidence that their diamonds have had a beneficial impact on people and places. Equally, for our own people, Building Forever brings them together around common shared goals, motivating them to build an ever-stronger business and instilling a sense of pride in their work.



Dineo Chite, Environmental Scientist

# OUR BUILDING FOREVER SUSTAINABILITY FRAMEWORK

## BUILDING FOREVER PILLARS



LEADING ETHICAL PRACTICES ACROSS INDUSTRY



PARTNERING FOR THRIVING COMMUNITIES



PROTECTING THE NATURAL WORLD



ACCELERATING EQUAL OPPORTUNITY

## COLLABORATIVE REGIONAL DEVELOPMENT

## CRITICAL FOUNDATIONS

## CRITICAL FOUNDATIONS

Our approach to Building Forever is built on what we call 'Critical Foundations' – priorities and initiatives that have formed part of our strategy, our ethos and our DNA at De Beers Group for decades. These are:

### BEYOND ZERO HARM

No diamond is worth illness or injury. The health and safety of our people and our communities, and the integrity of the environment, are prioritised above all else. Through our commitment to going beyond zero harm, we 'Put Safety First' and 'Show We Care', two of our De Beers Group core values. We will continue to develop innovative solutions to achieve our ambitions, evolving our practices and behaviours so they are lived everywhere – at work, at home and in the community – to drive continuous self enhancement.

### HUMAN RIGHTS

Respect for human rights is deeply embedded in our business and across our interactions with the wider diamond value chain. We hold ourselves and all those we work with accountable for honouring human rights laws and conduct human rights due diligence aligned with the United Nations Guiding Principles on Business and Human Rights.

### INCLUSION AND DIVERSITY

We believe an inclusive culture that values diversity will power our business growth and drive innovation. We strive to enable a working environment where people feel empowered to speak freely and can thrive by bringing their whole self to work.

### LEADERSHIP AND CULTURE

We are building a values-based leadership culture, designed to help our people to thrive in the future world of work. We reward collaboration, innovation and safety over individual performance, and integrate sustainability into our leadership training, to help us build a stronger, more competitive business.

### GROUP STANDARDS AND LEGAL COMPLIANCE

Through robust systems and processes we ensure compliance against all applicable Anglo American plc Group management standards, our Best Practice Principles Assurance Programme, local laws and regulations and permitting commitments.

These foundations are critical to how we do business. They are fundamental to the way we operate, every day, everywhere. Drawing on the deep experience and significant investment of our past, we have developed approaches that enable us to raise the bar. But we are constantly rethinking and refocusing our efforts to improve. In line with the UN's 2030 Sustainable Development Goals (SDGs) and the Anglo American Sustainable Mining Plan, we are setting our sights higher than ever before.

## COLLABORATIVE REGIONAL DEVELOPMENT

We want to be a catalyst for regional socio-economic growth and development beyond our mining operations. We recognise that working in partnership with stakeholders from across a region enables us to have a much more significant impact. That is why we are committed to working collaboratively, bringing together multiple stakeholders – community representatives, faith groups, businesses and entrepreneurs, government, academics and NGOs – to develop initiatives that take a long-term view and that are scalable, inclusive and financially sustainable.

## FOUR STRATEGIC PILLARS

Our critical foundations and collaborative approach to regional development underpin four strategic focus areas where we feel we are uniquely placed to make a significant difference to people and the planet. During 2020, we updated our approach to these areas and committed to 12 new goals, aligned with the UN SDGs, which set clear targets for 2030. We describe these pillars and our goals for 2030 on the following page.

# THE BUILDING FOREVER 2030 GOALS

*By setting 12 ambitious goals for 2030, we are seeking to push ourselves to increase the positive impact that we have throughout our entire value chain.*

We call our commitment to create a positive lasting impact from our activities 'Building Forever'. This defines everything we do to help create a better future – a future that extends far beyond the discovery of our last diamond. Building Forever helps us understand what we must do today to contribute to a world that truly values human rights, safety, integrity and equality, and in which thriving communities and environmental protection are essential priorities.

Building Forever has guided our actions for many years. And in 2020, we were determined to further strengthen its positive impact by setting ourselves 12 ambitious goals to achieve by 2030. These are focused on four pillars, where we believe we can have the greatest positive impact.

Doing this reflects the urgency of the challenges we face. The UN calls the 10 years ahead of us the 'Decade of Action', when we must together seek and enact sustainable solutions to the world's biggest challenges: poverty and gender, climate change, inequality, the finance gap, fair health provision and more.

We will approach this in a way that's integrated across our business, achieved in partnership with others, driven by data, insight and innovation, and focused on the long term. We know it will be challenging, but we have set out clear pathways and will measure and report on our progress along the way.

## BUILDING FOREVER PILLARS

### LEADING ETHICAL PRACTICES ACROSS OUR INDUSTRY



*Our vision: We will continue to work tirelessly to advance industry standards, enhance transparency of diamond provenance and improve the livelihoods of artisanal miners.*

### PROTECTING THE NATURAL WORLD



*Our vision: We will be carbon neutral, minimise our water footprint and deliver a net positive impact on biodiversity.*

### PARTNERING FOR THRIVING COMMUNITIES



*Our vision: We will partner to improve health and education outcomes and increase livelihood opportunities to support community resilience and economic diversification in our host countries across southern Africa and Canada.*

### ACCELERATING EQUAL OPPORTUNITY



*Our vision: We will accelerate economic inclusion and support diverse voices to help shape the future of our business, communities and society.*

# THE BUILDING FOREVER 2030 GOALS continued



## LEADING ETHICAL PRACTICES ACROSS INDUSTRY

2030 goals:

- **Responsible sourcing:** extend our Best Practice Principles (BPP) beyond our value chain to advance industry standards.
- **Provenance:** provide the origin and impact of every diamond we discover and sell.
- **Artisanal mining:** deliver scalable solutions to improve the livelihoods of artisanal miners.

## PARTNERING FOR THRIVING COMMUNITIES

2030 goals:

- **Health and wellbeing:** achieve priority health targets under SDG 3 ('Good health and wellbeing') across all our communities, including the provision of access to world-class healthcare.
- **Skills and education:** establish skills partnerships in all partner communities, enabling young people to access future work opportunities.
- **Livelihoods:** supporting four jobs across our partner countries for every one job at our operations.

## PROTECTING THE NATURAL WORLD

2030 goals:

- **Climate change:** be carbon neutral across our operations, reducing energy intensity, replacing fossil fuels with sustainable alternatives and recovering all remaining carbon emissions.
- **Water:** reduce our water footprint by 50 per cent, reducing freshwater withdrawal, increasing recycling and improving community access to water and sanitation.
- **Biodiversity:** be net positive, undertaking Biodiversity Assessments to mitigate our impact, increasing conservation management and continuing to partner in research programmes.

## ACCELERATING EQUAL OPPORTUNITY

2030 goals:

- **Inclusive workplace:** achieve equal opportunities, including gender parity, for employees across our workforce.
- **Women in business and tech:** support 10,000 women entrepreneurs and engage 10,000 girls in studying STEM subjects.
- **Diverse talent in jewellery:** increase the diversity of creative talent in the diamond jewellery sector, including the co-development of opportunities for members of under-represented communities.

For more insight and information on our Building Forever vision and goals, please visit [www.debeersgroup.com/2030goals](http://www.debeersgroup.com/2030goals)



# OUR APPROACH TO REPORTING

This year, as in previous years, we are reporting on all our material topics, focusing on our management approach and progress against each topic. As announced last year, we intend to change our approach to reporting to align with our new Building Forever sustainability framework.

However, the global impact of the Covid-19 pandemic delayed the introduction of the new framework, which we announced at the end of 2020. As the previous framework was therefore in place for most of 2020, we have retained the original reporting format for this year.

We have created the table below to demonstrate how our material topics align with the Building Forever sustainability framework.

For more detail on our material topics, see our [GRI Index submission](#) in the Appendix to this report.

## MAPPING OUR MATERIAL TOPICS TO OUR BUILDING FOREVER SUSTAINABILITY FRAMEWORK

Material topic	Building Forever pillars					
	Critical Foundations	Collaborative regional development	Leading ethical practices across industry	Partnering for thriving communities	Protecting the natural world	Accelerating equal opportunity
Biodiversity and conservation	●			●	●	
Climate change	●				●	
Mine closure and asset transfer	●	●				
Water availability and quality	●				●	
Waste management and pollution prevention	●					
Women and girls' empowerment	●			●		●
Economic impact on producer countries	●	●		●		●
Community development for producer countries	●	●		●		●
Human rights	●		●			

## OUR APPROACH TO REPORTING *continued*

### MAPPING OUR MATERIAL TOPICS TO OUR BUILDING FOREVER SUSTAINABILITY FRAMEWORK *continued*

Material topic	Building Forever pillars					
	Critical Foundations	Collaborative regional development	Leading ethical practices across industry	Partnering for thriving communities	Protecting the natural world	Accelerating equal opportunity
Artisanal and small-scale mining	●		●	●	●	
Partnerships and government relations		●	●	●	●	●
Indigenous communities	●	●		●	●	●
Land access and resettlement	●					
Technology and innovation			●	●	●	●
Safety	●					
Health and wellbeing	●			●		
Employee attraction, development and diversity	●					●
Industrial relations	●					
Diamond value chain sustainability	●		●			
Ethical value chains – responsible sourcing	●		●			
Conflict diamonds	●		●			
Consumer demand for diamonds			●	●	●	●
Business integrity	●		●			
Transparency	●					

# ENGAGING OUR STAKEHOLDERS

*We engage with many different stakeholder groups every day across our business. Understanding their needs and expectations, building relationships with them based on trust, and partnering with them to deliver meaningful, positive impact is crucial to the success of Building Forever.*

## GOVERNMENTS AND LOCAL AUTHORITIES



We work closely with national, regional and local governments and with local authorities in the countries where we operate. We want to understand their national and local socio-economic and environmental goals, so that through our business, we can make a positive contribution – for example by creating jobs and skills, promoting entrepreneurship, and getting young people interested in mining careers.

## EMPLOYEES AND TRADE UNIONS



We engage our employees and their trade union representatives on a wide range of topics. For example, we run Group-wide engagement campaigns to change attitudes and behaviours around safety, wellbeing and gender diversity. We also conduct periodic wage negotiations with national mining unions.

## LOCAL COMMUNITIES



We engage local communities around our mines via community fairs, town hall meetings and local events. Our aim is to understand their needs so that we can create opportunities, support access to opportunity, improve health and wellbeing, and provide resources that will benefit the community in the long term.

## CUSTOMERS



We build strong working relationships with our Sightholders (term-contract rough diamond customers) and other key players along the diamond value chain. Our Best Practice Principles (BPP) Assurance Programme is the formal mechanism we use to ensure that we and our key commercial partners meet the highest social, environmental and ethical standards. We also host events and meetings on important industry developments or updates to the BPP programme.

## ENGAGING OUR STAKEHOLDERS continued

### SUPPLIERS



We have hundreds of suppliers who provide us with goods and services to help us run our mines and offices effectively. Through our inclusive procurement policy, we ensure that priority is given to suppliers in varying categories specific to each country we operate in. For example in Canada, we give priority to companies owned by Indigenous people – like the Bouwa Whee Catering company, which provides catering and other site services at Gahcho Kué mine.

### INDUSTRY BODIES



We play an active role in raising industry standards, working alongside industry peers and experts. We are founding members of the Kimberley Process and System of Warranties, the Responsible Jewellery Council and the Diamond Development Initiative. We're also members of industry bodies such as the International Council of Mining and Metals, the Natural Diamond Council and the World Diamond Council. We regularly host and participate in events for industry stakeholders, which bring together key players from our industry and other sectors to discuss important issues and challenges related to responsible, sustainable business practice.

### NGOS AND CIVIL SOCIETY



As part of the Anglo American plc Group, we are members of the Extractives Industry Transparency Initiative, which sets standards for transparent disclosure among extractives companies. We also work in partnership with several NGOs, including Flora and Fauna International on various biodiversity and conservation initiatives and with UN Women on our workplace and community gender equality programmes.

### ANGLO AMERICAN GROUP



As the majority shareholder in our company, we engage with Anglo American on all aspects of our business. We work together to share knowledge and best practice on issues such as health, safety, environment, socio-economic development and community engagement, and to develop long-term strategies for sustainable business growth.



# COVID-19: OUR RESPONSE IN 2020

Acting as a catalyst to support the long-term resilience of our host communities is a key aspect of delivering on our social licence to operate. So, when the true scale of the challenges associated with the Covid-19 pandemic emerged in 2020, we knew immediately that our response had to involve doing everything possible to protect and sustain our host communities as well as our employees and so our business.

Alongside the direct support we provide to these communities, some of whom are vulnerable to health risks, we also recognise that protecting them depends to a great degree on our ability to meet another responsibility: that of protecting our employees as far as possible against infection, reducing the risk to themselves and their communities.

## BUILDING COMPETENCE

Recognising these responsibilities provided a starting point for rapidly developing and implementing a plan of action to respond to the pandemic across our operations. We had no blueprint for responding to this unprecedented situation, and like other businesses across the world we have had to learn as we go, building our competence and remaining focused on giving everybody the best possible care and protection.

We knew our approach had to be built on identifying and mitigating risk, defining protocols and contingency planning. Quickly, we built a response around a 'detect, respond, recover' strategy, which had three main priorities at its heart:

- **Protecting our people against the spread of Covid-19:** implementing stringent health, safety and hygiene measures across our business, including our mining operations.
- **Prioritising support for our host countries and communities:** developing and delivering a support programme that ranges from the provision of PPE, food deliveries for vulnerable households and Covid-19 testing capacity, to ensuring access to clean water and enabling Covid-19 relief programmes.
- **Supporting the downstream diamond trade and our customers:** offering flexible trading terms, carrying out research to understand customer sentiment in the face of the pandemic, and sharing insights with businesses throughout the diamond value chain.

## DIRECTING MULTIPLE PROGRAMMES

Planning and monitoring many of these activities has been driven by a number of working committees across the Group. Central and localised working committees covered the needs across our full value chain, covering upstream activities (our managed operations in South Africa and Canada, our Debswana joint-venture operations in Botswana, the Namdeb Holdings joint-venture operations in Namibia and our mine closure and corporate functions in South Africa and Canada) as well as midstream and downstream activities.

Together, these committees have overseen the delivery of multiple integrated programmes to put new processes and resources in place. For example, we have set up centres that employees can contact remotely with their questions, rather than attending in person. This is one element of a 'sanitary cordon' set up to protect people, based on a set of procedures that include: communications programmes to encourage self-monitoring and avoid complacency; testing for infection; and the use of healthcare technologies to support data-driven decisions, improve contact tracing and support social distancing.

We developed defined processes for the temporary closure of mines in the face of rising infections, alongside detailed restart programmes. We encourage sites to learn from one another, continuously refining and improving these processes. We have given substantial responsibilities to line managers – if a manager identifies that the risk of infection is rising, for example, mining is stopped.

During the year, De Beers Group also launched the pioneering concept of 'brilliant safety', which compels every person in our organisation to Put Safety First. Combined with our deep care for people's health and wellbeing, we expect everyone to be the 'strongest link'. This means all our people are empowered and authorised to stop work when unsafe or unhealthy conditions are observed, or when behaviour occurs that may compromise health and safety. Being the strongest link also requires everyone to apply their experience, skills and knowledge to care for each other and to ensure safe and healthy practices are always maintained. We sought to ensure that across the workforce, no one is exposed to unnecessary financial risk. While senior leaders have taken cuts in their salaries as a result of the pandemic, we have asked none of our frontline workers to do so, recognising their economic importance to their communities.

## COVID-19: OUR RESPONSE IN 2020 continued

### WeCare: HELPING MINING IMPROVE LIVES

In addition to a very wide range of country- and community-specific initiatives, we have also launched a multi-faceted, focused programme of support for employees, their families and communities, which is at the heart of our response to the pandemic.

This is the WeCare initiative, which was under development by Anglo American before Covid-19 broke out. Its scope was significantly expanded and its roll-out accelerated in response to the pandemic. WeCare focuses on the four main themes of physical health, mental health, 'living with dignity' and our community response.

As such, it is acting as a central framework for many activities, giving a structure and discipline to our overall approach, as well as the freedom to deliver additional programmes and initiatives outside its scope.

#### 1. PHYSICAL HEALTH

This theme revolves around education and communication to promote the behavioural change, such as social distancing, washing hands and wearing masks, that is necessary to support better personal health and hygiene. It also involves practical solutions, including health-screening and testing for our employees and communities, often using laboratory facilities that we have donated to local health services and universities. It also includes the provision of PPE, medical equipment and facilities.

#### 2. MENTAL HEALTH

To help employees cope with the challenges of Covid-19 and national lockdowns, we increased our focus on mental health, giving employees information on ways to promote good mental health and wellbeing. This included access to relevant TED talks and to apps like Headspace offering techniques for mindfulness.

In addition, in August 2020, colleagues across De Beers Group were nominated and trained as Mental Health First Aiders (MHFADs), adding to the 2019 cohort already certified. The role of MHFADs is to provide a first line of support to other colleagues and to offer guidance on tackling mental health challenges, including the impact of the pandemic. By the end of 2020, more than 70 employees were certified as MHFADs.

#### 3. COMMUNITY

The wide-ranging public health programmes we have delivered in communities include public information campaigns on health and hygiene, testing and treatment, and donations of medical supplies and equipment. Away from a purely medical focus, we have also been involved in matters ranging from food security to supporting local businesses. We provided support for many essential programmes – from supporting resilience of small enterprises, helping to ensure water and energy provision, to support for schools, skills training and longer-term regional development planning. We have also supported many employee-led initiatives, working with the Anglo American Foundation to match funds (up to £1,000 per employee) when donations are made to NGOs on an agreed list.



Surgeon at Jwaneng Mine Hospital, Botswana

## COVID-19: OUR RESPONSE IN 2020 continued

### 4. LIVING WITH DIGNITY

A very disturbing consequence of the pandemic has been an increase in gender-based and domestic violence. We are involved in directly supporting employees and community members affected by this.

Through the course of 2020, we shared information with employees to raise awareness about domestic violence and signpost available sources of support. We also donated US\$200,000 to community organisations in producer countries supporting survivors of gender-based violence.

We engaged stakeholders in each country to identify the organisations around our operations that provide support, using the UN Women Emergency Pathways framework to identify priorities. Priority areas supported include:

- safety needs (eg transporting families to shelters; covering communication costs for phone calls or internet; upgrading and extending shelter and security facilities);
- basic needs (eg providing food and cleaning equipment to shelters, supplies for the use of survivors in shelters such as toiletries and sanitary pads, children's books and toys);
- psychological support and counselling (eg hiring additional counselling staff at shelters; establishing toll-free numbers for accessing counsellors; contracting a counsellor specifically for youth); and

- advocacy and prevention (eg using radio to engage men on gender-based violence, including a panel session with men discussing the issue; running advertisements in multiple languages with men speaking about the importance of caring for family at home, washing hands, wearing masks and avoiding violence; 'edutainment' for young men and boys to raise awareness of how to recognise the issue and deal with emotions; producing leaflets and posters advertising how to access support).

To read more about how we supported our people and communities please see:

- Economic impact on producer countries ([page 33](#))
- Community development for producer countries ([page 38](#))
- Artisanal and small-scale mining ([page 43](#))
- Partnerships and government relations ([page 45](#))
- Health and wellbeing ([page 55](#))
- Employee attraction, development and diversity ([page 57](#))
- Indigenous communities ([page 47](#)).

### COUNTRY-SPECIFIC ACTION

In all our partner countries, we have also been involved in a range of specific activities, often outside the remit of WeCare, that are important to our own interests there and to the communities where we operate.

During the year, much of our focus has been on supporting governmental efforts to combat the Covid-19 pandemic. In Botswana, for example, among many other activities, we have contributed 20 million pula to the Government of the Republic of Botswana's own Covid programme, through a combination of monetary and in-kind support. Debswana has also invested substantially in preparing its mine hospitals and laboratories at Jwaneng and Orapa as district referral facilities for the wider communities.

We have donated two polymerase chain reaction (PCR) testing platforms for the Government of the Republic of Botswana. One of these has been installed and commissioned at the National Health Laboratory at Gaborone, where we also provided sufficient consumables and PPE to carry out an initial 10,000 tests. The other platform in Botswana has been deployed at a main pandemic control hub in the country, where we have again provided sufficient resources for 10,000 tests.

In South Africa, we have partnered with SA Pathology in supplying, installing and commissioning a PCR platform at a private Cape Town laboratory. Under the agreement, all De Beers Marine employees, contractors and approved family

members can be tested at the lab, as well as clients of SA Pathology. The lab also supplements government capacity.

Also in South Africa, we have built a new laboratory, equipped with two PCR platforms, to ensure testing capacity is adequate in and around Musina, close to our Venetia mine in Limpopo. Other significant donations we have made in South Africa include to the national Solidarity Fund set up to address the impacts of Covid-19, and restoring access to sustainable water supplies for the community around Venetia mine.

In Namibia, where we committed a N\$15 million in-kind donation in response to the pandemic, we have installed and commissioned a PCR platform for the Government of the Republic of Namibia at Windhoek's National Institute of Pathology. Having initially supplied resources for the first 10,000 tests, we increased this to 25,000 at the peak of the first wave. Debmarine Namibia also partnered with the University of Namibia in Windhoek to supply, install and commission another PCR platform, enabling Debmarine Namibia to make use of the facility and providing the university the opportunity to carry out tests for private clients at competitive rates.

Also in Namibia, the Debmarine Namibia-Namdeb Foundation has co-funded a sanitation programme to help protect Windhoek's 180,000+ people in informal settlements against infection.

In Canada, as well as making multiple donations to support Indigenous people, we are helping to provide centralised sites to support workers at mines in remote locations far from local communities.



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A ranger at De Beers Group's Venetia Limpopo Nature Reserve in South Africa



# BIODIVERSITY AND CONSERVATION

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Protecting the natural world is a key focus for De Beers Group as part of our commitment to Building Forever. It reflects the fact that we see biodiversity and conservation as an area where we can use our unique position and partnerships to do lasting good.

Since 2009, we have consistently committed to managing, mitigating and reducing loss of significant biodiversity in the landscapes we operate in. Then, in 2016, we signed the Secretariat of the Convention on Biological Diversity's Business and Biodiversity Pledge, making us the first mining company to commit in this way to taking action in support of biodiversity. In 2018, in line with the Anglo American Sustainable Mining Plan, we went one step further, pledging to have a net positive impact on significant biodiversity, so that the biodiversity impacts we have are outweighed by our conservation actions.

Guided by the Anglo American Biodiversity Standard, our approach is first to avoid areas of significant biodiversity, then to do all we can to minimise our impact and restore affected biodiversity. Finally, after thorough planning and stakeholder engagement, we will implement appropriate actions that deliver a net positive impact for significant biodiversity. We have environmental management plans in place at all our operations, including biodiversity criteria and actions. We use the Anglo American Biodiversity Value Assessment (BVA) methodology, developed in partnership with external experts, to understand

the significance of all species, habitats and ecosystems that are within the landscapes we operate in.

We have completed BVAs at all our mining operations.

### THE DIAMOND ROUTE

The Diamond Route is a collection of eight biodiversity conservation sites across southern Africa, owned and managed by De Beers Group and Debswana. Spanning nearly 200,000 hectares, its unique habitats are home to vulnerable and endangered species.

We maintain these nature reserves and game parks with the help of dedicated and passionate teams focused on biodiversity conservation. We recognise our responsibility to be the custodians of this land and of the flora and fauna that exist there.

### RESPECTING AREAS OF HIGH BIODIVERSITY VALUE

We respect legally designated Protected Areas and areas with significant biodiversity, and we never operate within World Heritage Site Core Areas. We use the Anglo American Biodiversity Overlay Assessment Tool to check on our current areas and also assess whether any new areas of interest overlap with areas of high biodiversity value.

This is not always straightforward. In 2012, for example, we discovered that the licence area for our Venetia mine in South Africa had been included in a newly assigned buffer zone (2009) for the Mapungubwe Cultural Landscape in the Limpopo province (proclaimed as a World Heritage Site in 2003). Following engagement

with a number of stakeholders, a revised buffer zone was proposed, this time excluding the Venetia mine area. We received Ministerial approval to continue operating in the area in February 2013, and the UNESCO World Heritage Committee accepted the revised buffer zone in June 2014.

Some of our Namibian land-based operations are in the Tsau//Khaeb National Park, which has multiple zones and IUCN categories I-VI. Namdeb mining licences fall within a Category VI: Protected Area with sustainable use of natural resources. Diamond recovery is permitted here, but we have ensured a heightened responsibility to operating in the area.

Also in Namibia, an Ecological or Biologically Sensitive Area (EBSA), as defined by the UN Convention on Biological Diversity, was declared off the Orange River mouth. This overlaps with portions of our marine licence areas. We are working with representatives of the EBSA to understand the scientific background to the boundaries, and the implications for our operations.

The EBSA is not formally protected and does not prohibit mining in the area. Management measures for the area are still being determined. Our commitments to biodiversity and the environment ensure that we mitigate our impacts as far as possible in this landscape.

## BIODIVERSITY AND CONSERVATION continued

In Canada's remote Northwest Territories, a new National Park has been established within 50km to the east of the Gahcho Kué mine. The Thaidene Nene National Park was established and will be jointly managed in partnership with the Łutsel K'e Dene First Nation. Territorial Protected Areas have also been set up close to the park increasing the total protected area to around 26,000km<sup>2</sup>. The mine is the closest development to the park and De Beers Group has been supportive of its establishment. We are looking forward to a long and close collaboration with the park and the Łutsel K'e Dene First Nation to the benefit of this important shared environment.

### OUR PROGRESS

Our biodiversity and conservation activities focus on three key strategic areas. Below, we discuss our progress in 2020 in each of these areas.

#### 1. CUSTODIANSHIP

As custodians of the land and wildlife around our mines, we are working on a number of important on-the-ground conservation projects. Many of these take place across our Diamond Route – nearly 200,000 hectares of land across southern Africa that we have set aside for conservation.

#### **Moving Giants elephant translocation project**

Since our pioneering Moving Giants project commenced in 2018, a total of 101 elephants have been moved 1,700km from our Venetia Limpopo Nature Reserve (VLNR) in South Africa to their new home in Zinave National Park in Mozambique. Part of a major conservation effort,

Moving Giants is a collaboration between De Beers Group, the Mozambique and South African Governments, and Peace Parks Foundation, a leading not-for-profit organisation that specialises in cross-border ecosystem protection. The programme started because the VLNR could no longer adequately support its elephant population, whose numbers had flourished through natural reproduction. This was placing the ecosystem at the VLNR under strain and having a detrimental effect on other species.

By contrast, elephant numbers are low in Mozambique following a 15-year civil war, which ended in 1992. Spanning 408,000 hectares, Zinave National Park provides an ideal new home for the elephants, with plentiful water, food and space. There are also benefits to the park, as the elephants help to clear pathways, disperse seeds and attract tourists to the area.

We received inspiring news from Zinave in 2020 that some of the elephants that were relocated in 2018 and 2019 have since had calves, which is an encouraging sign that they feel secure in their new environment. Peace Parks Foundation has also reported that the park, and particularly scrub, has been opened up quite dramatically by its new residents. Numerous 'elephant highways' now cross the sanctuary, enabling thicket-loving species such as nyala, kudu and bushbuck to thrive, and bird species not seen for a few years have also made appearances.

We intend to move a further 100 elephants to Zinave. However, due to Covid-19, no relocations were possible during 2020.



A young elephant at our Venetia Limpopo Nature Reserve in South Africa

## BIODIVERSITY AND CONSERVATION continued

In addition, although strong anti-poaching measures were already in place at Zinave, we have strengthened them further with a donation of US\$500,000 from the Anglo American Group Foundation over five years. The funding is being used to employ and train additional field rangers, install a digital radio network and buy a small plane for aerial surveillance.

As Zinave is not yet a key tourism destination, the impact of Covid-19 travel restrictions has been limited. However, the return of migrant labourers to the area as a result of Covid-19, alongside the greatly reduced remittances received by local families, has contributed to an increase in subsistence poaching in 2020. Our donation helped to significantly increase on-the-ground and aerial patrols by rangers in order to combat this, including the removal of snares.

### Monitoring caribou in Canada

Throughout 2020, employees at Gahcho Kué mine continued to support efforts to protect barren-ground caribou herds, which are in decline in Canada's Northwest Territories. Caribou migrate in large herds along a route that often takes them across the ice road, which connects to the mine. Mine staff work with the region's First Nations to implement both scientific and traditional monitoring programmes. The data collected is shared with the Government of the Northwest Territories and local communities.

This work expanded in 2019 to include a university study examining the potential effects of the winter road on caribou behaviour. Using a combination of chemical analysis (measuring hormone levels in caribou droppings), behavioural observations and GPS tracking, the study will provide valuable insights that can be integrated into the ongoing monitoring programme. Preliminary results released in 2020 indicate that caribou cross the winter road less frequently than expected while it is in use, and that traffic levels may be an important factor influencing their crossing rates. The final thesis is expected to be produced in 2021.

### Towards net positive marine diamond recovery

As part of our commitment to a net positive impact on biodiversity, De Beers Group worked with Fauna & Flora International to determine how to achieve this in the marine environment. The work assessed the biodiversity sensitivities and impacts of our offshore operations in southern Namibia and explored ways to mitigate these impacts to deliver positive outcomes for biodiversity. We are currently working through the resulting findings and recommendations to guide our future actions, which will include developing targeted action plans and implementing initiatives which have a positive impact on the marine environment. We have a long-standing and continuing biomonitoring programme, which guides our actions for mitigating the impact of our diamond recovery activities. It also helps us evaluate the success of these mitigating activities in contributing to positive biodiversity outcomes in this near-shore marine ecosystem.

### Group-wide commitment to biodiversity

In 2018, we set a Group-wide goal to achieve positive outcomes for biodiversity and a net positive impact for all impacts from the time the goal was set. This is in addition to any regulatory requirements in the jurisdictions where we operate. This commitment also goes beyond ensuring that we merely avoid and minimise our impacts on biodiversity and the benefits it brings society. It also promotes the improvement of biodiversity by setting net positive impact targets and ensuring we implement initiatives that deliver positive biodiversity outcomes in the landscapes where we operate.

We need to undertake many tasks to achieve these outcomes. These start with defining the important biodiversity values within each area to be managed, constructing baselines, demonstrating the application of mitigation in impact-assessment plans and developing implementation and monitoring plans. We have had to pause some data-gathering programmes due to the restrictions imposed by the global Covid-19 pandemic. However, the actions that realise our commitment to minimising impacts on biodiversity have consistently been implemented and evaluated. All our mining operations are progressing their compliance with this Biodiversity Standard, which has positioned De Beers Group as a leader in shaping and implementing industry best practice to protect biodiversity and the natural world.

## 2. KNOWLEDGE

De Beers Group is facilitating and supporting several groundbreaking research projects across our Diamond Route conservation sites in partnership with experts from universities and NGOs. The Covid-19 pandemic initially delayed progress on these in 2020, but later in the year work resumed on some 18 different projects. These cover a wide range of topics, from impacts on plants and vegetation to the risks faced by species such as giraffes, elephants, white-backed vultures and black-footed cats. Work will continue on all 18 projects throughout 2021.

### Using advanced technology

Many of the research projects use cutting-edge technology. For example, in the giraffe study, special 'collars' are fitted on the heads of the giraffes, carefully positioned between their ossicones (horns). The collars capture precise data on the giraffes' range, enabling researchers to assess the effect of climate change and other ecological impacts on their movement patterns. In the elephant study, meanwhile, the research team is using remote sensing techniques to model the effect the elephants are having on woody vegetation in the VLNR.



## BIODIVERSITY AND CONSERVATION continued

### Protecting wildlife on South Africa's roads

We also continued to support research by the Endangered Wildlife Trust (EWT) into the issue of wildlife deaths on South Africa's roads. African economies are growing rapidly, driving plans for significant expansion of roads, railways and energy transmission lines, many of which will pass through environmentally sensitive areas. EWT's Wildlife and Transport and Wildlife and Energy programmes are developing strategies to minimise risks to wildlife from this development.

### 3. CONSERVATION CHAMPIONS

We are helping people progress their careers in conservation, supporting them in two main ways: through our Conservation Leadership Programme, and via school training programmes that help educate the next generation of conservationists.

#### Future conservation leaders

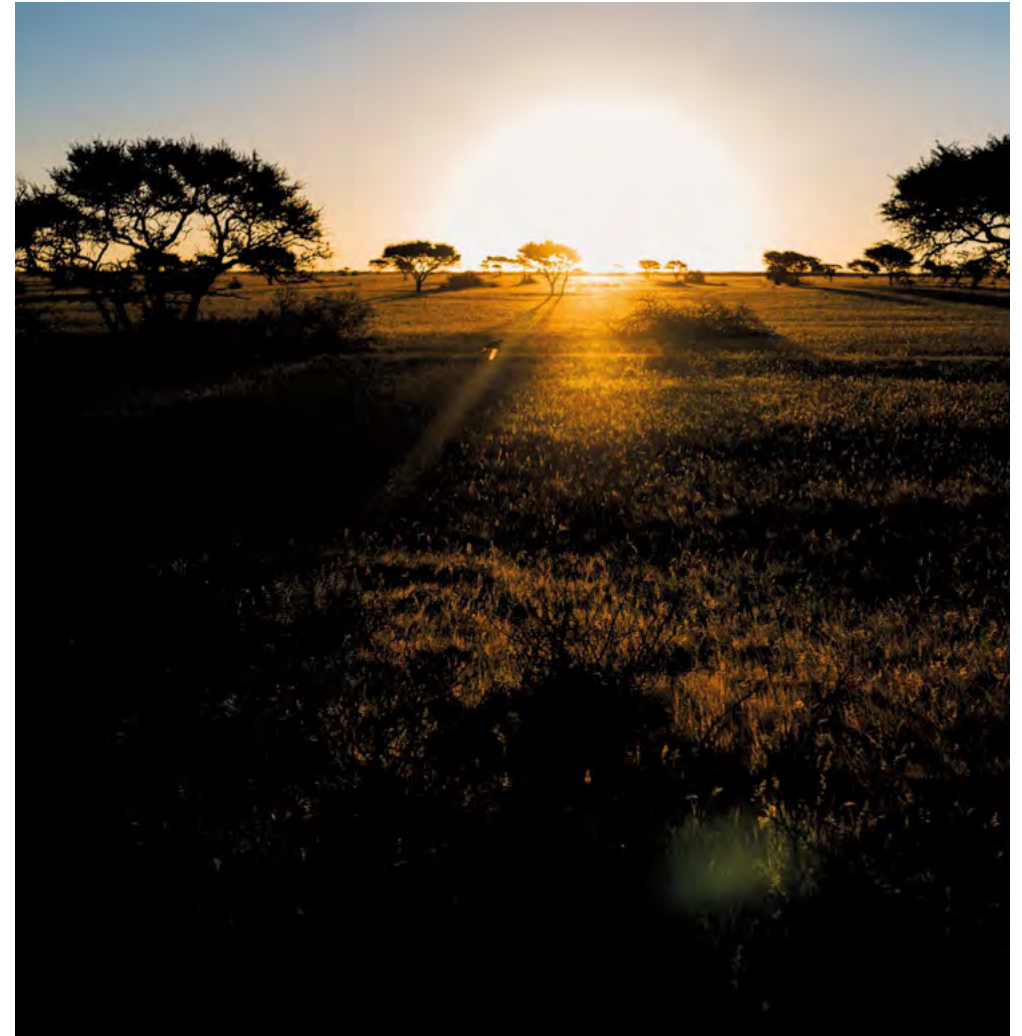
In 2020 we sponsored 10 up-and-coming conservationists from South Africa, Namibia, Canada and India to attend a Conservation Leadership course delivered by partners Fauna & Flora International, Birdlife International and the Wildlife Conservation Society. Early-career conservationists need professional development through training and mentoring, to help them create impact across the conservation sector. This is especially true when working to overcome major threats to nature in places where capacity and access to resources are limited. The programme includes training in leadership, project planning and management, communications for behaviour change, and fundraising.

Since 1985, the programme has supported a network of more than 2,800 practitioners. These conservationists have gone on to discover new species, designate protected areas, start their own non-governmental organisations and create mechanisms for long-term conservation. De Beers Group became a sponsor in 2019 and is one of six donors whose investment makes the programme possible.

Ordinarily, participants attend a two-week experiential course – in 2019, for example, this was held in an ecological reserve in Brazil's Atlantic Forest. Due to Covid-19, this was not possible in 2020 and the course was conducted online. This will need to be the case again in 2021.

As well as three of our employees from Canada, South Africa and Namibia, 2020 participants included representatives from several of our conservation partners: Endangered Wildlife Trust, South African National Council for the Conservation of Seabirds, and Peace Parks Foundation. The four sponsored participants from India are working on conservation subjects as diverse as wildlife trafficking, tiger conservation, amphibian research and human-wildlife conflict.

After completing the leadership course, all participants join a mentoring programme and become part of a global network of early-career conservationists.



Sunset on Dronfield Nature Reserve, Kimberley, part of the Diamond Route in South Africa



# CLIMATE CHANGE

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Climate change is a stark reality for our business and for the countries where we operate. It has serious and permanent implications globally and locally. That is why we have committed to be carbon neutral across our operations by 2030.

### MINIMISING OUR IMPACTS

Around half of our current Scope 1 and Scope 2 greenhouse gas emissions come from our use of fossil fuels (particularly diesel, marine fuels and petrol), with the other half coming from our use of fossil-based electricity from the grid. In 2015, we launched Programme Terra, a six-year initiative to address our key energy and carbon impacts.<sup>1</sup> At launch, the goal was to introduce efficiency projects that would translate into a nine per cent reduction in carbon emissions at our managed mines by 2020. This target was exceeded.

In line with Anglo American's Sustainable Mining Plan, we adopted a more ambitious longer-term target in 2019. This requires us to reduce both our greenhouse gas emissions and energy intensity by 30 per cent by 2030 (against a 2016 baseline).

However, having established a clear Carbon Neutral Roadmap in 2019, in November 2020 we decided to go a step further and announced that:

- we will be carbon neutral within our operations (Scope 1 and 2) by 2030; and
- we will develop a roadmap to address our indirect, Scope 3, emissions by the end of 2021.

Achieving these targets will require us to make significant investments across our business, work closely with our stakeholders, and embrace new innovations and technologies that will:

- reduce energy intensity;
- replace fossil fuels;
- replace fossil electricity; and
- recover (remaining) carbon emissions.

### UNDERSTANDING CLIMATE RISKS

We regularly carry out research studies on the climate-related risks and opportunities that De Beers Group faces. At our Venetia mine in South Africa, for example, our two most serious risks relating to climate change are both water related: reduced water availability and flooding as a result of extreme weather. We are currently implementing adaptation measures at all our mines to manage identified climate-related risks.

## OUR PROGRESS

### STRATEGIC REVIEW

At the end of 2018 it was clear that if we continued with our approach at the time, we would not meet our 2020 targets. We therefore undertook a strategic review in early 2019 to determine how to change our approach. Over the following months, we developed an ambitious Carbon Neutral Roadmap, which was approved by our Executive Committee. In 2020, we refined the Roadmap and further developed the strategy, and in November announced our intention to be carbon neutral across our operations by 2030 (Scope 1 and Scope 2) as part of our Building Forever sustainability framework.

### CURRENT PROGRESS

As a result of both our own initiatives and the Covid-19 pandemic, our total Group greenhouse gas (GHG) emissions for 2020 fell to 1.48 million tonnes carbon dioxide equivalent (2019: 1.68 million tonnes CO<sub>2</sub>e; 2018: 1.85 million tonnes CO<sub>2</sub>e). Below, we discuss our current progress and future plans against the four key areas of the strategy.

### PATHWAY TO CARBON NEUTRALITY

#### 1. Reduce energy intensity

Our total Group energy use for 2020 was 11.57 million GJ (2019: 13.68 million GJ). This represents a considerable reduction in energy consumption compared to the previous year and was due partly to successful energy-efficiency measures, but also partly to the impact of Covid-19 on our operations.

<sup>1</sup> Programme Terra originally included targets for water reduction as well as energy and carbon emissions. However, because of changes in the way Anglo American measures water reductions, Programme Terra has been updated to focus solely on energy and carbon emissions. Water reduction targets and associated actions are covered under separate environmental initiatives. See '[Water availability and quality](#)' for more information.

## CLIMATE CHANGE continued

Examples of energy-saving projects across the Group during 2020 included:

- glycol heating expansion at the Gahcho Kué gymnasium together with the expansion of the heating loop;
- the introduction of a steeper pit slope at Gahcho Kué;
- operational efficiency improvements related to payload management and truck body modifications together with shovel productivity improvements and double-sided loading;
- energy management of hauling fleet through the implementation of a diesel emission and energy management system at Venetia mine;
- fitment of mine-specific designed light weight truck bodies; and
- installation of invertertype air conditioners instead of conventional models.

Our energy savings since 2016 stand at 12.42 per cent for all operations globally that we retain management control of – this exceeds our 2020 target of eight per cent. These results can be attributed to the progress we have made in identifying, implementing and remeasuring energy-efficiency projects at Venetia and Gahcho Kué mines in the second half of 2020. We will now continue our efforts to reduce the energy intensity of our operations by 30 per cent by 2030 (from a 2016 baseline).

### 2. Replace fossil fuels

Currently, all the fuel used in our operations is fossil based. This accounts for approximately half of our Group-wide carbon emissions. We are therefore taking significant steps to move to more sustainable fuel sources. In particular, we are investigating low-carbon options such as synthetic green fuels to replace the diesel fuel we currently use to power our mines.

We also aim to convert our plant and equipment to run off clean electricity, batteries and hydrogen fuel cells.

In a potentially major development, Anglo American's Technology Development Unit is currently re-engineering one of its dump trucks to enable it to run off clean hydrogen, using hydrogen fuel cells. If trials are successful, we will introduce this innovation at suitable De Beers Group mines, which could more than halve our diesel usage at such locations.



Anglo American's Technology Development Unit is currently re-engineering one of its dump trucks to enable it to run off clean hydrogen

## CLIMATE CHANGE continued

### 3. Replace fossil electricity

We already use renewable electricity at some of our operations, and our strategy is to extend its use across the whole of De Beers Group. Where available in the electricity market, we buy this from renewable energy providers/traders. Where this is not possible, we facilitate agreements with independent power producers to jointly develop new solar photovoltaic (PV) plants or wind farms and purchase the energy via long-term power purchase agreements. We expect some of these joint developments to be onsite at our own operations and others to be offsite.

We have already commissioned two solar PV plants in Surat in India, one at Maidenhead near London in the UK and one at the De Beers Marine premises at Paarden Eiland in South Africa. In addition, in the UK we have entered into renewable-electricity purchase agreements for our De Beers Jewellers Old Bond Street store and Maidenhead sites. As a result, the electricity used at these sites will be certified 100 per cent renewable.

Looking ahead, we plan to install solar PV at a number of other sites, including at Venetia mine and at several office locations. In Botswana, Debswana is looking to partner with government and the Botswana Power Corporation to buy renewable electricity for our Orapa and Jwaneng mines from two solar PV plants currently at planning stage.

We are also considering a number of other offsite renewable energy developments, in close coordination with Anglo American. These include wheeled wind power projects, one of which is likely to supply renewable electricity to our Venetia mine. We hope that another at Namdeb in Namibia will supply both local and regional needs. These developments have the potential to achieve a significant positive impact, both in terms of reducing our greenhouse gas emissions and supporting local communities.

### 4. Recover remaining carbon emissions

As the last part of our strategy, we have agreed that we will recover the last remaining, hard to abate emissions through our own nature-based solutions, including our groundbreaking research programme, CarbonVault™.

Scientists have found that kimberlite, the rare type of volcanic rock that contains diamonds, offers ideal properties for carbon storage. This is thanks to a process called 'mineral carbonation'. Originating deep within the Earth, kimberlite acts like a sponge when brought to the surface, taking carbon dioxide into its structure and storing it in stable, non-toxic carbonate minerals. These carbonate minerals form naturally in our processed kimberlite – the ore left over after diamonds are removed.

Through CarbonVault (previously Project Minera), De Beers Group is working with world-leading scientists to find ways to accelerate the mineral carbonation process. This will allow us to speed up the natural process of capturing and storing

carbon, which we are optimistic will support us in our ambition to create carbon neutral mines.

Our CarbonVault research and development activities continued in 2020 despite travel restrictions and other pandemic-related challenges. Field trials testing physical, biological and chemical mineral carbonation enhancement technologies started in February 2020 using material from Venetia mine. These experiments, which will continue through Q2 2021, will help inform decisions regarding which technologies should progress to pilot scale.

A large-scale pilot experiment testing the flue gas injection technology was planned for July 2020 at Gahcho Kué mine, following successful field trials results from 2019. However, due to travel restrictions, this was deferred to 2021. In 2020, flue gas studies therefore focused on optimising the engineering design of the gas delivery system through modelling studies and field trials at the university research laboratory.

Other work carried out by the CarbonVault team in 2020 includes the development of mineral carbonation monitoring programmes. These aim to quantify the extent of mineral carbonation that is actively occurring at our mine sites. Monitoring programmes were launched in both Gahcho Kué and Snap Lake mines, albeit at reduced levels due to the limitations of Covid-19 (eg mine site personnel availability, travel restrictions, reduced funding). We aim to launch further mineral carbonation monitoring programmes at mine sites in South Africa and Botswana in 2021.

# MINE CLOSURE AND ASSET TRANSFER

## CRITICAL FOUNDATIONS

### SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

When we close a mine, we want to leave a positive impact in terms of the environment and a sustainable socio-economic future for local communities. Achieving this requires careful and detailed planning, so we start the closure process years before a new mine even opens.

A mine's social and environmental performance during its operational lifetime should always be accurately reflected in the implementation of its closure plan. This is why our Environmental Policy and Lifecycle Planning and Management Standard require all De Beers Group operations to have detailed and adequately funded closure plans.

We are committed to adopting the 'mitigation hierarchy' approach at every stage of the mining lifecycle – from exploration to closure. This means we aim first to avoid, then to minimise, and finally to rehabilitate the environmental impact of our mining activities.

Closure plans are refined and improved over the life of the operation and, as a result, they become increasingly detailed as the mine reaches the final years of production. We develop all De Beers Group closure plans in accordance with the Anglo American Mine Closure Toolbox.

With three of our mines heading into closure – Victor and Snap Lake in Canada, and Voorspoed in South Africa – we are currently reviewing our approach and asking ourselves:

'How can we create more value for all stakeholders by embracing a collaborative closure design process that looks at broader needs and opportunities?'

Achieving this holistic approach will involve engaging with stakeholders from all areas – including communities, governments and regulators. We want to look 'beyond the fence line' of the operation and at the surrounding region, working with stakeholders to find common ground. By undertaking this process, we hope to build partnerships that will result in environmentally responsible closure and a lasting positive impact for the people of the region.

### EXTENDING MINE LIFE

Closing a mine is not always the only or preferable option. Wherever possible, we aim to sell an asset to other operators who have the technical and financial experience to create value and extend the productive life of the mine. This is clearly the best way of prolonging socio-economic benefits for the community.

We are highly selective about potential buyers, and our conditions of sale include receiving assurances that buyers are capable of creating employment, supporting communities and restoring environments. In South Africa, we also require equity ownership by Black Economic Empowerment groups.

### TRANSFERRING TOWN MANAGEMENT

Historically in some cases, particularly in remote areas, mining companies have developed and continued to manage towns to serve the needs of mining operations.

As closure approaches, there is a need to transfer responsibility for infrastructure and public services to the relevant government authorities in a process called 'proclamation'.

In South Africa's Namaqualand, the once privately owned mine town of Koingnaas was officially handed over to the local municipality in 2016. The municipality now operates all public assets and residential services.

Kleinsee, the other former mining town in the South African region of Namaqualand, was proclaimed in 2012. We are still involved in delivering municipal services to the town, while we work towards handing over full responsibility to the local municipality.

In Oranjemund in Namibia, we have transferred full responsibility for the operation and management of all municipal services to Oranjemund Town Council. We have also made good progress with moving property, currently or previously owned by Namdeb, into private ownership. Almost 20 per cent of these houses are already owned by private individuals and another 30 per cent are in the process of being sold.



## MINE CLOSURE AND ASSET TRANSFER continued

We have also been involved in initiatives to find sustainable education and healthcare solutions for the town. These include the transfer of the high school infrastructure to Namibia's Ministry of Education, Arts and Culture, which has established a new public school in the town. The renovation of a new public clinic is also complete. Under an agreement with the Ministry of Health and Social Services, the clinic is temporarily being used as a Covid-19 isolation centre.

In Botswana, we are working with local and national government bodies to plan for the eventual economic diversification of Orapa town. The plan, which is aligned with the Botswana Government's development priorities, will set out a long-term vision for the area around the Orapa mine, focusing on its potential as a tourism hub and centre for light industry.

### OUR PROGRESS

#### CLOSURE UPDATES

We ceased production at our Voorspoed mine, located near Kroonstad in South Africa, in December 2018. We have since undertaken detailed design work to determine the most sustainable methodology to achieve closure, in an environmentally responsible way, of the mining and support infrastructure. Rehabilitation work on the mine-waste rock dump, which includes reshaping to final angles, application of topsoil and seed mixes, is now complete. We are now actively engaging with the South African regulator for final approval of the closure plan.

Voorspoed mine completed several site projects in 2020, which included:

- the online auction of redundant machinery, mobile offices and containers;
- stripping out and selling all redundant copper cable to mitigate the significant safety and security risk associated with copper cable theft;
- procuring a detailed Demolition Execution Plan by Jet Demolition, which confirmed that:
  - it is possible to use all inert material for backfilling activities; and
  - the primary crusher void is large enough for all inert waste;
- the completion of:
  - a Mine Closure Consolidated Water Study Report; and

- pre-feasibility landform designs for the Fine Residue Deposit (also known as tailings dam);
- security perimeter fence monitoring and pit fence projects.

The mine is continuing to carry out its Social Labour Plan (SLP) commitments in line with approvals covering 2017 to 2021, with a key focus on infrastructure projects. Due to Covid-19, we have prioritised projects aligned to the community response plan, focused on prioritising water provision, food security, supporting the local government clinic and raising education awareness.

We implemented the community response plans in partnership with local stakeholders. Projects completed during 2020 included:

- the Parys Day Care Centre;
- a sod-turning event for Steynsrus bulk water and dry sanitation; and
- a maths and science project.

Work was also carried out on the Phuleng school and Parys water lab projects, and due to the impact of Covid-19, handover of these projects is expected late 2021.

We have completed the mine closure design feasibility study at our Snap Lake mine, located in the Northwest Territories in Canada. The final closure and reclamation plans were presented to the Mackenzie Valley Land and Water Board in September 2020. The Board has approved the new water licence, which is fully aligned with the vision for the site's closure. The benefits arising from the new water licence include:

- the reduced duration of the closure period;
- no further water treatment is required;
- reduced uncertainty in meeting the closure criteria;
- limited effluent quality criteria; and
- approval for the site's overall closure design.

Our Victor mine, located in northern Ontario in Canada, ceased production in May 2019. Demolition of the plant and ancillary operational facilities started in January 2020. We have segregated, cut and staged all recyclable materials generated during the demolition for future disposal. All remaining inert non-recyclable wastes from this first phase of demolition have been sorted and stored for resale, reuse or placement in the approved onsite demolition landfill. Demolition phase 1 was completed ahead of schedule in December 2020.

De Beers Group has been actively rehabilitating Victor mine's waste rock dumps throughout 2020. These activities included the planting of 156,000 nursery-grown white spruce trees and revegetating an additional 3.1 hectares of rehabilitation areas with a commercial seed mix suited to the local environmental conditions. Victor mine has rehabilitated approximately 328 hectares of the mine's disturbed operational footprint, using commercial seed and seedlings propagated both onsite and offsite. We will continue to monitor rehabilitated landforms using a combination of field-based and remote-sensing programmes to track our progress towards success criteria.

## MINE CLOSURE AND ASSET TRANSFER continued

We started our post-closure rehabilitation activities in early 2021, with an emphasis on creating the final closure landform shape and the placement of reclamation cover soils, at the Victor Fines Residue Deposit. To date, we have graded approximately 36 hectares to meet the landform design specifications, capping them with around 90,000m<sup>3</sup> of overburden.

Our Namdeb operations, in southern Namibia, completed the update of our biophysical closure plan. This work is completed every three years, in line with the Anglo American Mine Closure Toolbox, which involves engaging with key external stakeholders. Namdeb is also busy finalising the integration of its physical, biophysical and social closure plans, which will result in a comprehensive Namdeb Integrated Closure Plan.

Improvements made following the last cycle include the development of a risk profile and domain approach to biophysical rehabilitation.

### MINE SALES

The Buffels Marine Mining right, in South Africa's Namaqualand, has been operating under a sales option agreement since it was put on care and maintenance in 2009. It has been available for sale since the option agreement lapsed in early 2019, and a pre-emptive right remains in effect. We are working with the Department of Mineral Resources and Energy, together with the Northern Cape Provincial Government, to assess the options available to us.

In Namibia, the sale of Namdeb's Elizabeth Bay mine has been completed following a comprehensive selection process, safeguarding the future of mining operations there.

We have been unable to find suitable operators for our Snap Lake and Voorspoed mines, and we have therefore announced the closure of both sites. In late 2019, we also ended our efforts to find a buyer for Voorspoed mine's tailings, which date back to before 1912. We started the closure of Victor mine during 2019, having established that extending its life was unfeasible.

### THE TRANSFORMATION OF ORANJEMUND

We continued the transformation process of Oranjemund town and made good progress in 2020, despite the impact of Covid-19. Good progress has been made in the following areas:

- the ongoing transfer of residential property to private ownership;
- municipal authorities taking over the provision of public services; and
- the development of an improved healthcare and education infrastructure.

The OMDis Town Transform Agency, an independent non-profit organisation, has been formed to help drive local economic diversification and enable Oranjemund to become a sustainable town independent of mining. During the year, it established itself as a company and continued seeking investment opportunities despite the challenges of the pandemic.

Investment focus areas include agriculture, tourism, retirement living and renewable energy. Although many ventures were launched or further developed during the year to support these activities, progress was limited due to travel restrictions. Despite this, planning for the town's museum was started in 2020 in collaboration with OMDis 2030, the Oranjemund community association, and Namdeb in support of tourism to the town.

# WATER AVAILABILITY AND QUALITY

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We acknowledge that water scarcity is a material risk in southern Africa, not only to the continuity of our operations but also to surrounding communities. We are dedicated to creating a positive impact in the catchments where we operate through enhanced water stewardship, and we recognise that sustainable water management requires working collaboratively and transparently with government, business and local communities.

Our water management is governed by the Anglo American Water Policy and the Anglo American Water Management Standard. These set minimum requirements for water management throughout the asset lifecycle, from site selection and early studies through to design, operation, closure and post-closure of all operations.

Through our Building Forever sustainability framework, we have committed to reducing our water footprint, reducing freshwater withdrawal by 50 per cent and increasing community access to water and sanitation by 2030. In accordance with our Building Forever 2030 goals, we had a milestone at the end of 2020 to decrease our freshwater withdrawal by 20 per cent and increase our water efficiency (reuse and recycling) to 75 per cent. We reduced the total freshwater withdrawal by 18 per cent compared with the 2015 baseline and achieved an overall water efficiency rate of 73 per cent for our managed operations.

## OUR PROGRESS

### WATER TARGETS AND PERFORMANCE

In 2020, we focused on reviewing our water reporting methodology to ensure we are using and applying consistent International Council on Mining and Metals (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data, enabling us to report withdrawals, consumption, discharges and efficiencies in a consistent way across the organisation. In addition, we used the same methodology to restate water withdrawal data for 2015 – the base year for our target setting. To complete the data set, we plan to restate withdrawal data for the years 2016 to 2019, both for managed and non-managed operations in 2021.

Venetia, Gahcho Kué, Victor and Snap Lake mines, as well as Debswana and Namdeb Holdings, have all undertaken self-assessments against the Anglo American Water Management Standard. Following these self-assessments, they have drawn up action plans to address areas where they do not currently conform to the standards.

### OUR WITHDRAWALS

In 2020, withdrawals across all De Beers Group operations totalled 57,081 megalitres (ML), of which 45 per cent was defined as freshwater.

In 2020, for all managed operations, our withdrawals amounted to 8,648 ML, of which 5,878 ML (or 68 per cent) was freshwater. Of the 8,648 ML of total withdrawals, 78 per cent was from groundwater (aquifer interception, borefield and entrainment) and 22 per cent was from surface water (rivers and creeks, precipitation and run-off, and external surface water storage). From a Group perspective, managed operations account for 23 per cent of our freshwater withdrawals.

For our non-managed operations, withdrawals amounted to 47,205 ML, of which 18,683 ML was considered freshwater. From a Group perspective, non-managed operations account for 73 per cent of our freshwater withdrawals. Orapa and Jwaneng mines reported the largest freshwater withdrawals in the De Beers Group.

De Beers Group entities (offices, exploration, supply chain centres, innovation, etc) withdrawals amounted to 1,228 ML, of which 1,187 ML was considered freshwater. From a Group perspective, these entities account for approximately five per cent of our freshwater withdrawals.

## WATER AVAILABILITY AND QUALITY continued

Managed operations (excluding entities) reduced their freshwater withdrawal in 2020 by 44 per cent compared with the restated 2015 base year data, largely as a result of Victor, Snap Lake and Voorspoed mines entering closure. Venetia mine increased its freshwater withdrawal by 12 per cent due to the need to maintain ecological flows in the off-channel storage dam. Rainfall in South Africa was relatively low in 2020, so our operations required additional river water to offset this reduction. However, the volumes we withdrew were within the amount we are licensed to extract. Elsewhere, Gahcho Kué decreased freshwater withdrawal by 35 per cent. Non-managed operations reduced their freshwater withdrawals by five per cent in 2020 compared with the restated 2015 base year data. For all De Beers Group operations, freshwater withdrawals reduced by 18 per cent.

Our active managed operations achieved an efficiency rate (reuse and recycling) of 73 per cent. Our consumptive losses at our managed operations amounted to 6,818 Ml, of which entrainment contributed 46 per cent and evaporation 40 per cent. Discharges to third party, groundwater and surface water totalled 1,958 Ml. At our non-managed operations, consumption and discharge losses amounted to an estimated 43,748 Ml.

### WATER-SAVING OPPORTUNITIES

We have identified a number of water-saving opportunities at our operating mines including replacing slurry deposition with dry fines and increasing reuse and recycling at Venetia mine. These water-saving opportunities are at different stages of planning and implementation. We are also constructing storm water facilities to ensure conformance to General Regulation 704 of the National Water Act (Act 36 of 1998). This may lead to further opportunities for freshwater savings.

In 2020, the water extraction pilot project at our Orapa mine continued, and we started to evaluate the outcomes. The project is pioneering a new way of extracting water from the tailings and slimes left over after diamonds have been extracted. In 2020, a fit-for-purpose pilot plant based on the Soane ATA technology was constructed, which rapidly processes tailings and slimes into solids leaving clarified water that can immediately be reused. The plant is currently at the optimisation and ramp-up phase.

Gahcho Kué continues to focus on protecting water quality in the region surrounding its operations. In 2020, we invested in a new water management optimisation strategy. This will increase the number of years of allowable discharge and therefore reduce the risk of storage capacity issues in the later years of the mine's life. Other changes at Gahcho Kué in 2020 include updates to our water quality models and an amendment to our water licence to enable continued discharge.



Environmental scientists water sampling in the field at Gahcho Kué mine, Canada



## WATER AVAILABILITY AND QUALITY continued

South Africa experienced a severe drought in 2018 – an increasing occurrence as a result of climate change. To reduce our dependence on a shared freshwater supply in this changing environment, De Beers Marine has installed a desalination plant in Cape Town. This produces 0.2 Ml of freshwater per day, to meet the freshwater requirements of our ship repair activities. In 2021, we plan to implement solar power solutions to operate the plant.

Meanwhile, at our Chidliak exploration site on Canada's Baffin Island, concept studies continued in 2020 in support of our Diamond FutureSmart initiative. This seeks to identify and advance the technologies needed to construct a mine that has zero carbon emissions, and which generates net positive impacts, both for the environment and for people.

### WATER MANAGEMENT AND CLOSURE ACTIVITIES

Water management is integral to closure activities at our Victor, Snap Lake and Voorspoed mines, and we continue to work towards fulfilling closure obligations. The Snap Lake Water Licence was approved in May 2020 in anticipation that closure activities will commence in 2022. The licence is aligned with the De Beers Group vision for closure of the site, with a focus on protecting water quality and eliminating the requirement to treat water.

Victor mine's open pit has been filling with groundwater as expected since February 2019. By the end of 2020, it had filled to approximately 10 metres below sea level. We expect to achieve the final elevation of 80 metres above sea level in January 2023. As the pit refills, the water table in the surrounding environment is also recovering, recharging local creeks and rivers and reducing the need for De Beers Group to actively supplement their flow. In 2020, several studies related to water were completed including an updated post-closure water quality model, and an updated pit lake model. In addition, an updated closure plan (amendment number four) was approved, enabling us to start closure activities such as capping and covering facilities to improve water quality and reduce the generation of methyl mercury in the adjacent fen.

### FUTURE COMMITMENTS AND PLANS

Our priority for 2021 is to set site-specific targets by progressing opportunities to reduce freshwater withdrawals for our operating mines to concept phase projects. We will also investigate opportunities to reduce overall consumption and increase efficiencies in line with the hierarchy of water management. The landscape of water use reduction offers huge scope for technical innovation. This will be key to our success in reducing water withdrawals, and we will be leveraging developments made across the Group.

Other plans for 2021 include a drive by our operations to close out agreed actions to ensure conformance with the Water Management Standard. By 2022, we will have a Group-wide integrated water management plan in place. This will leverage the FutureSmart Mining™ programme, so enabling us to achieve our Building Forever 2030 goals.

As a signatory to the United Nations CEO Water Mandate, we embrace our role as water stewards and will continue to work with relevant stakeholders to deepen our understanding of our role in identifying and addressing shared water stewardship challenges.

# WASTE MANAGEMENT AND POLLUTION PREVENTION

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We aim to reduce waste across our operations and to reuse and recycle as much as possible. We have two main waste streams: non-mineral, comprising a range of disposed waste, recycling and reuse streams; and mineral, in the form of fine and coarse residues.

We manage both mineral waste and non-mineral waste safely and responsibly, to prevent or minimise potential adverse impacts on the environment and people. For mineral waste, at each of our active operations, we appoint competent third-party contractors to operate our mineral waste facilities and to ensure critical controls and mitigation plans are in place to reduce the risk to people and the environment, along with the associated resources. Every three months, a multidisciplinary team of internal and external specialists conducts onsite reviews to confirm compliance with all requirements, including environmental, safety and technical aspects.

Diamond mining is a largely physical process that does not require the use of hazardous substances. However, the treatment process for diamond-bearing ore does require the addition of some substances under controlled conditions. All our operations and facilities focus on controlling the risks associated with hazardous substances, effluents, wastes and emissions. Preventing pollution is a key commitment for all ISO 14001-certified operations, and we ensure that we manage all potential sources of pollution.

We store any hazardous waste safely and responsibly onsite before disposing of it at certified

hazardous waste sites. For example, we dispose of hazardous waste from our operations in Botswana at certified sites in South Africa. Its transport is fully compliant with the Basel Convention on transboundary transit.

We never dispose of tailings in rivers. In Namibia, material from the treatment plant forms part of the required beach accretion to enable mining. Processed seabed material is disposed of overboard from each of our mining vessels back into the mined areas. All our tailings are managed in accordance with the requirements of the Responsible Jewellery Council.

## OUR PROGRESS

### WASTE

In 2020, we disposed of 1,673 tonnes of non-hazardous waste to landfill (2019: 2,272 tonnes) and 2,249 tonnes of hazardous waste (2019: 1,211 tonnes). We incinerate waste onsite wherever this is feasible. This totalled 1,453 tonnes in 2020 (2019: 1,398 tonnes). De Beers Group reports on hazardous, non-hazardous and medical waste as per authorised protocols.

Separating waste at source results in the efficient reuse and recycling of waste streams to external parties. Most significantly in terms of mass, these included 7,353 tonnes of metal recycled externally during 2020 (2019: 10,860 tonnes). Other materials include waste glass, paper, plastic, used oil and grease, earthmoving and light vehicle tyres, conveyor belting, drums, lead acid batteries, printer cartridges and electrical and electronic items. We comply to strict legal compliance requirements

that all used oils, as well as hydrocarbon-contaminated waters generated by both our land-based sites and our ships, are collected and responsibly sent for recycling by a permitted land-based facility.

### CIRCULAR ECONOMY

In 2019, our parent company, Anglo American, started developing a new Materials Stewardship strategy to manage wastes based on the principles of the circular economy. This recognises that to limit our impact on the environment we need to design our operations in such a way that they generate minimal waste and pollution. We also need to understand the end destination and end use of any waste that we do generate – and do as much as we can to repurpose those wastes in the highest value applications. In addition, we need to eliminate waste across the full lifecycle of a diamond, keeping materials in use for as long as possible – reducing, reusing and recycling to divert as much waste as possible from landfill.

Beyond this, we need to reimagine new circular business models, enabling us to grow our business while reducing resource use to sustainable levels, creating systems and ways of working that are regenerative by nature.

One such transformational model we are working on uses mineral carbonation technology to lock carbon into our mineral waste – the processed kimberlite from our mines. This process has the potential to give what was once a waste stream a new purpose as a valuable means of sequestering carbon from the atmosphere.

[\(See more in Climate change.\)](#)

# WOMEN AND GIRLS' EMPOWERMENT

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

With more than 90 per cent of diamond consumers being female, gender equality represents a natural area for De Beers Group to focus on – across our business, in our communities and through our brands. Our vision is for an inclusive workforce, with parity in gender representation being a key element of our Building Forever commitment to achieving equal opportunity for all by 2030.

Our commitment to gender equality is not just the right thing to do for society; it makes good business sense too. We know that greater diversity of thought will drive a stronger, more innovative and adaptable business. For example, research<sup>1</sup> shows that companies in the top quartile of gender diversity are 25 per cent more likely to have above-average profitability than companies in the fourth quartile (2017: 21 per cent, 2014: 15 per cent). Research also shows that women tend to reinvest earned income at a much higher rate than men. This means that investing in women and girls can have an exponential impact on community and national development.

Through challenging gender stereotypes and supporting financial resilience and technical and leadership skills for women and girls, we therefore know we can both create a multiplier effect for community development and build a more innovative and productive business. We can also make a meaningful contribution to Sustainable Development Goal (SDG) 5: Gender Equality as well as use greater gender equality as an accelerator for achievement across all the SDGs.

In addition, the Covid-19 pandemic and lockdown has highlighted and exacerbated existing inequalities, demonstrating that, on average, women face increased health risks and have fragile sources of income.

In light of this, we believe that a continued focus on the inclusion of women and girls is critical to increasing and diversifying women's employment and income-generation opportunities in the future. We remain HeForShe Champions working towards increased representation of women in technical and leadership roles. We are also maintaining our investment in the AWOME programme (Accelerating Women-Owned Micro-Enterprises) in partnership with UN Women, and continue to use our marketing to show positive portrayals of women. In addition, through our Building Forever 2030 goals (see [page 6](#)), we have committed to:

- support 10,000 women entrepreneurs including through the AWOME programme in partnership with UN Women;
- engage 10,000 girls in Science, Technology, Engineering and Maths (STEM), including through our partnership with WomEng; and
- achieve gender parity across our workforce.

### Broader future focus

The Black Lives Matter movement has drawn the world's attention to the very real issues and consequences of race inequality.

While standing with women and girls remains a clear priority for us as a business, we also recognise the wider issues of equality that colleagues, consumers and producer country stakeholders care deeply about. We have therefore extended this commitment to accelerating equal opportunities for all.

Our broader focus encompasses our ongoing inclusion and diversity work across the entire diamond value chain – identifying and removing systemic barriers to social and economic inclusion. We seek to achieve this by:

- implementing and continually strengthening our programmes to support equal opportunities for all employees across all forms of diversity, including gender, race, age, disability, sexual orientation, and gender identity and expression and addressing intersectionality; and
- increasing diversity of creative talent in the diamond jewellery sector.

By standing with women and girls, supporting equal opportunity in the workplace and enabling diverse voices to thrive in the diamond jewellery sector, we are helping to build a truly inclusive culture in our business, our communities and the wider industry.

To find out more about our work to build an inclusive, diverse culture where employees feel able to bring their whole selves to work, see [Employee attraction, development and diversity](#).

<sup>1</sup> Diversity wins: How inclusion matters, McKinsey & Company, May 2020

## WOMEN AND GIRLS' EMPOWERMENT continued

### OUR PROGRESS

This year marked the culmination of our initial three-year partnership with UN Women and the achievement of our three goals – parity in appointment rate of men and women into senior roles, progressive portrayals in marketing and investing US\$3 million to support women entrepreneurs in our communities. The success of the programme has encouraged us to build on and expand our partnership with UN Women in 2021.

#### SUPPORTING WOMEN'S FINANCIAL RESILIENCE

##### The AWOME programme

To date, our AWOME (Accelerating Women-Owned Micro-Enterprises) programme, run in partnership with UN Women, has provided tailored business training and mentorship to more than 1,000 women entrepreneurs in Botswana, Namibia and South Africa. It has also trained more than 50 local trainers to ensure that the programme has a sustainable future.

The programme launched in Namibia and South Africa in 2018, expanding into Botswana in 2019. It uses a 'train the trainer' approach, training selected local community members who then train entrepreneurs running businesses in a wide range of sectors from farming to retail.

Following AWOME's initial success, in 2020 we committed to extend the programme as part of our Building Forever goal to support 10,000 women entrepreneurs by 2030. This included an additional US\$3 million investment to expand the programme's reach and impact, particularly in light of the Covid-19 pandemic, which slowed progress in 2020.

#### PROMOTING TECHNICAL AND LEADERSHIP SKILLS

As part of our Building Forever 2030 goals we have extended our commitment to support STEM careers for women, with a goal to engage 10,000 girls in STEM by 2030.

##### Our WomEng partnership in southern Africa

Our three-year partnership with the international organisation WomEng continued in 2020, encouraging young women in southern Africa to pursue a career in engineering. Based in South Africa, WomEng aims to develop the next generation of women who have the high-level skills needed to succeed in the engineering and technology industries. Under the partnership, we are investing in programmes to inspire young women in South Africa, Namibia and Botswana to study STEM (science, technology, engineering and mathematics) subjects and encourage their ambitions of becoming an engineer. Our investment is funding:

- Sponsorship of the WomEng Southern Africa Fellowship. This is designed to strengthen students' employability and leadership skills, cultivating innovative entrepreneurial thinking through the

WomEng Innovation Challenge. Due to Covid-19, the 2020 fellowship went online, bringing together more than 70 fellows from Botswana, Namibia and South Africa over the six-month period from September 2020 to March 2021. Participants studied modules in leadership, innovation, wellness and employability. They also had the opportunity to hear women in technical roles within De Beers Group talk about their experience through flash mentoring and 'pearls of wisdom' discussions.

- GirlEng workshops to raise awareness of STEM subjects and career opportunities among female secondary school students in Botswana, Namibia and South Africa. Again, due to Covid-19, in 2020 we trialled a number of virtual approaches in Namibia and South Africa and small-scale physical events at schools in Musina, South Africa. In the absence of large events, we found that a combination of small-scale, face-to-face events followed up by virtual support and/or access to digital education materials was the most successful approach. Further pilots are being developed.

Through our partnership with WomEng, we have engaged 900 girls and young women to date.

##### Supporting STEM careers in Canada

Meanwhile, in Canada we have continued to work with UN Women and Scholarships Canada to provide university scholarships for young women to study STEM subjects at the University of Waterloo and the University of Calgary. To date, more than 50 scholarships have been granted.

In 2020, we awarded scholarships to the value of US\$48,825 to 14 Canadian women – 11 from the Northwest Territories, two from Northern Ontario and one from Nunavut. Seven received entrance scholarships of US\$2,175 for the 2020-2021 school year while the remainder received a second year of funding under the 2019-2020 programme. More than 200 women applied for the scholarships.

Under our partnership with UN Women, we will also have sponsored up to 30 high school girls including Indigenous teenagers from the communities around our operations to attend summer science camps. A total of 18 girls attended the University of Waterloo's Impact Summer Camp between 2018 and 2019. Unfortunately, the 2020 camp was cancelled due to Covid-19, but funding has been carried over to 2021.

#### CHALLENGING GENDER STEREOTYPES

##### Through our campaigns and sponsorships

Our jewellery brands continue to play their part in challenging gender stereotypes, using their marketing campaigns to portray all genders positively and show a diverse mix of couples in an equal light. For example, the most recent bridal campaign from Forevermark, 'I Take You, Until Forever', includes a woman proposing marriage to a man, challenging traditional stereotypes.



## WOMEN AND GIRLS' EMPOWERMENT continued

De Beers Jewellers' 2020 campaign 'Nature's Wonders, As Individual as You™' paid homage to International Women's Day, focusing on three inspirational women:

- The law student and model Aweng Chuol who advocates for refugees' rights, inspired by her phenomenal journey from a South Sudan refugee camp to London.
- The Argentinian artist Conie Vallese. Based in New York, Vallese is influenced by urban landscapes, architecture and modern art and has an avid interest in production by sustainable means.
- The British poet, actress and filmmaker Greta Bellamacina. Bellamacina writes on motherhood, female identity and love, unapologetically celebrating the imperfect, frank woman. She is the primary inspiration for De Beers Jewellers' bridal campaign.

### In the workplace

As part of our partnership with UN Women we have been working hard to achieve a target of gender parity (defined as 40-60 per cent) in our appointment rate of women into senior leadership roles and have now achieved this. From a starting point in 2017 of 22 per cent, we reached 40 per cent by the end of 2020. Overall, the representation of women in senior leadership within De Beers Group has increased from 17 per cent in 2017 to 30 per cent in 2020. As part of our Building Forever 2030 goals, we have extended our target with the aim of achieving gender parity across the organisation by 2030.

Across the world, our operations are implementing many initiatives to support greater gender equality in the workplace. In Botswana, for example, we have given female employees bursaries to enable them to study engineering degrees. We have also made simple changes to accommodate the needs of parents. These changes include allocating reserved parking bays for pregnant women and giving parents up to five days' leave each year to care for children who fall ill.

In Canada, initiatives planned include a 'change the conversation' programme to raise awareness of the importance of inclusive language. Meanwhile, in South Africa, we have developed new personal protective equipment, designed by women for women, and have also introduced lactation rooms in our mining operations to support mothers returning to work.

For more about our inclusion and diversity work, see [Employee attraction, development and diversity](#).



Biomechanics student and recipient of De Beers Group STEM scholarship, University of Calgary

# ECONOMIC IMPACT ON PRODUCER COUNTRIES

## BUILDING FOREVER PILLARS



## COLLABORATIVE REGIONAL DEVELOPMENT

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We strive to create lasting socio-economic benefit for our producer countries, working in partnership with governments and communities. This is a central focus of 'Partnering for thriving communities' – a key pillar of our Building Forever sustainability framework and part of our commitment to supporting SDG 8: Decent work and economic growth.

We continuously explore ways to support our host communities to diversify their skills and build resilient livelihoods. We want to make sure that they can prosper well beyond the recovery of our last diamond, and be part of strong, diversified national economies.

We support economic growth and diversification through enterprise development, inclusive procurement and beneficiation (see definition below). We also ensure local and historically disadvantaged citizens form the majority of our workforce in our host countries. For example, in Botswana more than 98 per cent of our workforce are local citizens.

### ENTERPRISE AND SUPPLIER DEVELOPMENT

Our enterprise and supplier development programmes are an important part of our local business support. These programmes build the capacity and competitiveness of citizen-owned enterprises. Where appropriate, they also support such businesses to become suppliers to De Beers Group.

### Zimele in South Africa

'Zimele' comes from the Zulu word meaning 'to stand on your own two feet'. We created the programme in 2009 as a catalyst to develop emerging black-owned businesses, to empower entrepreneurs and to facilitate job creation in South Africa. It features a network of business hubs and walk-in centres across the country, enabling entrepreneurs and small and medium-sized enterprises to access business facilities, knowledge, finance, mentorship and support. In 2020, four Zimele hubs in south Africa were operational and providing assistance to SMEs: Venetia, Voorspoed, Kimberley and Debmarine.

### Tokafala in Botswana

Tokafala ('to improve' in the Tswana language) launched in 2014 as a partnership between the Government of the Republic of Botswana, Debswana, Anglo American and De Beers Group. It aims to promote economic development and job creation in the country by helping local entrepreneurs develop the skills they need to build successful and sustainable businesses. It also provides long-term support to individual small and medium-sized enterprises. Tokafala has a youth development component called STRYDE (Strengthening Youth Development through Enterprise). STRYDE builds young people's personal and professional capabilities to help them start and grow businesses and find jobs.

### The AWOME programme

Our AWOME (Accelerating Women-Owned Micro-Enterprises) programme, which we run in partnership with UN Women, helps women micro-entrepreneurs build their businesses and generate a more secure income. To date, the programme has provided tailored business training and mentorship to more than 1,000 women entrepreneurs in Botswana, Namibia and South Africa. Participants range from the female leader of an automotive panel-beating and spray-painting business to women running farming, retail, catering and tailoring businesses. The programme uses a 'train the trainer' approach and has trained more than 50 local trainers. For more information' reference to the Women and girls empowerment section where AWOME is discussed at length.

### Our partnership with Stanford Graduate School of Business

Our partnership with Stanford Graduate School of Business (GSB) is designed to empower and support both aspiring entrepreneurs and established business owners in Botswana, Namibia and South Africa. There are two programmes:

- The Stanford Seed Transformation Program: a year-long leadership programme, taught by Stanford GSB faculty and trained local facilitators. It provides management training, leadership team workshops and networking support to help CEOs/founders grow and scale their business, in turn creating local jobs and helping to lead their regions to greater economic diversity and prosperity.

## ECONOMIC IMPACT ON PRODUCER COUNTRIES continued



Entrepreneur Lebogang Elsie Machaba is involved in the AWOME programme and owner of Lbeauty Salon, Senwabarwana–Blouberg District, South Africa

The programme also supports up to five members of the senior management team.

- Stanford Go-To-Market: an intensive, one-week entrepreneurship boot camp, again taught by Stanford GSB faculty. Through lectures, case studies and small group discussions, it helps budding entrepreneurs gain the confidence and skills to commercialise their business ideas and accelerate their route to market.

### INCLUSIVE PROCUREMENT

Our inclusive procurement approach is designed to generate shared prosperity for local suppliers and those in the communities surrounding our operations. Wherever possible, we procure products and services from local businesses and workers, helping to create jobs and develop skills, and thereby making a positive contribution to local communities.

In South Africa, for example, we give priority to suppliers stipulated under the mining charter, namely 51 per cent black-owned companies, youth-owned companies, and 51 per cent women-owned companies that are Broad Based Black Economic Empowerment compliant. In both Botswana and Namibia, we prioritise local and citizen-owned businesses while in Canada we prioritise Indigenous suppliers and businesses from the areas where we operate.

We run a range of supplier development initiatives designed to empower our suppliers by helping them acquire the technical and business acumen skills they need to compete globally. These initiatives include startup capital,

mentorship and coaching, strategic partnerships and business advisory services.

### BENEFICIATION

Our beneficiation approach is focused on maximising the value of the diamond sector for our producing country partners by ensuring as many supply chain activities as possible beyond mining take place in those countries. It means we sell an agreed proportion of our rough diamonds – Sightholders – rough diamond customers – based in our producer countries. This helps to ensure that as much of the diamond value chain as possible stays within the country, in particular the value-adding steps such as cutting, polishing and sales.

De Beers Group's Designers Initiative is another part of our beneficiation approach. Aimed at developing jewellery design skills, it recognises and celebrates emerging jewellery designers, giving them a valuable platform to build their careers in the jewellery industry. The Shining Light Awards, run in conjunction with Forevermark, are a key element. Established for more than 22 years in South Africa, almost 10 years in Botswana and Namibia, and since 2018 in Canada, the awards are open to jewellery designers in these four countries where De Beers Group operates.

The winner from each country receives a one-year apprenticeship at the POLI.design school in Milan. The first runners-up receive a three-month internship at the Forevermark Design & Innovation Centre in Milan, and second runners-up can join a jewellery design skills development programme at a local university.



## ECONOMIC IMPACT ON PRODUCER COUNTRIES continued

### OUR PROGRESS

The Covid-19 pandemic had an impact on our work to deliver socio-economic benefits to our producer countries. At the same time, it gave us unprecedented opportunities to support the communities in which we operate and to help businesses find innovative ways to survive during this highly challenging period. In many cases, we have been able to refocus and relaunch programmes, providing online offerings in line with the new normal.

#### SUPPORTING LOCAL SUPPLIERS

We spent US\$1.2 billion on procuring goods and services from local suppliers in 2020. This was 64 per cent of our total procurement spend (2019: US\$1.5 billion, 65 per cent) across the De Beers Group. In Botswana, the figure was 80 per cent and in South Africa it was as high as 98 per cent. In all cases, the Covid-19 pandemic had an impact on spend behaviour due to lockdowns and other restrictions.

Our supplier development programmes continue to help smaller suppliers gain the skills, investment and contacts to take their business to the next level. One of the most successful ways we do this is by encouraging small suppliers to partner with larger, more established suppliers that have the systems and scale to meet the needs of an international organisation like De Beers Group. By partnering with larger businesses, small suppliers learn from the biggest and best in their sector, enabling us to get the standard of goods and services that we need while also supporting economic

diversification and job creation beyond mining. Suppliers supported by our development programmes in 2020 include:

- Mmamoruanare Construction and Projects. We awarded this black-owned company based in the Blouberg (Sias) area a three-year contract to the value of R14 million to repair and maintain the D2692 (road to Venetia mine) and R521 road connecting Alldays to Vivo. Previously, the company provided construction services on an ad hoc basis to our contractors at Venetia mine over a 12-month period. Successful completion of these ad hoc projects earned the business this new 36-month contract. The company, which employs 24 people from our host communities, is receiving mentorship and business coaching through our supplier development programme to ensure successful completion of the project.
- Maphalakarabo Trading Enterprise. We awarded this black, woman-owned company from Blouberg a contract to the value of R2 million to pave roads in Alldays. The company, which employs 24 people, specialises in construction and civil works. It has a good record in projects such as paving, water reservoirs and the installation of water pipelines and has completed these projects on time and to the required quality and standards. This new 500-metre road paving project is part of Venetia mine's Social and Labour Plan commitments to improve the lives of people in our host communities and aims to improve safety for both motorists and pedestrians.

#### STANFORD GO-TO-MARKET AND SEED TRANSFORMATION PROGRAMME

We had to postpone our 2020 Go-To-Market (GTM) bootcamp due to Covid-19 restrictions on travelling and face-to-face gatherings. However, we invited successful applicants to other events including hosted webinars exploring innovative ways to operate businesses during Covid-19.

The Seed Transformation Programme was also paused in March 2020 but restarted in September and will continue until May 2021. The Seed Annual Survey of past participants continues to demonstrate the positive impact of this programme. The survey shows that eight participants have experienced a revenue increase of more than 25 per cent, driving job growth of 23 per cent across the three cohorts. Job growth per country shows a 20 per cent increase for Botswana, seven per cent for Namibia and 33 per cent for South Africa.

#### TOKAFALA CONTINUES TO GROW

In total, Tokafala supported 174 enterprises during 2020 (2019: 130), 36 per cent of which were owned by women (2019: 55 per cent). Together, these businesses supported 1,671 jobs (2019: 807), with particularly high employment levels in the mining sector. Since its launch in 2014, Tokafala has supported almost 900 enterprises and over 5,900 jobs.

#### ZIMELE GOES FROM STRENGTH TO STRENGTH

Loan funding continues to be one of the critical ways in which Zimele supports SMEs who may struggle to access finance through other routes. In 2020 we loaned R228 million to 47 suppliers with three-year contracts and 29 ad hoc suppliers from host communities. These suppliers supported 334 jobs.

We also provided financial assistance to two SMEs on our development programme – Sefi Services and Mmamoruanare Construction and Projects. Total funds disbursed by Zimele in the form of loans/grant funding amounted to R1.133 million. These funds were used to buy machinery, tools, vehicles and inventory.

We gave 51 SMEs on our Enterprise and Supplier Development Programme online training in digital marketing and financial literacy to help them deal with the challenging impact of lockdown regulations, manage cash flow and strengthen their understanding of funding sources and savings and investment options. Additional support included payment holidays, Covid-19 relief funds, procurement opportunities to manufacture masks and sanitisers for supply to our mines, and mentorship and coaching. At Voorspoed mine, for example, we launched a new five-month booster programme, the Godisa Programme. This consisted of three months of theoretical training and two months of business mentorship. At the end of the programme, participants who reached the outcomes and demonstrated commitment to the programme were able to apply for a grant of up to R5,000.



## ECONOMIC IMPACT ON PRODUCER COUNTRIES *continued*

We have worked with SMEs to help them address the impact of Covid-19 lockdowns by drawing up business-continuity plans with interventions for recovery and growth such as migrating to e-commerce and digital marketing. We have also sought to raise awareness of the new business opportunities that arise from Covid-19 and to encourage innovative thinking about how to stay in business.

Lima Rural Development Foundation (LIMA) continues to implement Zimele's work helping agricultural businesses grow and develop. In 2020, 361 farmers received training in weed control, inputs, land preparation, production monitoring, safety, hygiene standards and techniques to grow their customer base. A total of 491 small business owners and farmers have been supported to date and an R8 million grant from the Anglo American Foundation to LIMA has extended this programme for the next five years.

In 2020 our three-year collaboration with the Small Enterprise Development Association (SEDA) began to bear fruit with the start of our business coaching for SMEs. A 10-month programme started in September 2020 and will run until June 2021.

### ENABLING AND SUPPORTING NAMIBIAN ENTREPRENEURS

In 2020, a further 160 students took part in the Olafika SME Development and Mentorship Programme, and we will host a graduation event for them in 2021. This will mean a total of 227 entrepreneurs have graduated through the programme since it started.

Made possible by funding provided by companies such as the Namibia Diamond Trading Company (NDTC), the Olafika programme is designed to help entrepreneurial businesses to deliver profitably and sustainably.

According to Olafika's Founder and Director, Twapewa Kadhikwa, the 2020 programme was a learning experience for the initiative due to the advent of Covid-19.

"Covid-19 has shown us how catastrophic it is not to develop the backbone of your economy, which is the SMEs. Once you have too many who depend on the government, it's a catastrophe. Covid-19 has brought the reality to the forefront," she says.

The 2020 cohort completed coursework in November and a mentorship programme started in January 2021, where mentees were paired with mentors across different regions.

The new intake for the 2021 programme begins late May and will be conducted through a hybrid programme of face-to-face teaching and online learning.

Olafika has also now been accredited by the Namibia Qualification Authority (NQA) through the programme's training partner, African Leadership Institute (ALI), allowing the initiative to serve the needs of raw and budding Namibian entrepreneurs who have a vision but lack guidance.

Twapewa Kadhikwa explains, It's the first local qualification in entrepreneurship. Our formula for the way forward is back to basics. Foundation is very important. Maybe you're a baker before Covid, and then schools closed and orders are down. Your supply is down. Your bakery is no longer feasible, but you have a good foundation.

"Because of Olafika skills, you know what it requires to identify an opportunity, to market, network, manage your finance, because you have the necessary skills, you can reform. You can start a catering business. Your business does not close."

Ndeshi Mukete, a graduate from the programme, who is in the nail industry, said she found Olafika empowering:

"It helped me to shape and restructure my business model. It gave me leadership skills. The programme opened the door for other ventures that I can look at in the future." Mukete joined the programme in June 2020. When she started, she was renting a chair at a salon but has since registered her business. "I employed two of my cousins," she says. "I am renting a space for my business which shows growth. I am teaching them what I have learned."

Another 2020 graduate, Linda Ruben, says she gained a lot of knowledge on how to run her business and be innovative. "The modules that were offered were practical for any business person," she says. "Business innovation and management and marketing were especially helpful."

The marketing module helped her to identify which platforms work when it comes to marketing her business. "It saves you money," she says, "rather than using all the platforms, you know exactly where to go to market and give your business the most exposure."

Ruben is in the event-planning industry and the programme gave her access to mentors so that she could ask questions when needed. "Learning practical skills like how to read a balance sheet or an income statement was very important." She also learned to diversify her business and is moving into the tech industry.

### DRIVING BENEFICIATION THROUGH ENTERPRISE DEVELOPMENT

In October 2020, De Beers Group welcomed the second intake of five diamond-polishing and jewellery-manufacturing companies that will participate in our Enterprise Development Project for Diamond Beneficiaries.

Launched in 2016, the project aims to facilitate the growth and transformation of diamond beneficiation in South Africa. To achieve this, it takes a holistic approach that seeks to optimise interventions in all aspects of the diamond pipeline, from rough-diamond purchasing, through state-of-the-art manufacturing to marketing and distribution.

## ECONOMIC IMPACT ON PRODUCER COUNTRIES continued

The five companies, which specialise in cutting and polishing diamonds, refining precious metals and making jewellery, are B&H Mining, Irresistible Rough Diamonds, Isabella Jewellers, Outclass Crystallized Gems and Sunrise Gemstone. They were selected from a pool of companies identified by stakeholders from across the industry.

Four of these companies have beneficiation licences, while one has a Jewellers' permit and Precious Metals Refining Licence. Two are 100 per cent black female owned, with three being overall female owned. One is based in Kimberley.

### INAUGURAL VIRTUAL DIAMOND IMPACT WEEK

Our inaugural virtual Diamond Impact Week programme proved a big success, attracting a total of 1,764 people to its Teams Live and YouTube events. Events included:

- 'The Leadership Circle', a discussion between His Excellency the President of Botswana, Dr. Mokgweetsi Eric Keabetswe Masisi, and De Beers Group CEO, Bruce Cleaver. The two discussed the Covid-19 pandemic and their efforts to minimise its impact on Botswana and De Beers Group respectively.
- The inaugural virtual WSummit 2020. Launched by the First Lady of Botswana, Neo Jane Masisi, WSummit is a platform for women in business across the globe. In this online event attracting 400 participants, women discussed coping strategies for Covid-19 and how they could use the challenges brought about by the pandemic as stepping stones to success.

- A trade webinar attracting 267 people. Participants included De Beers Group's Ten/Ten designers (see [Consumer demand for diamonds](#)); the Permanent Secretary of the Ministry of Mineral Resources, Green Technology and Energy Security, Botswana, Mmetla Masire; and the Honourable Minister of the Ministry of Mineral Resources, Green Technology and Energy Security, Botswana, Lefoko Moagi.

### LAUNCH OF OUR 2020/21 SHINING LIGHT AWARDS

Our prestigious Shining Light Awards aim to inspire young jewellery designers, giving them life-changing skills development opportunities. We successfully launched our 2020/21 competition with a robust digital media campaign in our four partner countries of Botswana, Canada, Namibia and South Africa. Working together with five jewellery design associations, six incubator companies, and 28 universities and technical colleges, we reached over 23,000 people. This year's theme is 'The Evolution of Love and Life'.

Also in 2020, our 2018/19 first prize winners completed their online studies at Politecnico di Milano in Milan, Italy.

### FOREVERMARK STORE

Our Forevermark store at the Sir Seretse Khama International Airport in Gaborone was forced to close for a significant period in 2020 to comply with Covid-19 lockdowns. However, since the re-opening of the airport, the all-female managed store has gone from strength to strength, with a campaign on Botswana Television helping to increase sales.

### FINANCIAL AND OPERATIONAL UPDATE

2020 was a challenging year for rough diamond demand. Total revenue for De Beers Group decreased by 27 per cent to US\$3.4 billion, with rough diamond sales falling by 29 per cent to US\$2.8 billion. This was due to rough diamond sales volumes decreasing by 27 per cent as well as a three per cent decline in the average realised price.

There was a knock-on effect in our returns to producer countries, with the total decreasing to US\$3.2 billion compared to US\$4.3 billion in 2019. Payments to partners, joint ventures and suppliers totalled US\$2.5 billion (2019: US\$3.5 billion), while our payments in government taxation came to US\$130 million (2019: US\$173 million). Of our payments to stakeholders, 74 per cent were made to stakeholders in Africa (2019: 72 per cent).

Rough diamond production decreased by 18 per cent to 25.1 million carats (2019: 30.8 million carats) in response to lower demand due to the pandemic and the Covid-19-related shutdowns in southern Africa during the first half of the year. We invested US\$22 million in exploration across the Group.

# COMMUNITY DEVELOPMENT FOR PRODUCER COUNTRIES

## BUILDING FOREVER PILLARS



## COLLABORATIVE REGIONAL DEVELOPMENT

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Our host communities are hugely important to us for many reasons. They are a source of local employees and suppliers; they are critical in enabling us to maintain our licence to operate; and living up to their expectations helps us manage risks and create a stable operating environment, which in turn benefits our business.

We have a long history of working in partnership with communities. Our vision is to be a catalyst for a step change in skills, health and livelihoods, to enable community resilience and diversified local economies. This is why 'Partnering for thriving communities' is a key pillar in our Building Forever sustainability framework (see [page 6](#)).

We recognise that we have a responsibility to protect the local communities around our mines from adverse impacts or inequalities, by working with them to ensure the benefits of mining are felt by everyone.

### COLLABORATIVE REGIONAL DEVELOPMENT

Our approach to community development seeks to create long-term economic growth across regions, through collaboration and partnership. Collaborative Regional Development (CRD) promotes development initiatives that are scalable, take a long-term view beyond the life of a mine, are financially sustainable and adopt inclusive ownership models. The approach delivers these initiatives in collaboration with partners from across a region – community representatives, faith groups, businesses and entrepreneurs, government, academics and NGOs.

CRD starts by identifying the development opportunities with the greatest potential in a particular region, through spatial analysis of the physical and human environment. The next step is to bring together relevant stakeholders to develop those opportunities. Supported by De Beers Group, the stakeholders establish a community organisation, which provides the backbone structure and acts as a catalyst in the development of initiatives across six key focus areas: economic development, health, education, environment, service delivery and social empowerment. The organisation helps to secure funding, identifies the right group of implementation partners for a particular initiative and monitors, evaluates and shares best practice learnings.

Following extensive preparations to build relationships and lay the groundwork, we have helped put in place this type of collaborative partnership in the Limpopo region of South Africa, which includes our Venetia mine. In 2020, Debswana started a similar approach in the regions surrounding our Jwaneng and Orapa mines, conducting spatial analysis to inform value chain mapping.

### MANAGING OUR IMPACTS

All our operations have the potential to have significant social impacts on communities. These can include population changes as people join the community to seek work, as well as changes to the local economy and people's livelihoods. Other potential impacts can stem from increasing pressures on local infrastructure and public services, the quality and availability of natural resources and 'social nuisance' factors such as dust and noise.

Through our approach to community development we aim to:

- deliver a lasting positive contribution to communities;
- manage risks and impacts;
- respect human rights;
- engage with affected and interested stakeholders;
- be inclusive of vulnerable and marginalised groups; and
- integrate social performance within relevant operational processes.

This strategy is aligned with the Anglo American Social Way, our governing framework for social performance. It applies across the whole lifecycle of our operations, from exploration to closure, including the acquisition and sale of assets.

In 2020 Anglo American launched an updated version 3 of the Social Way that is aligned with evolving best practice and stakeholder expectations.

## COMMUNITY DEVELOPMENT FOR PRODUCER COUNTRIES continued

### SEVEN PILLARS

The Social Way identifies and assesses seven pillars of socio-economic development. These represent the different ways our mining operations can contribute to long-term socio-economic development. They ensure we have a strong focus on harnessing our core business activities to create the most beneficial local impact. The pillars are:

- 1. Local procurement:** supporting local small- and medium-sized enterprises in supplying goods and services to De Beers Group; also, offering mentoring and capacity building, including health and safety training.
- 2. Local workforce development:** helping local people to develop skills and access employment opportunities at De Beers Group and elsewhere.
- 3. Enterprise development:** encouraging small- and medium-sized enterprises to grow through mentoring, enabling access to sources of finance, identifying links to supply chains and partnering opportunities.
- 4. Employee volunteering:** supporting our employees who want involvement in socio-economic development programmes, encouraging them to share their skills with local communities.
- 5. External capacity development:** working with local institutions to improve their social programmes through capacity building.
- 6. Synergies with infrastructure:** covering extra costs generated by changes to the design of our operational infrastructure to enable maximum benefit for local communities.

- 7. Corporate social investment:** supporting communities through financial contributions including strategic investments, philanthropic donations and gifts in kind.

Across the seven pillars, we place a strong emphasis on supporting women and girls, in line with another key focus of our Building Forever sustainability framework.

### ASSESSING OUR IMPACT ON COMMUNITIES

The Social Way requires all our mining operations to develop a long-term Social Performance Strategy. This is supported by annual Social Management and Stakeholder Engagement Plans that track the commitments made, and by our widely publicised and easy-to-access complaints and grievance procedure.

We carry out Environmental and Social Impact Assessments during development of a mine or when planning significant changes to existing operations. These enable us to identify the potential effect on communities, to develop any necessary mitigation measures and to identify key opportunities for improvement.

### GRIEVANCE MECHANISMS

Effective grievance mechanisms for local stakeholders are a key requirement of the Social Way and our Best Practice Principles programme. They give local stakeholders a voice and enable our operations to identify any new concerns.

We align our grievance mechanisms with the UN Guiding Principles for Business and Human Rights. Responsibilities include informing local community stakeholders that the mechanisms exist and providing an appeals process. Grievance systems are included in our annual Social Way assessments and are verified by a third party through the Best Practice Principles Assurance Programme. When appropriate, we translate mine grievance procedures into local languages.

### SOCIAL INVESTMENT

Social investment is part of our approach to socio-economic development in the countries where we operate. Initiatives focus on capacity building, community development programmes, donations and emergency relief, all with a strong emphasis on partnerships.

In some countries, we direct a proportion of our social investment through formal agreements with government or local communities. In South Africa, for example, we agree Social and Labour Plans with the government to set targets for promoting socio-economic growth and empowering Historically Disadvantaged South Africans. In Canada, we use Impact Benefit Agreements – formal community investment agreements with any Indigenous groups affected by our operations.

In Namibia, the Debmarine-Namdeb Foundation contributes strategic investments to create a positive impact and leave a lasting positive impact in Namibia.

## OUR PROGRESS

### ENGAGING WITH LOCAL COMMUNITIES

Engaging with local communities is the key to ensuring that our community development and social investment activities meet their genuine needs of these communities. Each of our operations has an annual stakeholder engagement plan to ensure that our engagement is consistent and inclusive.

One of the new requirements of the updated Social Way is for each operation to establish a Community Engagement Forum (CEF) – an inclusive forum for all local stakeholders, with the mine being just one party among several. Venetia mine is well advanced with the establishment of its CEF, and the first meetings are scheduled for 2021. In Canada, our Impact Benefit Agreements with First Nations communities provide for a comprehensive and inclusive engagement and consultation process.

### SOCIAL PERFORMANCE OF OUR MINE SITES

Social Way version 3 was launched in January 2020. Our operations have transition plans in place with the target of full compliance by the end of 2022 (an extension of one year has been given across all Anglo American operations due to the impact of Covid-19). During 2020, the site Social Performance teams received in-depth training, and general managers, together with their heads of departments, were briefed. All four sites need to meet requirements relating to Socio-Economic Development, Contractor Social Management, Community Health and Safety,



## COMMUNITY DEVELOPMENT FOR PRODUCER COUNTRIES continued

Emergency Preparedness, Voluntary Principles on Security and Human Rights, and Cultural Heritage. In some cases, they also need to meet additional requirements that are specific to their location and context.

### SOCIAL INVESTMENT

Total Social Investment spend across De Beers Group in 2020 was US\$33.1 million (2019: US\$26.9 million).

We focus our investment where we can have the biggest positive impact, and in 2020 the largest investments were in health and welfare, including supporting communities throughout Covid-19 (US\$21.5 million), community development (US\$5.6 million) and education and training (US\$2.3 million). These investments support a wide range of long-term programmes and shorter-term projects, which vary in size and duration. Our longer-term investments include enterprise development programmes such as Zimele and funding hospital facilities and health programmes to enable community access to health services.

### TRANSFORMING SCHOOLS IN SOUTH AFRICA

De Beers Group is piloting Anglo American's pioneering South African Schools Initiative in 25 schools near our Venetia mine. Launched in 2018, the initiative aims to improve educational outcomes for both primary school pupils (reading, writing and numeracy skills) and secondary school pupils (mathematics and science skills). Our goal is for these schools to be among the top 20 per cent of the country's state-run schools by 2030.

During 2020, the programme continued to make progress at its 25 selected schools in Musina and Blouberg municipalities, despite the challenges of the Covid-19 pandemic. Remote support was provided between April and June 2020, with a focus on supporting both educators and learners in subjects such as mathematics, science and English. In order to address the impact of Covid-19, the programme has been extended to 2023.

The assessment of Early Childhood Development (ECD) sites was completed in late 2020, and a total of 20 ECDs were selected to join the programme; nine from Musina and 11 from Blouberg.

The aim of the assessments was to find out whether children were meeting their age-appropriate developmental outcomes and were ready to benefit from school reception year (Grade R) at the age of five. The assessments also identified developmental areas where children were not performing well.

Due to Covid-19, onboarding will be done on a site-by-site basis, with the process having commenced in February 2021.

We continue to monitor and evaluate the support given through this programme so that we can measure its impact on the hundreds of participating learners and educators.

### DEBMARINE-NAMDEB FOUNDATION

In 2020, the Debmarmine-Namdeb Foundation invested more than US\$880,000 assisting the Namibian Government in the fight against Covid-19. Amongst others, the Foundation procured 30 ventilators, 30 vital signs monitors and various PPE from suppliers, which were donated to the Namibian government. In partnership with Development Workshop Namibia, the Foundation assisted with the installations of tippy taps in Windhoek and Lüderitz. Essential medical equipment was also provided to the Lüderitz state hospital. Part of the funds directed to Ombetja Yehinga Organisation for the initial project were diverted for the creation of short three-minute videos addressing specifically teenage pregnancy and gender-based violence, which have both significantly increased since the start of the pandemic.

### EMPLOYEES AS AMBASSADORS FOR GOOD

Ambassadors for Good (AfG) is an employee volunteering programme that gives Anglo American and De Beers Group employees the chance to use their skills to help social projects in their communities, backed by funding of up to £5,000 per project from the Anglo American Foundation. Employees with an idea for a project organise themselves into diverse teams of up to five people with a local partner organisation, such as a charity or community group. To be selected, projects must align with our Building Forever pillars. If their idea is funded, team members can use up to three volunteering days to implement it.

We initially piloted AfG in 2018 in the UK and South Africa, rolling it out in South Africa, the UK and Canada during 2019. In 2021, the programme was also available in Germany, Ireland and Singapore.

The impact assessment from 2018, which covered both Anglo American and De Beers Group, showed that AfG funded 65 projects and supported 63 partner organisations. In total, 228 volunteers gave 3,786 total volunteer hours to benefit 117,090 people.

More than 70 per cent of employees said they acquired, improved or developed teamwork and collaborative skills as a result of their participation in AfG. Nearly all (97 per cent) of our partner organisations said they would participate in the programme again and would recommend it to others.

# HUMAN RIGHTS

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Respect for human rights is at the heart of our operating philosophy, deeply embedded in our business and the wider diamond pipeline. It is one of the Critical Foundations of our Building Forever sustainability framework.

We are committed to the United Nations Guiding Principles on Business and Human Rights and set strict requirements relating to human rights, labour rights, non-discrimination, and the prohibition of child and forced labour, ensuring we are compliant with local legislation and that all our diamonds are certified as conflict-free.

We hold ourselves and those we work with accountable for honouring industry-leading requirements set out by the Social Way (our social performance management policy and system), the Kimberley Process and our Best Practice Principles (BPP) Assurance Programme (see [Diamond value chain sustainability](#)).

From our Sightholders and Accredited Buyers to their contractors engaged in diamond cutting, polishing and jewellery manufacturing, we work in close partnership to strengthen trust and confidence throughout the pipeline, supported by third-party auditing to verify compliance with our requirements.

## POLICIES AND PROCEDURES

We have several policies related to human rights in place, including our Employee Human Rights Policy, our Security and Human Rights Policy and the human rights elements of the Social Way. We have also integrated the UN Guiding Principles on Business and Human Rights into our social performance management system. In addition, all our mining operations have carried out human rights risk assessments.

Our Human Rights Working Group co-ordinates how we review our approach to human rights. We measure our progress on implementing the UN Guiding Principles on Business and Human Rights in several ways, including through our Social Way assessments, our BPP programme assessments, Security Effectiveness Reviews and our Responsible Jewellery Council recertification process, which takes place every three years.

## RESPECTING THE RIGHTS OF EMPLOYEES

We are committed to providing a working environment in which every employee is treated fairly and has the opportunity to realise their full potential. Our Employee Human Rights Policy states that there will be no unfair discrimination on the basis of race, colour, sex, religion, political opinion, gender orientation, national extraction or social origin. It also states that employees will receive equal pay for work of equal value.

We assess the risk of child and forced labour at all our operations. Our Employee Human Rights Policy prohibits the employment of anyone under the age of 16. It also prohibits the employment of people under 18 in roles that may be hazardous to health, wellbeing or safety, including any night work, underground work and work involving machinery. The policy also sets out that employees will not be subjected to any forced labour and that overtime will be voluntary and restricted to the national permitted level. As part of the policy, we respect the right of our employees to associate freely and bargain collectively.

## SECURITY AND HUMAN RIGHTS

Security is very important to our business. We are committed to the Voluntary Principles on Security and Human Rights (Voluntary Principles), ensuring that we act responsibly in relation to security. We have completed self-assessments across all our security functions, aligned to implementation guidance in the Voluntary Principles.

Our Security Services and Human Rights Policy applies to all employees and contractors at every level of companies that are majority-owned and managed by De Beers Group. The policy is aligned with the Voluntary Principles.

We regularly assess the operational effectiveness of our security practices and procedures against key criteria. Multi-disciplinary teams carry out these assessments, and the results are assured via a series of internal reviews.

## HUMAN RIGHTS continued

All security personnel receive training that includes human rights. We also require all our external security contractors to ensure that their employees are trained in the human rights aspects of security.

Our security and human rights training curriculum, developed jointly with Anglo American and International Alert, covers all aspects of the Voluntary Principles on Security and Human Rights. It presents an understanding of why the principles are needed and what can and should be done to protect people in the workplace. The curriculum consists of several e-learning training modules that have been rolled out to all De Beers Group business units.

### OUR PROGRESS

#### HUMAN RIGHTS RISK MANAGEMENT

During 2020, we reviewed and updated, as necessary, risk assessments at all our mining operations. The operations also reviewed incidents and grievances to identify potential human rights-related issues. This enabled them to understand any emerging human rights impacts that should be addressed through risk assessments and management plans.

By applying the updated version 3 of the Social Way Policy and Toolkit, which commenced in 2020, we are strengthening our approach to Social and Human Rights Impact and Risk Analysis. The guidance and tools provided to site teams to support this is publicly available [here](#).

In line with UK legislation, in July 2020 we published our [Modern Slavery Act Statement](#) for the 2019 financial year.

Our BPP programme includes a dedicated section on human rights. This sets out strict requirements on how each participating entity (there are more than 2,600 entities that participate in the BPPs in the diamond value chain) must identify, mitigate and respond to any human rights issues, risks or concerns within their operations.

During the 2020 BPP cycle, we also introduced a new section to the BPP programme called 'sourcing from conflict-affected and high-risk areas', which sets out requirements for both De Beers Group and our customers to conduct human rights due diligence on the diamonds we source. Our independent auditors provided a detailed review of this section during their third-party audits in the 2020 BPP cycle.

#### STRENGTHENING OUR APPROACH TO RESPONSIBLE SOURCING

We are committed to responsible sourcing and have aligned all our sourcing practices with the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, known as 'the OECD Guidance'. We embedded these requirements into the BPP programme during the 2020 BPP cycle. This will ensure that, from mine to retail, the strict policies and procedures governing our sourcing practices meet the rigorous standards set out by the OECD (see more in [Diamond value chain sustainability](#) and [Ethical value chains – responsible sourcing](#)).

Since we are at the beginning of the diamond supply chain, we understand our responsibility for ensuring that our customers, their customers and others further along the value chain can undertake due diligence as far through the chain as possible.

#### HUMAN RIGHTS TRAINING

A total of 2,428 training hours were devoted to human rights in 2020 across De Beers Group (2019: 1,078). The number of people who received training in human rights policies and procedures in 2020 is 2,332 (2019: 3,023).

In 2020, a total of 499 people (2019: 399), including members of our permanent in-house security staff, privately contracted security personnel, cross-functional stakeholders and police officers, completed the Voluntary Principles on Security and Human Rights e-learning training curriculum, developed jointly with Anglo American and International Alert.

#### COMPLIANCE

We identified no operations where the right to exercise freedom of association and collective bargaining had been violated or put at significant risk. Equally, there were no reported incidents of child or forced labour.

We established no significant investment agreements with the potential to directly affect human rights in 2020. The De Beers Group Investment Committee considers all major investment decisions.

# ARTISANAL AND SMALL-SCALE MINING

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

It is estimated that artisanal and small-scale mining (ASM) operations are responsible for between 10 and 20 per cent of global diamond production volume. Conditions within these operations can be unsafe, and there is potential for exploitation, human rights abuses and negative environmental impacts.

At De Beers Group, we see supporting the formalisation of the ASM sector as an industry-wide challenge, and we want to play a role as a key industry stakeholder. We also believe it is vital to recognise that banning ASM diamonds is neither a feasible nor sustainable solution, given millions of people rely on the ASM sector for their livelihoods.

Since 2018, we have been implementing a programme called GemFair™, with the aim of creating a secure and transparent route to market for ethically sourced ASM diamonds. Using dedicated, innovative technology, GemFair enables ASM miners to record, value and track their diamonds. GemFair's digital solution also gives artisanal miners the option to sell their diamonds via De Beers Group's distribution channel. Artisanal miners participating in the GemFair programme benefit from training and capacity building to help raise their working and business standards.

Through GemFair, we have built a model for responsible sourcing that will see artisanal miners receive fair value for their diamonds and benefit from improved livelihoods and enhanced working conditions. GemFair is also developing miners' knowledge and understanding of diamond valuation.

## OUR PROGRESS

2020 brought significant changes to the diamond industry, and the artisanal mining sector was no exception. Amidst a global pandemic, border restrictions and economic uncertainty, GemFair pivoted its operations to focus on providing its stakeholders in Sierra Leone the support they needed during this exceptionally challenging period. GemFair launched a comprehensive Covid-19 community response in Kono District, which included:

- a monthly distribution by our field team of food parcels, soap and masks to 79 ASM sites for 10 months;
- the donation of N95 respirators and surgical masks, sanitiser, hand-washing stations, gloves, gowns and other personal protective equipment to local frontline healthcare workers;
- the purchase of radio airtime to help doctors give remote communities important public safety information;
- use of our digital solution to send miners SMS messages with World Health Organization advice on Covid-19; and
- participation in a global effort to collect and report data on the social, economic, security and health impacts of the pandemic on ASM communities. This was organised by the [DELVE initiative](#).



## ARTISANAL AND SMALL-SCALE MINING continued

### TRAINING PROGRAMMES

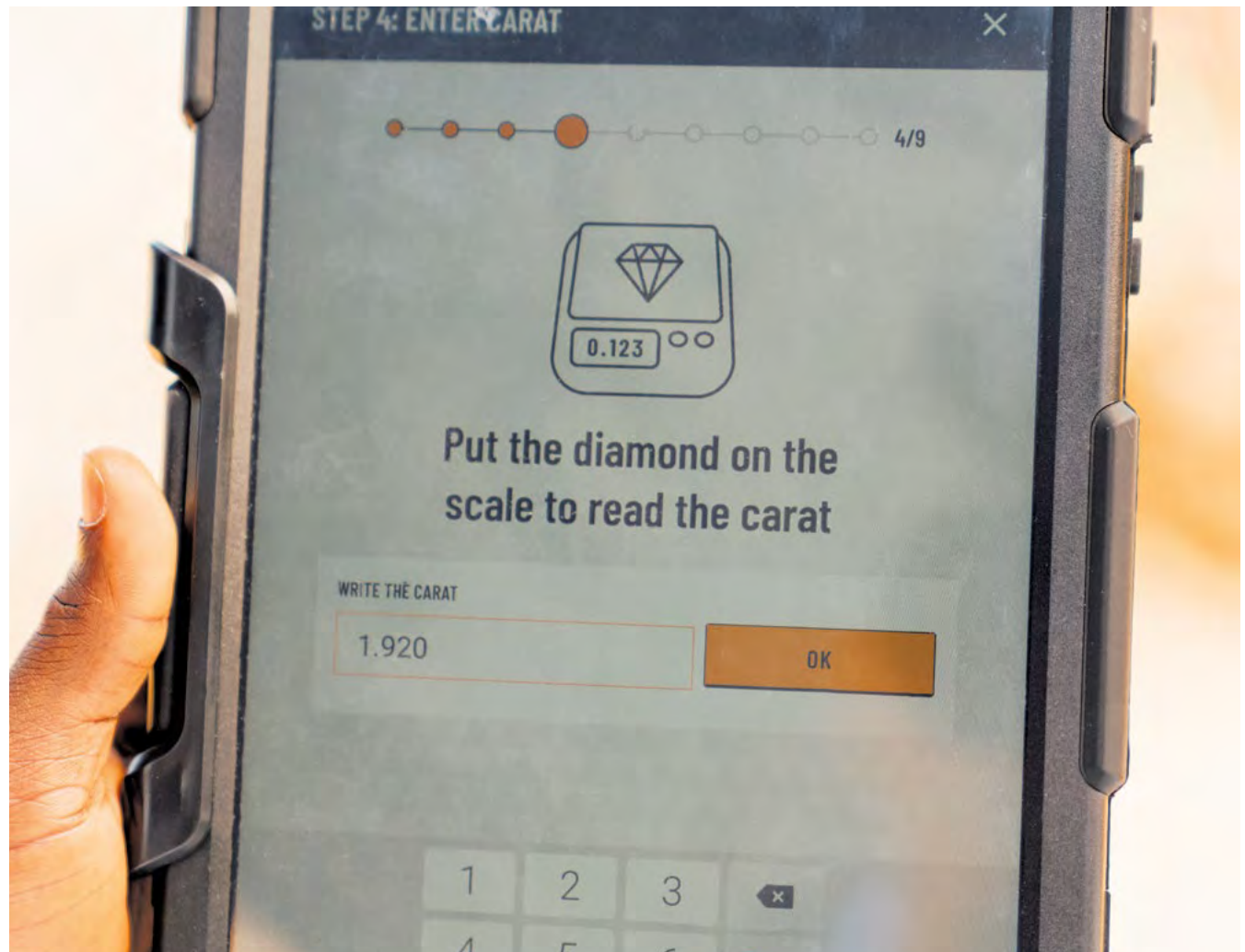
GemFair signed a Memorandum of Understanding with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the Mano River Union (MRU) to deliver a training programme on responsible sourcing, ASM standards and diamond valuation to members of the MRU. We expanded our ASM Standard training programme to more than 200 participants and broadened our reach to include artisanal miners, government agents, members of civil society and the media.

### PILOT PROJECT TO RECLAIM LEGACY MINING AREAS

Also in 2020, GemFair launched a pilot project in Kono to reclaim two legacy mining areas and prepare the sites for cultivation. Through this pilot, GemFair was able to provide a livelihood for artisanal miners and farmers from the local community, shoring up economic resilience and improving food security during an unprecedented economic fallout from the pandemic.

### THE DIAMOND DEVELOPMENT INITIATIVE

GemFair and the Diamond Development Initiative (DDI) worked closely in 2018 and 2019 to provide 33 artisanal diamond mine sites with access to training on ASM standards and the international market through GemFair's buying office in Sierra Leone. Throughout 2019 and 2020, GemFair continued to monitor participating artisanal miners' progress in achieving higher standards through both onsite visits and continued training opportunities. We also included the 33 artisanal sites in the scope of GemFair's third-party management system audit.



GemFair toolkit being demonstrated by an employee

# PARTNERSHIPS AND GOVERNMENT RELATIONS

## BUILDING FOREVER PILLARS



LEADING ETHICAL PRACTICES ACROSS INDUSTRY



PARTNERING FOR THRIVING COMMUNITIES



PROTECTING THE NATURAL WORLD



ACCELERATING EQUAL OPPORTUNITY

## COLLABORATIVE REGIONAL DEVELOPMENT

## SUSTAINABLE DEVELOPMENT GOALS



1 NO POVERTY



3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



17 PARTNERSHIPS FOR THE GOALS

## OUR APPROACH

Partnerships are the cornerstone of our business. They are the foundation for our relationships with governments and communities in the countries where we operate. Through working in partnership, we strive to maximise the economic and social benefits from diamonds and leave a positive, lasting impact long after we've recovered our last carat.

We have a proud history of successful partnerships that span many decades. In Botswana and Namibia, our mining and sorting businesses are 50-50 joint venture partnerships with the countries' respective governments. In South Africa, we partner with Ponahalo Holdings, a broad-based black economic empowerment entity. And in Canada, Mountain Province Diamonds is our partner in operating Gahcho Kué – the world's largest new diamond mine, which was opened in 2016.

At a local level, we partner with the communities around our mines to ensure they benefit from diamond mining and build strong local economies. We have formal agreements in place that set out how we work together. In Canada, these are called Impact Benefit Agreements, and in South Africa they are Social and Labour Plans. We also work to our own robust standards and guidelines. For more details, see [Community development for producer countries](#).

Partnerships also underpin our activities across the four pillars of our Building Forever sustainability framework. They are crucial to the delivery of our projects and to the achievement of our goals and objectives. We've formed a number of flagship

partnerships to drive positive change in areas where we believe we can make a real difference. For example, in August 2017, we announced a three-year partnership with Stanford Graduate School of Business to promote entrepreneurship and innovation to help transform the economies of southern African countries.

A month later, in September 2017, we announced a partnership with UN Women to improve the prospects of women and girls in our producer countries. As part of this, we invested US\$3 million in female micro-entrepreneurs and in promoting STEM (science, technology, engineering and mathematics) skills for girls and young women.

Our partnership approach extends to our work with global stakeholders, both within and outside the diamond industry. We take part in a wide range of economic, environmental and social charters, principles and initiatives that address crucial global challenges such as gender equality, human rights, biodiversity and anti-corruption. We recognise that these issues can only be solved through collaboration, and we are committed to playing our part. See [GRI Index](#) for a full list of initiatives we are part of.

## OUR PROGRESS

### SUPPORTING OUR GOVERNMENT PARTNERS IN THE FIGHT AGAINST COVID-19

The Covid-19 pandemic has brought significant challenges to our government partners around the world, providing new opportunities for us to demonstrate the strength of our relationships. Throughout 2020, we have worked closely with

government task teams to share information, identify optimal solutions to challenges and establish how we can best support their Covid-19 relief programmes. Our support has taken many different forms including in-kind donations, cash contributions, commissioning support and the loan of our facilities and equipment.

In Namibia, we committed to an in-kind donation of N\$15 million. This was allocated to various projects, most significantly to the purchase of a purification system and polymerase chain reaction (PCR) detection system for the Namibia Institute of Pathology (NIP) based in Windhoek. As part of the donation, NIP also received personal protective equipment, consumables, 32,100 extraction and PCR tests, and ancillary equipment including a fridge, freezer, UPS, biosafety cabinet and computers. Additional support from De Beers Group included training NIP staff in how to use the new equipment and leveraging the Anglo American supply chain to help NIP procure a further PCR platform and additional PCR tests at their own cost. Debmarine Namibia has also partnered with the University of Namibia to install and supply a further PCR platform at its site in Windhoek.

In Botswana, we committed to an in-kind donation of BWP10 million and a cash contribution of BWP10 million to the government's Covid-19 relief fund. The in-kind donation included the following three initiatives:

- The purchase of new Covid-19 testing equipment for the National Health Laboratory (NHL) based in Gaborone. As part of the donation, the NHL also received personal protective equipment,

## PARTNERSHIPS AND GOVERNMENT RELATIONS continued

consumables, 10,000 extraction and PCR tests, and a variety of ancillary equipment. Additional support included training NHL staff in how to use the new equipment and support with commissioning.

- The purchase of a further PCR platform for use by the NHL in Maun. This area was a key focus of government efforts to open up the tourism industry.
- A combined project with Botswana Institute for Technology Research and Innovation (BITRI) and Botswana International University of Science and Technology (BIUST) to produce 20,000 litres of sanitisers locally.

In South Africa, we have worked with SA Pathology to install a PCR platform at a private laboratory in Cape Town. Recognising the importance of testing to curtail transmission, we have also made PCR labs at our mines in Botswana (Jwaneng and Orapa), Namibia (Namdeb at Oranjemund) and South Africa (Venetia, where we have developed a new laboratory with two PCR platforms) available to the respective governments to supplement their own facilities. We are now in active discussions as to how we can best use our significant healthcare infrastructure and capacity to support government partners in their vaccination programmes.

### EXTENSION OF SALES AGREEMENT IN BOTSWANA

Given the logistical challenges presented by the pandemic, De Beers Group and the Government of the Republic of Botswana agreed to extend our existing contract for the sale of Debswana's rough diamond production until the end of 2021.

The agreement was originally due to expire at the end of 2020. The extension, which will see the two partners continue to work together under the terms of the existing agreement, will provide further time for discussions regarding the contract renewal.

### ADVANCING ASM STANDARDS IN WEST AFRICA

Another key achievement in 2020 saw GemFair, our initiative to help formalise the artisanal and small-scale diamond mining (ASM) sector, sign a Memorandum of Understanding with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the Mano River Union (MRU). Under the agreement, the three parties will jointly develop and deliver a capacity-building programme to enhance practices in the ASM sector in the MRU member countries of Sierra Leone, Liberia, Guinea and Ivory Coast.

The programme will provide training in mine site health and safety, environmental management, ethical sourcing standards and diamond valuation. Participants will include miners, government officials and civil society activists in the four countries.

The training is designed to support implementation of the Regional Approach of the Kimberley Process, enhance knowledge of OECD requirements and introduce safer and more environmentally friendly mining techniques for artisanal miners in these MRU regions.

GemFair's role is to design the training material and provide staff and expertise to deliver the training.

For more details, visit [Artisanal and Small Scale Mining](#).



Engineers at an open pit mine, Jwaneng mine, Debswana



# INDIGENOUS COMMUNITIES

## BUILDING FOREVER PILLARS



## COLLABORATIVE REGIONAL DEVELOPMENT

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Indigenous communities often have cultural and spiritual connections to traditional or ancestral lands. Livelihoods and lifestyles are also often closely connected to the local environment.

Three of our mines, all in Canada, operate in Indigenous traditional territories. These are in Ontario (Victor mine, currently in its closure phase) and the Northwest Territories (Snap Lake mine, currently on extended care and maintenance, and Gahcho Kué mine).

We assess the rights of Indigenous peoples through the Social Way, our management system for social performance. And we assure these rights through our Best Practice Principles (BPP) programme.

## IMPACT BENEFIT AGREEMENTS

Ensuring that local Indigenous communities benefit from mining has always been important to us. At each of our Canadian mines we have signed Impact Benefit Agreements (IBAs) with Indigenous groups. These agreements provide commitments through which the communities benefit from our operations.

We currently have six IBAs in place at Gahcho Kué mine. The four in place at Snap Lake mine remain on hold while the site is on extended care and maintenance.

Although Victor mine closed in 2019, we are maintaining our IBA commitments right through the reclamation and closure process, which is expected to run until 2023. Indigenous companies owned by IBA partners continue to provide important services at Victor mine throughout the closure process.

## INCLUSIVE PROCUREMENT

We make it a priority, through our Inclusive Procurement Policy, to buy goods and services from Indigenous suppliers. When evaluating bids from prospective suppliers or contractors, our procurement team allocates significant positive weighting to companies that can demonstrate they provide skills and capacity-building for Indigenous people.

Wherever possible, we seek to establish long-term contracts. These allow us to work closely with Indigenous suppliers and to identify joint opportunities for capacity building and development. The Gahcho Kué and Snap Lake socio-economic development strategy (SED) aims to build local capacity through the implementation of programmes that promote sustainability in the region. This is evident in the award of the contract for care and maintenance services at Snap Lake, where a company that is wholly owned by an IBA partner currently provides the services. This strategy creates skill development that meets future needs of the region, specifically remediation and reclamation.



## INDIGENOUS COMMUNITIES continued

### OUR PROGRESS

#### EMPLOYABILITY TRAINING FOR IBA COMMUNITIES

Despite the many restrictions during the Covid-19 pandemic, the De Beers Group team used the time to develop training strategies to address skills gaps in IBA communities. In collaboration with the community and a local service provider, we facilitated training for small engine repairs in the tutsel K'e community. As well as providing participants with the skills required to address their own and the community's mechanical needs, it developed sustainable transferable skills and acted as a springboard to spark interest in other training opportunities.

#### SUPPORTING ELDERLY PEOPLE IN LONG-TERM CARE FACILITIES

In partnership with contractors at the Gahcho Kué mine, the Seniors Association and joint venture partner Mountain Province Diamonds, De Beers Group raised funds to buy a bus for senior citizens. This will enable older people, especially those living with limited mobility, to access essential services such as medical appointments and cultural events, and to remain connected with their families.

As a result, the bus service will help to make the community more inclusive and barrier free, providing a bridge to prevent social isolation.

Daryl Dolynny, CEO of AVENS – A Community for Seniors, said: "We know improving day-to-day activities with a trustworthy bus is vital for a healthy mind and body. Our senior citizens count on us to give them a lift in support. We want to thank De Beers Group, Gahcho Kué mine and their contractor partners for joining our cause and helping us achieve our goal."

#### SUPPORTING STUDENTS DURING COVID-19

As the world adjusted to the new ways of working enforced by the pandemic, students in the Northwest Territories also had to adjust to a new way of learning. The transition to e-learning platforms revealed a gap in the infrastructure necessary to support the new learning platform in host communities. To help address this gap, De Beers Group donated 300 computers to students in remote communities, so enabling access and promoting a culture of continual learning. This was part of a broader community response fund which also provided food hampers and PPE to support Indigenous communities during the pandemic.

#### COMPLIANCE

No violations involving the rights of indigenous peoples were recorded in 2020.



Pickup trucks driving on Winter Road, Gahcho Kué mine, Canada

# LAND ACCESS AND RESETTLEMENT

## CRITICAL FOUNDATIONS

### SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We aim first and foremost to avoid having an impact on access rights to land, wherever possible. However, when there is no alternative we work closely with communities to provide the most appropriate solution, should resettlement remain the only option.

In the event that resettlement is required, De Beers Group commits to minimising its impact, engaging with all key stakeholders to help restore and improve the livelihoods of those affected. In doing so, we work to the International Finance Corporation Performance Standard 5: Land Acquisition and Involuntary Resettlement (IFC PS5).

## OUR PROGRESS

### ORAPA RESETTLEMENT

Having completed physical relocation at Orapa in 2018, in 2020 we continued to focus on restoring the livelihoods of the households affected, in alignment with Botswana legislation and international good practice as set by IFC PS5. Comprehensive stakeholder engagement continued throughout 2020, with a strong emphasis on monitoring and evaluation, particularly regarding individuals who are affected by the project and identified as vulnerable.

### LAND CLAIMS

A total of four formal land claims have been made in South Africa under the Restitution of Land Rights Amendment Act, 2014. Of these, three are on multiple farms and portions in the Limpopo Province and the other is in the Northern Cape Province, which also includes three farms. The claims relate to properties owned by De Beers Consolidated Mines at the Venetia Limpopo Nature Reserve and Venetia mine in Limpopo, and at Rooipoort Farm near Kimberley in the Northern Cape.

The three claims in Limpopo were made by three different communities, namely the Machete community, Tshivhula Tribal Authority and the Vhalea Tribe. The claim at Rooipoort Farm was made by Richard Hoogstaander and Lentikane Mogadile on behalf of the Rooipoort Community.

De Beers Group referred the three properties in the Northern Cape to the Land Claims Court for adjudication as they were incorrectly recorded when they were initially gazetted. De Beers Group has met with the Commissioner's Office in the Northern Cape on numerous occasions, which has confirmed that it has since amended the Gazette Notice to reflect the correct claimants and obtained a resolution on who is currently representing the claimants.

De Beers Group has received the updated Gazette which is now undergoing legal review within Anglo American in order for a recommendation to be prepared for the De Beers Group Managed Operations Management Team. The recommendation will focus on whether De Beers Group should continue or withdraw from the court process and consider this claim as part of the Anglo American Land Claim Task Team that is convened with the Land Claims Commissioners. The Task Team has been established to review and finalise all land claims within Anglo American.

# TECHNOLOGY AND INNOVATION

## BUILDING FOREVER PILLARS



LEADING ETHICAL PRACTICES ACROSS INDUSTRY



PARTNERING FOR THRIVING COMMUNITIES



PROTECTING THE NATURAL WORLD

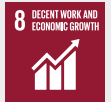


ACCELERATING EQUAL OPPORTUNITY

## SUSTAINABLE DEVELOPMENT GOALS



4 QUALITY EDUCATION



8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



17 PARTNERSHIPS FOR THE GOALS

## OUR APPROACH

Rapid advancements in technology are expected to bring fundamental changes in the way people live, work and relate to each other, affecting all businesses and parts of society. Innovations like artificial intelligence, cloud computing, robotics, 3D printing, the Internet of Things and advanced wireless technologies have enabled the fusion of the digital, biological and physical worlds as never before.

In the coming years, we anticipate step-change innovations in technology, digitalisation and sustainability that will transform how we source, mine, process, move and market our products.

In line with our parent company Anglo American, we believe mining has a safer, smarter and more sustainable future – and this is the future we are working towards. We see this future as one where we eliminate workplace fatalities once and for all, where we radically improve our productivity and the way we use land, energy and water, and where our communities thrive long beyond the life of any mine – with better health, education and increased levels of employment. The journey towards this future lies at the heart of our innovation-led approach to sustainable mining, an approach that Anglo American calls FutureSmart Mining.

## OUR PROGRESS

In order to support both our own employees and people in our host communities to prepare for new and evolving roles, we need to make sure they have the right skills to thrive in tomorrow's more digitalised workplace. Therefore, in February 2020, as part of our Building Forever goal on education and skills partnerships, we launched a 'Skills for the Future' pilot project with the International Youth Foundation (IYF). During 2020, IYF undertook a detailed analysis of local employment opportunities and supply and demand for skills in the host communities of our Venetia mine in South Africa. IYF also worked with two local Technical and Vocational Education and Training (TVET) institutions, building their capacity to train young people in the important psychosocial skills that are increasingly needed for the fast-evolving workplace.

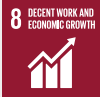
In the second phase of the project, which started in April 2021, IYF will continue to strengthen youth education and employment ecosystems in the areas surrounding our Venetia mine. They will achieve this by strengthening capacity at TVET colleges; enhancing student retention and outcomes so that young people are ready to enter the workplace; and engaging with the private sector, leading industry associations and relevant government authorities to help develop training that better prepares students for apprenticeships and tomorrow's job opportunities.

Learnings from the IYF pilot will be shared across De Beers Group to inform the development of other skills partnerships.

# SAFETY

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We value the health and safety of our people above all else. No diamond is worth the cost of illness or injury. Going Beyond Zero is our goal, and we are committed to developing innovative solutions to achieve this. We are also determined to consistently demonstrate our value to Put Safety First and make safety inherent in everything that we do.

Our approach to safety is guided by the Anglo American SHE (Safety, Health, Environment) Way and our Pioneering Brilliant Safety Framework adopted in 2020. The former sets out our systematic approach to managing SHE-related risks and opportunities and how this integrates with our business processes.

We also have a Group sustainability policy and standards and guidelines that set the foundations for safety excellence, leadership and behaviour across De Beers Group. Our cross-company Safety Working Group meets regularly to share best practice and reflect on learnings. In addition, we hold a bi-annual CEO Safety Summit for all De Beers Group companies, hosted by De Beers Group CEO, Bruce Cleaver.

We review our safety risks regularly as part of our Operational Risk Management process and our approach and safety performance are constantly under review. We use leading indicators to proactively identify hazards and developing risks. Our main safety risks are:



Our CEO, Bruce Cleaver, signing our Safety Pledge



## SAFETY continued

- transportation – surface mobile equipment (SME) and light vehicles and buses (LV&B);
- fire – uncontrolled ignition;
- open pit slope – rock fall (surface) and slope instability failure; and
- residue storage facilities.

### OUR SAFETY PLEDGE

At our sixth CEO Safety Summit in February 2020, before Covid-19 regulations on social distancing came into effect, we signed our new Group safety pledge:

*We value the safety of our people and pursue it without hesitation or compromise. In every situation, on every site, around every corner, at home and in every decision we take, we will seek out risks to our people and address them relentlessly and with urgency. We will always put the wellbeing of our people before production and profit, and we celebrate our colleagues who demonstrate that their personal safety, and the safety of their colleagues, is their most important responsibility.*

We are committed to honouring this pledge by leveraging our leadership capabilities, bringing our contractors with us on our safety journey, staying focused on safety risks, and responding proactively to lessons learned.

## OUR PROGRESS

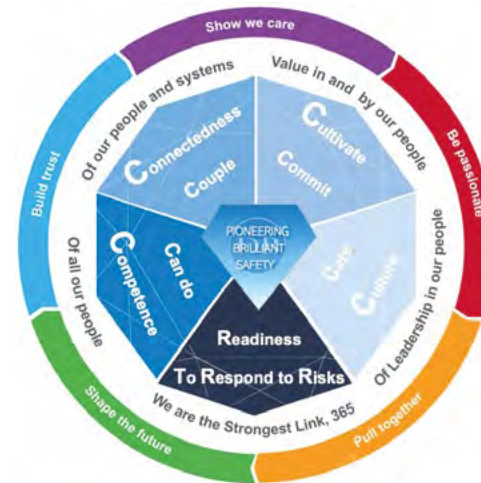
### A NEW SAFETY FRAMEWORK

We held our seventh CEO Safety Summit in October 2020, virtually bringing together executive management from across De Beers Group to critically reflect on our current safety performance and establish the priorities for the next phase of our safety transformation journey. There was full support for the safety maturity journey that De Beers Group has embarked on. The following key actions were agreed:

1. Provide visible leadership commitment to create an inherent safety culture.
2. Promote awareness of mental health and its impact.
3. Develop an integrated Group Health Framework.
4. Adopt the 4C Group Safety Framework (set out adjacent).
5. Promote a speak-up culture.
6. Adopt leading or resilience metrics to measure safety transformation progress.
7. Embed the use of technology.

Our Pioneering Brilliant Safety maturity journey is intended to move us beyond zero to a culture where our people are ready to respond to dynamically changing risks. Safety will be inherent in all that we do. This journey is guided by our Pioneering Brilliant Safety Framework across the 4Cs:

- Culture of leadership in our people
- Competence of all our people
- Cultivate value in and by our people
- Connectedness of our people and systems.



The aim of the framework is to have people who are ready to respond to risks by being the strongest link – every minute, every hour, and every day of the year. The framework defines the activities that are needed at a strategic, tactical and operational level to achieve this goal. Each operating company will then adopt and co-deploy the activities relevant to its particular operation.

### ELIMINATION OF FATALITIES

In 2020 De Beers Group participated in the Anglo American Group Elimination of Fatalities (EoF) programme. This aims to eliminate fatalities in all operations. A total of 17 workstreams were developed and actions identified and implemented to improve safety performance and seek to eliminate the risk of fatalities. De Beers Group is currently on target to complete the workstreams in the agreed timelines.

### SAFETY LEADERSHIP

Our Safety Working Group continues to meet monthly to discuss matters related to managing safety, sharing best practice and implementing and embedding critical controls at all our operations. A separate Elimination of Fatalities Working Group has also been established to optimise implementation of the EoF workstreams.

To oversee this work, our Operational Transformation Steering Committee also meets monthly. Chaired by our Technical Executive, it is attended by general managers and other senior leaders.

We also initiated in 2020 an annual Safety Leadership Award to recognise sustained and measurable safety leadership by teams or individuals, where employees, contractors and teams were made safer because of strategies and initiatives that were implemented.

## SAFETY continued

### BEING THE STRONGEST SAFETY LINK

Alongside the strategic work delivered via the CEO Safety Summit, we continue to place significant emphasis on engaging every one of our employees on the importance of safety and safety leadership. Our central message focuses on individual responsibility – that we are all responsible and accountable for the safety of ourselves individually, our co-workers, our families and our communities, 24 hours a day, seven days a week, 365 days a year. We have accordingly transformed our mantra of “I will be the strongest link, 365” to “I am our strongest link, every day”.

Our 2020 Global Safety Day campaign brought this message to life. The campaign focused on:

- continuing to live our values 24/7, 365 days a year;
- putting our values at the heart of our safety leadership;
- recognising how our values help us to become and stay injury and fatality free;
- understanding more clearly how the value behaviours support safety risk leadership;
- embracing how our values help us manage the impact Covid-19 has on us all – both physically and mentally; and
- identifying and reporting hazards proactively, before they manifest as incidents.

Global Safety Day 2020 included a combination of virtual and physical, socially distanced workshops at all our locations, and culminated with a company-wide virtual address by our CEO, Bruce Cleaver. Feedback was very positive, with employees saying the workshops brought home the importance of being uncompromising when it comes to safety and living our values.



Engineer uses a lathe machine in the base workshop, Jwaneng mine

### SAFETY 365



## SAFETY continued

### SAFETY PERFORMANCE AND AWARDS

Sadly, since the start of the pandemic, we have lost 31\* of our colleagues to the Covid-19 virus. De Beers Group is offering support to their families, as well as the team members that worked closely with them during this incredibly difficult time.

The Total Recordable Case Frequency Rate (TRCFR) has improved to 1.59, which is three per cent within target, and a 13 per cent improvement compared with 2019. TRCFR has improved by 22 per cent over the past five years. We recorded 33 Lost Time Injuries in 2020. Coupled with 17 per cent fewer hours compared with 2019 (due to mine closures and national lockdowns), this resulted in an increase in Lost Time Injury Frequency Rate to 0.58 (12 per cent outside target, and a five per cent decline on 2019). Overall, our Lost Time Injury Severity Rate was 23 in 2020 (a 21 per cent decline on 2019). The Group will improve on case management in 2021.

During 2020 we focused on improving risk competency, and proactively identifying and reporting High Potential Hazards (HPHs). This has led to the reporting of 500 HPHs, compared with 32 in 2019. This 15-fold increase has contributed to a decline in the number of High Potential Incidents reported – 73 in 2020 compared with 86 in 2019 (a 19 per cent decrease).

The following awards were received during 2020:

- Gahcho Kué mine won the John T Ryan National Safety Award from the Canadian Institute of Mines, Metallurgy and Petroleum (CIM) and the Yellowknife Chamber of Commerce Workplace Health & Safety Award.
- Victor mine was awarded the Eastern Region John T Ryan Safety Award from the CIM for the third year in a row.
- De Beers Canada received the Canada's Safest Employer Excellence Award in the Mining & Natural Resources category.
- Debmarine Namibia won the De Beers Group 2020 Albert Milton Safety Leadership Award.



De Beers Group employee overlooking processing plant, Gahcho Kué mine, Canada

\* Up to 20 May 2021.



# HEALTH AND WELLBEING

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Alongside safety, occupational health is a major part of our commitment to zero harm. Employee health is essential to the effectiveness of our operations, and to the wellbeing and participation of employees in their local communities.

Noise-induced hearing loss, musculoskeletal disease, respirable hazards, psychological health and communicable diseases (eg HIV/AIDS, TB and Covid-19) are our top health risks.

We protect our people by managing these risks through, for example, our hearing conservation programme, respiratory protection programme, Covid-19 response strategy, musculoskeletal protection and fatigue management programmes. Our occupational health risks are reviewed annually as part of our Operational Risk Management process.

In collaboration with Anglo American, we implemented the WeCare programme to ensure a holistic response to Covid-19. The WeCare programme focuses on four main themes:

- **Physical health** – Education and behavioural change to support personal health and hygiene; health screening and testing; provision of PPE and medical equipment and facilities.
- **Mental health** – Employee support programmes to assist with mental health management, including an employee app, online events and digital materials.

- **Community response** – A wide-ranging community support programme including public information campaigns on health and hygiene; health screening, testing and treatment; donations of medical supplies and equipment; food security; local business support; providing essential services (eg water, energy); support for schools; skills training; longer-term regional development planning; and employee match funding.

- **Living with dignity** – Direct employee and community support to combat gender-based and domestic violence; working closely with health authorities to identify abuse cases and refer victims to support services.

Our approach to occupational health is guided by the Anglo American SHE (Safety, Health, Environment) Way – a framework that governs our work in these three interrelated areas. We are also guided by our Group Occupational Health Policy and associated technical standards. We have a cross-company Health Peer Group that meets regularly to share best practice.

### MANAGING HIV/AIDS

The threat of HIV/AIDS is an everyday fact of life for our employees and people living in the communities around our operations in southern Africa. We launched our first HIV/AIDS initiative in Debswana in 2001. Today, we deliver an advanced programme built around four pillars: prevention, treatment, care and support.

We are determined to keep driving down the rate of infection among our people. One strategic approach we have adopted is the UNAIDS goal of 90-90-90. This means we aim for:

- 90 per cent of our employees to be aware of their status;
- 90 per cent of HIV-positive individuals to be on a treatment plan; and
- 90 per cent of those on a plan to be achieving viral suppression.

### WELLNESS IN THE COMMUNITY

Our approach to health and wellness goes beyond the mine gates and extends to our local communities. With our government joint venture partners, we own and manage hospitals near the Debswana Jwaneng and Orapa mines in Botswana, and near Namdeb's former Oranjemund mine in Namibia, which local communities have access to. We also run wellness campaigns and programmes in the local community.



## HEALTH AND WELLBEING continued

**OUR PROGRESS****MINIMISING THE IMPACT OF COVID-19**

With the Covid-19 pandemic affecting lives and livelihoods around the world, 2020 was an unprecedented year. We worked hard to minimise the impact of the pandemic on our disease-management programmes. For example, anticipating movement restrictions during lockdowns, we proactively engaged with disease-management partners such as medical insurers and retailers. By doing so, we successfully minimised the risk of reduced access to life-saving treatment, care and support, for example by including virtual/remote psychological health support.

The pause in operations during lockdowns, and the move to remote working for office-based employees, presented a challenge in maintaining the momentum of our traditional wellness campaigns. In particular, it proved more difficult to offer employees the opportunity to be tested for health conditions such as HIV/AIDS, TB, diabetes, hypertension, cancer and obesity. We addressed this challenge by adopting innovative solutions and developing new strategic partnerships. For example, our partnership with Dis-Chem Pharmacies provided a unique opportunity for employees working from home to visit any outlet in their extensive retail footprint and be tested for HIV/AIDS, TB, diabetes, hypertension and obesity.

**OUR UNAIDS 90-90-90 GOALS**

As a result of this approach, we achieved relatively good progress towards our UNAIDS 90-90-90 goals. A total of 76.33 per cent of our employees in southern Africa now know their HIV status, 93 per cent of employees diagnosed with an HIV infection are receiving sustained anti-retroviral therapy, and 90 per cent of employees receiving this treatment are successfully suppressing the virus, so reducing the risk of transmission.

The effectiveness of our HIV/AIDS disease-management programme continues to contribute to the fight against TB. De Beers Group has one of the lowest annualised incidences of TB in the mining sector, in a southern African region that is significantly burdened by the disease. In the past five years, the annualised incidence in our workforce in the region has decreased from 101 per 100,000 people in 2016 to 37 per 100,000 people. The provision of the TB prophylaxis to those at risk of TB is another factor in this successful reduction.

Despite this progress, there is more work to be done. De Beers Group reported 32 new cases of HIV in 2020, compared with 80 in 2019. In 2021 we will be shifting our focus from a curative approach to prevention initiatives.

**HEALTH IN OUR LOCAL COMMUNITIES**

Despite the many challenges of Covid-19, work continued in 2020 on initiatives to promote positive health in our local communities, as set out by our Building Forever sustainability framework and contributing to Sustainable Development Goal 3: Good Health and Wellbeing. Gahcho Kué, Venetia mine, Orapa and Jwaneng have now all completed baseline studies and developed five-year plans. By 2025, we aim for each community to have made 50 per cent progress towards its goals.

**OCCUPATIONAL HEALTH PERFORMANCE**

The proportion of our workforce exposed to occupational health hazards above the occupational exposure limit was 18.1 per cent (2019: 25 per cent). These employees all operate in environments where there are controls in place to minimise their exposure. This significant improvement can be attributed to improvements in the control strategy in a number of our upstream operations. Consequently, De Beers Group reported zero cases of occupational disease in 2020.

In 2021 our focus will be on implementing an integrated health management solution. We will be partnering with Anglo American to begin our digital transformation journey, focusing on:

- virtual health platforms;
- real-time risk exposure monitoring;
- digital trauma twins; and
- wearables technology.

# EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Our business success depends on the commitment and expertise of our people. That is why we work hard to bring out the best in our employees, supporting them to reach their full potential as part of a highly skilled workforce.

We provide a range of training and development programmes designed to help people progress in their careers. Our recruitment, talent management and succession planning processes help us ensure we have the best people in place in each role. We regularly review our overall strategy to make sure we will have the skills and approaches in place to enable our employees and our business to grow and succeed in the future.

We focus our approach to performance management on helping our employees work together towards shared goals. We believe that teamwork drives innovation, which in turn delivers better business performance.

## INCLUSION AND DIVERSITY

We believe an inclusive culture is one that values diversity, reflects our company values and underpins our ambitious business objectives. This type of culture will also power business growth and drive innovation.

Our focus is on creating a safe and inclusive working environment, so people can bring their 'whole self' to work. An inclusive workplace will make us a better business in every sense – higher performing, more attractive to employees and more representative of the communities in which we operate.

Our inclusion and diversity strategy comprises three key areas:

- Leadership and culture
- Talent attraction, retention and development
- Working practices.

The strategy is underpinned by policies on global inclusion and diversity, and harassment and bullying, supported by our Group Flexible Working Statement, and will support us in delivering our 2030 Building Forever commitment to achieve equal opportunity, including gender parity, for employees across our workforce by 2030 (see [Women and girls' empowerment](#)).

## OUR PROGRESS

### COVID-19 IMPACT

The Covid-19 pandemic had a huge impact on our business, first affecting our Asia retail locations, then spreading across the globe, ultimately impacting our retail stores in other markets, as well as our operations in southern Africa and Canada. A large proportion of our desk-based workforce worked from home in 2020, while our mining sites reduced their capacity in line with relevant government guidance. In South Africa, we placed Venetia mine into a state of semi care and maintenance, reducing our workforce to 25 per cent to reduce the risk of transmission. We continued to pay people on full basic pay during this period. In Canada, we implemented a range of Covid-19 safety measures, including extending shifts from two to four weeks, introducing onsite testing and changing flight schedules. As a result of these measures we were able to continue operations.

Please see [page 12](#) for more information on our response to Covid-19.

## EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY continued

### BUSINESS TRANSFORMATION

We accelerated our business transformation in 2020 in response to the impacts of Covid-19 and to ensure we remain fit for the future, including operating with a lower cost base. This included undertaking a strategic review in mid-2020, which led to proposals to make a reduction in our employment costs while also ensuring we have the right organisational structure in place as we continue to deliver on our transformation agenda.

Following a thorough programme of consultation and engagement in line with relevant legislation, we identified where roles could be reduced within our managed businesses. We were able to minimise the impact of job reductions through a mix of cancelling budgeted vacancies, ending fixed-term contracts, redeploying employees into vacant positions or projects within De Beers Group or the wider Anglo American plc Group, and accepting requests for early retirement and voluntary redundancy. While many of the potentially impacted employees were able to take up other positions as a result of this process, unfortunately, around 320 colleagues did leave the business in 2020 and early 2021.

### MANAGING CHANGE

The Future Fit programme is part of our change management journey. It is an interactive, leader-led workshop consisting of four modules:

- Understanding our strategy and what it means for my team
- Understanding the impact of change on individuals and teams

- Reviewing the opportunities the change offers us

- Creating a team plan for future success.

The aim of Future Fit is to help teams process change and consider the role they play in implementing our business strategy. The programme is designed for flexible delivery and is being rolled out across different parts of the business as the opportunity presents itself.

### CLOSING THE GAP ON GENDER DIVERSITY

Mining has historically been a male-dominated industry, but we are working hard to achieve and maintain a target of gender parity (40-60 per cent) in senior appointments in line with the commitment made under our UN Women partnership. At the end of December 2020 our appointment rate of women into senior management positions was 40 per cent.

When we launched our UN Women partnership in 2017, our workforce was 24.5 per cent female. At the end of 2020, that figure stood at 26.9 per cent (2019: 26.3 per cent, 2018: 26.1 per cent).

In 2020, women represented 32.2 per cent of management positions (2019: 29.8 per cent, 2018: 29.3 per cent) and 30.1 per cent of senior management positions (2019: 24.2 per cent; 2018: 20 per cent). For more information on our work around gender diversity, see [Women and girls' empowerment](#).



Keatlareitse Ketlogetswe, a haul truck driver, in her vehicle at Jwaneng mine, Botswana

## EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY continued

### ACHIEVING EQUAL OPPORTUNITY FOR ALL

De Beers Group is committed to achieving equal opportunity for all employees. In South Africa, historically disadvantaged people represent 84.7 per cent of the workforce (2019: 88.6 per cent) and 50.0 per cent of senior management roles (2019: 47.4 per cent). In Namibia, previously disadvantaged people represent 91.0 per cent of the workforce (2019: 90.5 per cent) and 66.7 per cent of senior management roles (2019: 66.7 per cent). Access to opportunity and inclusion for citizens is a priority in Botswana. In 2020, citizens of Botswana represented 98.4 per cent of the workforce (2019: 98.6 per cent) and 81.8 per cent of senior management roles (2019: 83.3 per cent). For more information on our broader commitment to accelerating equal opportunity see [Women and girls empowerment – Our approach](#).

### TAKING A STANCE ON HARASSMENT AND BULLYING

In 2020, as part of our effort to eliminate workplace harassment, bullying and victimisation and to support all employees in bringing their whole self to work, we trained over 40 employees across De Beers Group to deliver Bullying, Harassment, Victimisation (BHV) training. Unfortunately, Covid-19 disrupted the rollout of face-to-face BHV training to all employees. We therefore offered online BHV training on our LEARN+ platform to help employees develop the skills to deal with bullying and harassment. Training on BHV will continue in 2021.

### RECIPROCAL MENTORING

In 2020, interviews for our Reciprocal Mentoring Programme were conducted and mentors and mentees were matched. However, the Covid-19 pandemic delayed the start of the programme and reduced the number of sessions that participants were able to hold.

### LEARNING AND DEVELOPMENT

We continue to utilise LEARN+ as our online e-learning platform, offering employees personalised, flexible, continuous and on-demand learning. The platform contains a wealth of briefing materials, tools, guidelines and best practice in multiple digital formats as well as perspectives from external experts.

Our overall training and development spend in 2020 was US\$9.3 million (2019: US\$19.4 million). More than 8,500 employees received over 580,000 hours of training or development, an average of 67 hours per employee (2019: 10,000 employees, 630,000 hours, an average of 61 hours per employee). The reduced spend demonstrates both the impact of Covid-19 and our increased use of more digital and remote learning through e-learning platforms such as LEARN+. This is enabling us to achieve more hours of learning at a reduced cost.

### LEADERSHIP COURSES

Due to the impact of Covid-19, the Anglo American and De Beers Group leadership training programmes did not take place in 2020 as they are face-to-face courses. We are investigating how they can be delivered online.

### MENTAL HEALTH

In August 2020, a range of colleagues across De Beers Group were nominated and trained as Mental Health First Aiders (MHFADs), adding to the 2019 cohort already certified. The role of MHFADs is to provide a first line of support to other colleagues and to offer guidance on tackling mental health challenges. By the end of 2020 over 70 employees were certified as MHFADs.

To help employees cope with the challenges of Covid-19 and national lockdowns, we increased our focus on mental health, giving employees information on ways to promote good mental health and wellbeing. This included access to relevant TED talks and to apps like Headspace offering techniques for mindfulness.

### WORKFORCE UPDATE

Overall, our workforce numbers increased in 2020 due to an increase in contractors. Across the diamond pipeline, we employed 21,615 people – 13,976 direct employees and 7,639 contractors (2019: 19,150 people – 14,616 direct employees and 4,534 contractors). Of these, 81 per cent were based in Africa (2019: 81 per cent). The proportion of employees on fixed-term contracts reduced to 7.5 per cent (2019: 9.1 per cent).

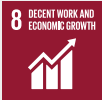
Employee turnover, which includes resignations, redundancies, retirement, dismissals and completion of fixed contracts, decreased slightly in 2020 to 8.1 per cent (2019: 10.4 per cent), with the rate for women reducing to 9.1 per cent (2019: 12.7 per cent) and the rate for men at 7.8 per cent (2019: 9.6 per cent).



# INDUSTRIAL RELATIONS

## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Our approach to industrial relations is guided by International Labour Organization conventions, covering areas including employment, forced labour and child labour. We are also guided by our Code of Conduct, our Human Rights Policy and our Best Practice Principles programme, which set out the high labour standards and conditions we expect not only in our own operations but across our value chain.

Trade union participation is high at our African mining operations, many of which are covered by collective bargaining agreements. Collective bargaining is regulated by national labour laws in each country and agreed by each of our individual business units with their local mineworkers union. In South Africa, for example, it is regulated by the Labour Relations Act and by separate collective agreements between the National Union of Mineworkers and our in-country units.

Typically, we negotiate agreements annually, but often for up to three years. These tend to cover areas such as wages, housing or accommodation allowances, holiday allowances and medical aid schemes. Almost half of the direct employees at our African operations are covered by collective bargaining agreements.

Local labour courts or other statutory bodies adjudicate any disputes or alleged violations relating to labour rights, which are kept on public record.

## OUR PROGRESS

### RELATIONSHIPS WITH UNIONS

#### Botswana

In Botswana, relations with the Botswana Mine Workers Union remained generally positive in 2020, with Debswana successfully concluding two significant collective labour agreements.

Debswana, through partnership with the Union, successfully managed to reach a Shutdown Agreement early in the year in response to government lockdowns due to Covid-19. This agreement regulated conditions of service for employees during the period the company had scaled down production.

The company was also able to seamlessly manage the shutting down of two assets (a mine and a processing plant), ensuring impacts on employees such as unplanned or forced retrenchments were minimal.

Debswana did not experience any industrial action in 2020.

#### Namibia

Namdeb remains committed to fostering sound and stable relations with the Mineworkers Union of Namibia (MUN). The relationship remained stable in 2020, with wages increasing in line with a multi-year agreement signed in July 2019.

In response to the Covid-19 pandemic and the need to ensure a sustainable future for the business, Namdeb Management and MUN leadership signed an historic agreement in July 2020, designed both to minimise employees' exposure to the virus and ensure business continuity. This restricts travel for continuous shift workers at both Southern Coastal Mines and Orange River Mines. With the surge in Covid-19 cases as a result of the second wave, the agreement was extended until 31 January 2021 under the same conditions.

Namdeb did not experience any industrial action in 2020.

## INDUSTRIAL RELATIONS continued

### South Africa

In the context of South Africa's economic and political environment, the general industrial relations climate remains challenging. Despite this, and the added challenges presented by the Covid-19 pandemic, our relationship with South Africa's National Union of Mineworkers remained positive throughout 2020.

De Beers Consolidated Mines (DBCM), De Beers Sightholder Sales South Africa (DBSSSA) and De Beers Marine (South Africa) all signed new three-year wage agreements covering 2020 to 2022. The bargaining unit in De Beers Group Services continued the long-term wage agreement entered into in 2019.

Our contractors had no significant work stoppages during 2020. The tendency for both our own employees and contractors' employees to involve local communities in industrial disputes was not as marked in 2020 as in previous years. We continued to engage with contractors and local communities around the sustainability of our operations, and we also helped local communities to minimise the impact of the Covid-19 pandemic, efforts that contributed positively to the overall industrial relations climate.

### COMPLIANCE

We identified no instances in 2020 where employees' rights to exercise freedom of association and collective bargaining had been violated or were at significant risk.



Employees meeting at Jwaneng Mine, Jwaneng, Botswana

# DIAMOND VALUE CHAIN SUSTAINABILITY

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Ensuring stakeholders can trust that our diamonds are genuine, conflict-free and brought from mine to finger in a way that respects people and the planet is fundamentally important to us.

Our Best Practice Principles (BPP) are a set of strict standards developed by De Beers Group that set out our requirements on a wide range of ethical, social and environmental responsibilities. We update the BPP programme's standards annually in response to emerging risks and changing legislation or international standards. These include international human rights principles and labour regulations.

We apply the standards at every stage of our value chain through the implementation of the BPP programme, from exploration to retail. The standards cover our own operations and are a mandatory requirement for our Sightholders and Accredited Buyers – customers who purchase rough diamonds from us. This covers more than 2,600 entities across 77 countries and nearly 350,000 employees.

Every entity participating in the BPP programme, including our own business units, must provide an annual self-assessment against every relevant standard. A reputable third-party verifier, Société Générale de Surveillance (SGS), then independently audits a randomised selection of these assessments, both onsite and remotely.

## WHAT THE BPP PROGRAMME MEANS IN PRACTICE

The BPP programme sets standards across three broad areas: business, social and environmental. There is also a mining standard, which applies only to De Beers Group mining operations. Each category contains detailed requirements that De Beers Group and our customers and their contractors must abide by. This is how the BPP programme manages to raise standards across the diamond pipeline.

The programme's business elements include requirements around topics such as anti-bribery, anti-corruption and anti-money laundering. Requirements specific to the diamond sector include those relating to the Kimberley Process and the World Diamond Council System of Warranties and sourcing diamonds in alignment with the OECD's 'Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas', as well as measures around product security to mitigate the risk of undisclosed synthetic diamonds entering the diamond pipeline.

The social category covers topics such as health and safety, human rights, child and forced labour, employment and non-discrimination. Allied to our determination to support equality in the workplace and our commitment to standing with women and girls, requirements include paying equal wages to all employees carrying out work of equal value and making the workplace suitable for pregnant and nursing women.

In the environmental and mining sections we set similarly high standards, reflecting our focus on protecting the natural world. These include the need to have a robust environmental management system in place, strict controls around the use of chemicals and hazardous substances, requirements around biodiversity and conservation and around mine closure planning.

We also have a voluntary section that asks companies to demonstrate how they are contributing to the UN SDGs through corporate social investment and business impact. We have featured some of these case studies online, to showcase the important work that our customers and we are doing to support the achievement of the SDGs.

## RESPONSIBLE JEWELLERY COUNCIL

De Beers Group is a certified member of the Responsible Jewellery Council (RJC). This not-for-profit standard-setting and certification organisation includes more than 1,000 member companies spanning the jewellery supply chain, from mine to retail.

Members commit to the RJC Code of Practice and are independently audited against it. The code addresses human rights, labour rights, environmental impact, mining practices, product disclosure and many more important topics in the jewellery supply chain. De Beers Group's latest audit against the RJC Code of Practice took place in October 2018, when we successfully achieved our three-year re-certification for the third time. De Beers Group will undergo its re-certification in 2021.

## DIAMOND VALUE CHAIN SUSTAINABILITY continued

De Beers Group has representatives on both the RJC Executive Committee and the Standards Committee, the group responsible for setting and periodically reviewing the Code of Practice. Our BPP programme is closely aligned with the code, and we regularly report to the RJC Standards Committee with updates from the programme.

### OUR PROGRESS

#### UPDATES TO BPP PROGRAMME REQUIREMENTS

In 2020, we introduced a new section in the BPP programme relating to the responsible sourcing of diamonds, which is applicable to both De Beers Group and our customers. We developed this new section and the supporting requirements to be fully aligned with the OECD's 'Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas'.

Recognising the growing expectations on companies to demonstrate the steps they are taking to manage their environmental impacts, we also elevated our environmental standards in 2020. This will strengthen our performance in this area in alignment with our Building Forever pillar of 'Protecting the Natural World'. In early 2021, we also upgraded the Corporate Social Investment and Business Impact section of the BPP programme, which included aligning with the Protecting the Natural World pillar.

The final update we made to the BPP programme requirements during the 2020 BPP cycle involves a substantial upgrade to our mining supplement, which applies only to our own mining operations. These changes ensure we continue to benchmark our mining supplement against leading international standards, with elevated requirements in the areas of:

- Biodiversity
- Natural resource management
- Tailings and waste management
- Environmental and social impact assessments
- Community engagement and development.

During the 2020 BPP cycle, we also adapted to the challenges and risks presented by the Covid-19 pandemic. At the core of our approach was the need to ensure no compromise for the BPP programme's delivery and integrity. Despite the need to navigate unprecedented challenges, the programme remained a critical tool in demonstrating that we operate in line with best practice and respect human rights. This was coupled with our overall objective of guaranteeing the health and safety of all participants and our independent third-party auditors. With this in mind, we made significant changes to help us manage the risks presented by the pandemic while delivering all programme requirements in full and on time.

Under the changes, all audits took place remotely using video-conferencing tools to guarantee health and safety. As well as replicating an onsite audit as closely as possible, this included comprehensive document reviews, interviews with subject matter experts and site tours.

Using either the Desktop Review or Remote Assessment process, we also asked all Corporate Headquarters (CHQs) a series of questions to assess how they were managing any employment, health and safety and human rights risks caused by the pandemic. In addition, auditors provided granular and comprehensive information on Covid-19 safeguards in their third-party auditing reports.

The BPP programme includes self-assessments, in which participants seek to demonstrate compliance with the programme's requirements. It also includes third-party assessments, undertaken by independent auditing firm SGS, which were conducted remotely in 2020. Because self-assessments had already been submitted, lower-risk requirements were either removed or reduced within the third-party assessments. However, if evidence of a compliance issue within these areas came to light during an audit or review of the self-assessments, the independent third-party verifiers will raise them as infringements for corrective action.

As well as rolling out these changes to the programme, we continued our annual in-depth review of the BPP requirements in 2020. This aims to ensure the programme continues to be recognised as a leading industry standard. The 2020 review covered two key issues:

- aligning the Corporate Social Investment and Business Impact section to Building Forever; and
- managing risks and issues presented by the Covid-19 pandemic for implementation in the 2021 BPP cycle.

With respect to the first of these, the review considered how two pillars of the Building Forever sustainability framework – 'Protecting the Natural world' and 'Accelerating Equal Opportunities' – might provide opportunities for embedding into the BPP programme and involving our Sightholders. Following the changes, we asked customers early in the 2021 BPP cycle if their businesses make and measure any inclusion and diversity or environmental commitments. We also asked customers to submit data on any carbon footprinting in their businesses. This will help to inform a better baseline, particularly relating to carbon-reduction efforts across the diamond value chain. It will also help to create a pathway towards achieving carbon-neutral reporting and standards across the value chain.



## DIAMOND VALUE CHAIN SUSTAINABILITY continued

We recognise the increased risk arising from Covid-19 across issues such as labour rights, human rights and health and safety. We therefore undertook detailed research to ensure the BPP programme reflects international best practice in its guidance on managing Covid-19 risks. As a result, from the launch of the 2021 BPP cycle, our requirements will include comprehensive and specific elements covering the pandemic's impact on employment, health and safety and human rights issues.

Some examples of the proposed employment requirements include:

- guaranteeing the payment of wages in accordance with applicable laws during any periods of mandatory lockdown;
- providing sick-pay processes that protect people isolating from Covid-19; and
- ensuring any pay-cuts, changes to working hours, lay-offs or redundancies are implemented and managed appropriately.

Within health and safety, proposed requirements include:

- ensuring workplaces have conducted Covid-19 risk assessments;
- implementing safety measures in accordance with government guidance;

- managing the risks impacting employees identified as vulnerable; and
- ensuring appropriate personal protective equipment is provided to workers.

Within human rights, the proposed additional requirements included ensuring that workers' rights, such as health privacy, are maintained despite the pandemic's impact.

These and other changes will be rolled out to all BPP participants during the 2021 BPP cycle, spanning 1 January to 31 December 2021. We also hope to return to onsite auditing when and where it is deemed safe to do so.

### BPP PROGRAMME PERFORMANCE

The BPP programme now covers nearly 350,000 people and more than 2,600 entities across 77 countries. Between January and December 2020, we carried out 10 visits to De Beers Group sites and 103 to those of Sightholders, their contractors and Beneficiation Project Members to assess compliance with the BPP programme.

Third-party assessors identified only one minor infringement within De Beers Group, relating to first-aid training of retail store staff. A rectification plan is underway. This demonstrates the rigorous approach our business units take, both in complying with the BPP programme and in continuously applying its strengthening standards.

There were 64 infringements among Sightholders, 32 relating to business practices and 32 to social practices. Most of these were minor, with nine classed as major infringements. These numbers are lower than during previous years, reflecting the fact that audits took place remotely to guarantee the health and safety of participants and our independent third-party verifier. Although the remote assessments used video-conferencing tools to replicate onsite audits as far as possible, core aspects such as individual interviews with employees were cancelled to guarantee their privacy and confidentiality. Recognising their important role in the BPP programme, we intend that the 2021 BPP cycle will involve onsite audits where it is safe to do so.

### TRACR™ LAUNCHES EDUCATION RESOURCES

Tracr is an end-to-end blockchain-based diamond traceability platform that is being developed to support enhanced assurance for stakeholders in the diamond industry. Despite the challenges presented by the pandemic, Tracr continued with its technological development in 2020 and is now moving into its next phase, focused on in-market operation and customer experience. During this phase Tracr will work closely with our mining businesses and De Beers Group Sightholders to refine the in-market experience and further develop the platform to meet our customer and consumer needs. This approach will enable us to accelerate the progress of Tracr, supporting our ability to meet our 2030 Building Forever goal to provide the origin and impact of every diamond we discover and sell.

### INDUSTRY-LEADING EDUCATION, GRADING AND TECHNOLOGY

De Beers Institute of Diamonds provides high-quality education and grading services (only for natural diamonds) to the diamond industry. We offer these services to the whole sector, from diamond manufacturers to traders, jewellery manufacturers, luxury groups, brands and retailers. In this way, the services help to grow and strengthen consumer confidence across the diamond industry.

In 2020, we rose to the new educational challenges caused by Covid-19's impact on laboratory-based learning opportunities by converting our expert-level courses for part-delivery online. For example, we have now enabled students to access our advanced-level Polished Diamond Grading Course using the bespoke online e-learning platform, in readiness for when laboratory courses can start up again.

We also offered our Diamond Foundation Course at no cost to the entire diamond trade globally over a period when many of our industry colleagues were furloughed or working from home. Across three months, we enrolled more than 17,000 students from across all aspects of the diamond industry, with over 85 per cent completing the course within the four-month timeframe. All this work aims to lay the foundations for a positive industry recovery as we ease out of lockdown restrictions globally, ensuring our partners are ready when customers return to their stores.

## DIAMOND VALUE CHAIN SUSTAINABILITY continued

State-of-the-art technology developed, produced and patented by IGNITE is used across the world for screening, grading, testing and verifying loose stones and mounted jewellery of various sizes. The global diamond trade currently uses more than 1,600 IGNITE instruments in over 40 countries around the world.

Our portfolio of nine pioneering instruments is designed to achieve unrivalled levels of grading accuracy and detection of synthetics and simulants. In this way, we help ensure that our clients and the industry at large can build on a reputation for accuracy, integrity and consistency, inspiring consumer confidence in natural diamonds as an integral part of the diamond value chain.

Looking forward, based on industry demand, our research and development team is designing and developing new accessories for release during 2021 that support a wider use of synthetic detection applications. The team stays ahead of synthetic diamond advancements to ensure our technology and products enable integrity along the entire natural-diamond value chain to underpin consumer confidence.

### CONTRIBUTING TO THE SDGs

Since 2017, De Beers Group has gathered examples of initiatives from across our value chain that demonstrate how our partners and clients are supporting the UN SDGs. We first published these in 2018 and followed up in early 2020 with a special Diamond Dialogues report called 'Together on the Journey' featuring case studies on our clients' activities. This builds on our earlier publication, which explained how the global scale and diverse operations of our value chain enabled it to influence and affect many of the SDGs.

Early in 2020, we also published case studies on our website showing the ways in which many of our partners are actively delivering initiatives linked to our Building Forever goals, which are underpinned by the SDGs. These include stories on three Indian companies:

- Venus Jewel, contributing to SDG1 (No Poverty) through its unique employee pension scheme;
- KGK, supporting SDG3 (Good Health & Wellbeing) by running the cutting-edge Bhagwan Mahaveer Cancer Hospital and Research Centre; and
- Dimexon, which is working towards SDG13 (Climate Action) by providing a sewage plant where wastewater is treated before re-use in irrigation.

In 2020, we elected to take a more strategic approach to recognise how the activities of our partners are aligned to our Building Forever goals and contribute to the SDGs. We therefore undertook a review to determine the best approach, via the BPP programme, to collect information on our clients' environmental and inclusion and diversity commitments. We also looked at how these initiatives are measured, and specifically have invited our clients to share their carbon-footprint data. We implemented these new requirements in 2021, with the intention of building a data-driven baseline to inform future approaches and/or partnerships to progress these critical areas.

We continue to gather data via the BPP programme more broadly on SDG-related initiatives, covering such areas as health, education, innovation and social mobility.

### ADVOCATING POSITIVE CHANGE THROUGH TRANSPARENCY DIALOGUES

We have an ongoing commitment to convening transparent and constructive dialogues with governments, civil society, academic institutions and other stakeholders, helping us to learn from others and find collaborative solutions to sustainability issues within and beyond the diamond industry.

As part of our work in this area, we undertook a series of virtual events that brought multi-sectoral stakeholders together on key topics including:

- step-changes in responsible sourcing practices in the gold and diamond industry;
- supporting the formalisation of the artisanal mining sector; and
- the importance of nomenclature and transparency in marketing.

In collaboration with the Initiatives in Arts and Culture, we convened a webinar series called 'All that Glitters'. This brought together many stakeholders, enabling leaders from industry and civil society to support the wider 'build back better agenda' debate by sharing insights on their approaches to sustainability issues.

# ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

We take a proactive approach to ethical sourcing, seeking to promote responsible business practices both in our own business and the wider diamond and diamond jewellery value chain. Our aim is to continuously improve environmental, social and governance standards and best practice across the value chain, from exploration for diamonds right through to retail. We have therefore set ourselves a specific Responsible Sourcing goal under our Building Forever sustainability framework: to extend our Best Practice Principles (BPP) programme beyond our value chain to advance industry standards.

Our approach is rooted in:

- Our active membership of:
  - The World Diamond Council (WDC) – the WDC was instrumental, together with civil society and the governments of diamond producing and consuming states, in establishing the Kimberley Process Certification System in 2003 to stem the trade in conflict diamonds.
  - The Responsible Jewellery Council (RJC) – we were a founding member of the RJC in 2005.

- Our own world-leading responsible value chain initiative – the BPP programme. This is a third-party verified set of ethical standards covering business, social and environmental impact requirements. The BPP requirements are also fully aligned to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Due Diligence Guidance). The BPP programme applies to all De Beers Group entities and contractors, our rough diamond-purchasing Sightholder customers and their applicable contractors, and our core strategic downstream suppliers.

Our approach is underpinned by the following three critical principles:

### Accountability

- We are committed to proactively ensuring that we, our customers and our suppliers meet the highest Environmental, Social and Governance (ESG) standards. These include respect for human rights both in our own operations and – through our work with customers and suppliers to advance their standards – in the diamond and diamond jewellery value chain.
- Our commitment to accountability is underpinned by third-party verification against our standards, training programmes on new requirements, and transparent reporting on our performance.

### Continuous evolution and improvement

- We aim to continuously evolve our standards, driving year-on-year continuous improvement.
- As well as understanding evolving and emerging risks that are specific to the diamond value chain, we also seek to understand the ever-changing external landscape, ensuring our standards are fit-for-purpose to address wider risks.

### Assurance and transparency

- Third-party verification against our best practice standards offers assurance that De Beers Group entities and our key business partners are consistently meeting the high standards we set ourselves. It also gives us the opportunity to identify areas for improvement, enhancing our standards even further.
- We publish the standards that we hold ourselves to, including supplementary requirements and guidance for these standards. We articulate our progress – as detailed in this report – and we require our third-party verifier, SGS, to publish details of how we have performed against our standards on an annual basis.

## ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING continued

### OUR RESPONSIBLE AND ETHICAL SOURCING POLICY FOR DIAMONDS

When sourcing diamonds, we are governed by our Responsible and Ethical Sourcing Policy for Diamonds. This stipulates the principles and approach to sourcing diamonds that all our business units across the diamond value chain must follow. The policy is aligned with the United Nations Guiding Principles on Business and Human Rights; best practice due diligence standards for anti-money laundering and anti-corruption; the OECD Due Diligence Guidance and our own BPP programme (benchmarked against other leading international standards). Our BPP Committee (BPPCo), which reports into the De Beers Group Executive Committee, is in charge of implementing the policy. Selected Executive Committee members, who do not head up any of our sourcing business units, serve as the BPPCo key decision makers.

### HOW WE IMPLEMENT THIS POLICY

We have business units across the diamond value chain – in exploration, discovery and production, rough diamond trading and distribution, and in retail through our brands: De Beers Jewellers and Forevermark. We implement our Responsible and Ethical Sourcing Policy for Diamonds in these individual business units through the following approach:

- **Our Rough Diamond Trading business units** in Botswana (Global Sightholder Sales), South Africa (Sightholder Sales South Africa), and Namibia (Namibia Diamond Trading Company) only sell diamonds sourced from De Beers Group wholly-owned or joint venture mines in Botswana, Canada, South Africa and Namibia. These mines are compliant with the Anglo American Social Way 3.0 and the De Beers Group BPP requirements, and are certified against the RJC Code of Practices. The diamonds are sold to our key rough diamond customers, Sightholders, who are contractually obliged to participate in and comply with our BPP programme on an annual basis, thereby extending our ESG commitments across our value chain.

- **Auctions** operates according to procedures clearly defined in the Third-Party Supply Operating Model, which is publicly available. It only procures from approved sources, including, on occasion, third-party rough diamonds from approved producer sources. Approved producer sources are selected based on strict ESG criteria, including human rights due diligence and impact assessment. This is done in full alignment with our Responsible and Ethical Sourcing Policy for Diamonds. Verification of how we implement this policy is assured through third-party BPP audits and our own internal audit function. Training is provided to relevant employees on an ongoing basis.
- **GemFair** connects artisanal and small-scale miners to the global market through digital technology and assurance of ethical working standards. It sources diamonds responsibly, with an approach based on the OECD Due Diligence Guidance (with a strong focus on the Annex II Model Supply Chain Policy). It also incorporates material risks specific to the diamond industry and the GemFair business model. This approach is underpinned by the [GemFair Responsible Artisanal and Small-Scale Mining Assurance Programme](#). This sets out business, social and environmental responsibilities that apply to all artisanal and small-scale mines participating in the GemFair programme.

- **De Beers Jewellers (DBJ)** is our flagship retail brand. The majority of the diamonds sourced by DBJ are purchased from Sightholders and originate from De Beers Group mines. Provenance is assured under our BPP requirements and is third-party verified. In special circumstances, DBJ may source diamonds from other sources but if it does so, it must meet strict criteria under our Responsible and Ethical Sourcing Policy for Diamonds. For instance, it must demonstrate evidence-based sourcing from approved mines or purchases of recycled or legacy diamonds. Approved mines are located in Australia, Botswana, Canada, South Africa, Namibia, Lesotho, Brazil and Russia. They are selected based on strict ESG criteria, including human rights due diligence and impact assessment.



## ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING continued

– **Forevermark** operates mostly under a licensee model framework. Forevermark Diamantaires are companies that have a contractual commitment with Forevermark to only source rough diamonds from approved mines. They also commit to cut and polish these diamonds in adherence to the BPP and Pipeline Integrity standards, prior to their inscription at the Institute of Diamonds (assuming they meet additional Forevermark criteria, including beauty and cut quality). All Forevermark diamonds originate from an approved mine, and this is assured through third-party verification under the rigorous Pipeline Integrity programme. This requires Forevermark Diamantaires to implement systems, procedures and policies to segregate Forevermark diamonds in a separate pipeline to prevent any unapproved sources from entering the Forevermark pipeline. Approved mines are located in Australia, Botswana, Canada, South Africa, Namibia, Lesotho, Brazil and Russia. Again, these are selected based on strict ESG criteria, including human rights due diligence and impact assessment. Recent pilot initiatives in the key Forevermark markets of USA and China have led to these business units directly buying Forevermark-inscribed diamonds from Forevermark Diamantaires. These have all been sourced in accordance with criteria stipulated by Forevermark and undergone third-party verification.

### SOURCING NON-DIAMOND MINERALS FOR JEWELLERY PRODUCTS

DBJ sources other minerals that form part of its end jewellery products. These are predominantly sourced through the jewellery manufacturers creating the jewellery. DBJ has undertaken an extensive mapping exercise to better understand the supply chains of these minerals, and in 2020 committed to ensuring that all gold and platinum is sourced from RJC Chain of Custody certified sources.

Forevermark's pilots focused on the manufacture of jewellery via contractors who provided the gold, platinum and a small number of coloured stones. A risk and due diligence review has been undertaken of these contractors and their sourcing approach, and a group-wide Responsible and Ethical Sourcing Policy for Other Minerals, and its related assurance mechanisms, is being developed for the minerals in scope for the pilot (gold, platinum and coloured stones).

All gold sourced by Lightbox is from RJC Chain of Custody certified sources.

### OUR PROGRESS

We believe the Covid-19 pandemic has escalated and enhanced risks around responsible business practices and were therefore determined to ensure assurance was provided during the 2020 BPP cycle, while also maintaining the highest health and safety standards. As a result, we sought creative solutions to ensure some third-party assurance was provided, replicating onsite audits as far as possible through Remote Assessments conducted by video-conferencing tools. Inevitably, where we had to ensure auditors adhered to national lockdowns and restrictions on freedom of movement there were some limits on what we could achieve remotely. For example, individual worker interviews were not conducted remotely unless their confidentiality was maintained. However, group interviews with workers took place instead. Despite some of these challenges, we succeeded in rolling out our new requirements on responsible sourcing and carrying all of our planned BPP audits on time and in full remotely.

### THE BEST PRACTICE PRINCIPLES PROGRAMME

All eligible De Beers Group entities, 100 per cent of our Sightholders, 100 per cent of Forevermark Diamantaires, and all of DBJ's Sightholder suppliers participated in the BPP programme in 2020. The programme included extensive new requirements on responsible sourcing, aligned with the OECD Due Diligence Guidance in 2020. All participants needed to comply with these new requirements. We therefore offered online training to help participants understand what they needed to do to demonstrate compliance. Four training sessions were offered to a total of 85 Group companies and their representatives.

The training gave participants guidance on:

- how to identify their position in the diamond value chain so that they were clear about how the requirements applied to their particular business and operations;
- the core elements of a sourcing policy;
- key due diligence considerations;
- the management systems they needed to have in place; and
- how to report their progress.

## ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING continued

### KEY FINDINGS AND OUTCOMES FROM THE BPP PROGRAMME

Due to Covid-19, as mentioned above, all our BPP audits in 2020 were undertaken remotely. Unlike many others who postponed audits until 2021 or cancelled them during the first year of the pandemic, we elected to replicate onsite audits as far as possible using video-conferencing tools.

The tables below detail the outcomes of the remote BPP assessments that took place in 2020 at the operations of our Sightholders/Accredited Buyers/Beneficiation Project Members and/or their contractors.

### KEY FINDINGS FROM 2020 BPP CYCLE, CONSOLIDATED

#### BUSINESS REQUIREMENTS

Total number of Major Business Infringements	4
Total number of Minor Business Infringements	28

Footnote: For more information on the findings identified for De Beers Group, please refer to [page 102](#).

### TOTAL NUMBER OF MAJOR, MINOR EXCLUDING IMPROVEMENT OPPORTUNITIES FOR THE FOLLOWING SUBSECTIONS WITHIN THE BUSINESS REQUIREMENTS:

Business topics	Business sections	
Ethical Standards	A1	0
Ethical Commitment	A2	0
Bribery and Facilitation Payments	A3	3
Financial Offences	A4	2
Kimberley Process and System of Warranties	A5	5
Sourcing from High-Risk and Conflict-Affected Areas	A6	3
Product Security	A7	1
Disclosure	A8	11
Melee Assurance Protocol	A9	0
Supply Chain Management	A10	0
Provenance Claims	A11	7
Grading and Appraisal	A12	0

### SOCIAL REQUIREMENTS

Total number of Major Social Infringements	5
Total number of Minor Social Infringements	27

### TOTAL NUMBER OF MAJOR, MINOR EXCLUDING IMPROVEMENT OPPORTUNITIES FOR THE FOLLOWING SUBSECTIONS:

Social topics	Social sections	
Employment	B1	19
Health & Safety	B2	8
Non-Discrimination and Disciplinary Procedures	B3	2
Child Labour	B4	0
Forced Labour	B5	1
Human Rights	B6	2
Sourcing from Artisanal and Small-Scale Mining	B7	0

### ENVIRONMENTAL REQUIREMENTS

Environmental topics	Environmental sections	
Best Environmental Practice and Regulatory Framework	C1	0

### KEY POINTS OF NOTE

The number of infringements reported was lower than in previous years. It is likely that this is due to the fact that we carried out assessments remotely due to the health and safety risks caused by the Covid-19 pandemic. Although this was preferable to cancelling or postponing audits, it did present us with certain limitations. For example, as the right to privacy is a fundamental and critical aspect of the BPP programme, we did not hold individual interviews with workers unless we could maintain confidentiality.

We identified a total of nine major infringements and 56 minor infringements. While the programme is mature and we do not see large numbers of major infringements, we recognise that we are on a journey of continuous improvement and need to drive best practice. We therefore take minor issues seriously and monitor the corrective actions that are taken to address them in order to influence leading ethical practices across the industry.

## ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING continued

The main areas where we found infringements were in the Business Responsibilities section, with 11 infringements relating to Disclosure, five to the Kimberley Process and WDC System of Warranties, and three to Sourcing from High-Risk and Conflict-Affected Areas. In the Social Responsibilities section, 19 infringements related to Employment and nine to Health and Safety. These were all areas of enhanced focus due to the new requirements on sourcing and the impact of the pandemic on employment and health and safety.

### PIPELINE INTEGRITY PROGRAMME

All 50 Forevermark Diamantaires participated in the Pipeline Integrity (PI) programme in 2020. In total, 102 entities within these groups were audited. Of these, 17 audits took place onsite, 81 were undertaken remotely and four were conducted through desktop review. Unfortunately, due to Covid-19, 14 entities were not audited, either onsite or remotely. We will be paying particular attention to these entities in 2021. Overall, SGS identified two major infringements and 31 minor infringements.

From June to December 2020, we invested in fully integrating the Pipeline Integrity programme into our online management system, the BPP SMART System. The result is a full end-to-end digital solution that will enable all involved in the PI programme – Forevermark Diamantaires, auditors (SGS) and De Beers Group – to manage the programme better. Launched on 1 January 2021 with the new annual cycle, the new solution will create efficiencies, improve oversight and reduce duplication for all stakeholders. It will also enable us to enhance the Pipeline Integrity programme in the coming years, and better manage and secure more data on the segregation of Forevermark-eligible diamonds.

Also in 2020, we formalised and implemented commitments from the majority of DBJ's strategic suppliers and contractors who are not currently participating in the BPP programme and/or certified members of the RJC to either participate in the BPP programme in 2021 or become RJC certified members by the end of 2021. This will give us auditable evidence of these suppliers' and contractors' ethical credentials and commitment to key ESG requirements. Where strategic suppliers and contractors do not make the necessary commitments by the end of 2021, DBJ will take the appropriate action as defined under our Responsible and Ethical Sourcing Policy for Diamonds.

Other work with DBJ in 2020 included extensive baselining to establish the sources of gold and platinum used in its jewellery. This will inform a sourcing policy for other (ie non-diamond) minerals, which will be published and implemented from Q3 2021.



Engineer welding in base workshop at Jwaneng mine, Botswana

# CONFLICT DIAMONDS

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Protecting the integrity of the diamond supply chain is critical to maintaining consumer confidence in the diamond industry. We work in partnership with our industry peers, governments, customs authorities and civil society groups in support of the Kimberley Process (KP). This international certification scheme for rough diamonds was created in 2003 to stem the flow of rough diamonds used by rebels to finance armed conflict aimed at overthrowing legitimate governments.

Countries participating in the KP must enact national legislation that meets minimum requirements. They must also ensure that relevant institutions, including those responsible for imports and exports, meet certain standards.

Under KP rules, rough diamonds must be transported in sealed, tamper-resistant containers accompanied by certificates with unique serial numbers. This process is backed by a system of controls in producing countries and in countries that trade in, or cut and polish, rough diamonds. This system of controls makes a substantial contribution to international peace and security, as well as protecting the legitimate diamond trade upon which many countries are dependent for their economic and social development.

The diamond industry, through the World Diamond Council (WDC), revised the System of Warranties to augment implementation of the Kimberley Process Certification System (KPCS) by going beyond rough diamond trading. This self-regulation requires companies to ensure all invoices for rough or polished diamonds and diamond jewellery include a written guarantee that the diamonds are conflict-free, and have been sourced in line with universal standards of responsible business practices, human rights and diamond sourcing processes. Records of all warranty invoices must be kept, reconciled and audited annually. The WDC has created a toolkit based on a self-assessment questionnaire and references to universally accepted standards and policy templates, which will assist members of the industry in properly evaluating their compliance with the process. This toolkit will be launched during 2021.

De Beers Group has made great strides in ensuring responsible business practices across our value chain. We will continue to focus our efforts on providing consumers with verifiable assurance about the provenance, responsible sourcing and net positive impact of their diamonds.

## OUR PROGRESS

### MAINTAINING THE KIMBERLEY PROCESS DURING A GLOBAL PANDEMIC

Measures taken by governments around the world to prevent the transmission of Covid-19, including restrictions on the movement of people and on large gatherings, affected the daily work of the KP in 2020. In particular, it was not possible to convene in-person meetings.

Holding the decision-making forum – The Plenary – in a virtual format would have limited participation due to technical considerations. Consequently, the Chairmanships of the Russian Federation and the Republic of Botswana were postponed to 2021 and 2022 respectively.

However, coordination of the working groups of the KP continued virtually to ensure that the KPCS was implemented to enable continued international trade in conflict-free rough diamonds.

The KP will continue its efforts to work towards reaching consensus on expanding its scope through an enhanced definition of conflict diamonds. Further deliberations on this will be conducted throughout 2021 and beyond.

### KIMBERLEY PROCESS COMPLIANCE

Our audit processes confirmed that De Beers Group was fully compliant with the KP in 2020.



# CONSUMER DEMAND FOR DIAMONDS

## BUILDING FOREVER PILLARS



## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

Consumer demand for diamonds is the foundation upon which our business is based. Consumers need to be confident that the values that brought their diamond to market reflect the same values they wish to express when they wear it. Without this trust, desire for diamonds would wane. Without consumer demand for diamonds, we have no business and no opportunity to create value for the communities and countries where we operate.

Our Building Forever sustainability framework supports and substantiates consumer trust in our brands and in our business. Through Building Forever, we provide assurance to consumers that they can trust our sourcing practices and wear our diamonds with pride, due to our commitments to responsible sourcing, high labour standards, care for the environment, equal opportunity and the positive impact we create for the communities where we operate.

### INDUSTRY INSIGHTS

We share our analysis of the key consumer trends shaping the diamond industry and how De Beers Group is responding to these trends, as well as insights to assist industry participants in responding to emerging trends, through our annual Diamond Insight Report. Our most recent report, published in November 2020, [can be found on our website](#).

## OUR PROGRESS

### THE IMPACT OF COVID-19 ON CONSUMER DEMAND

The diamond jewellery sector faced a year like no other in 2020, with significant impacts on general consumer purchasing behaviour in all key markets. Despite these challenges, De Beers Group was well positioned to adapt.

Among other initiatives, we carried out consumer research and published the findings in a series of Diamond Insight 'Flash' Reports, tracking US consumer sentiment, demand and buying habits over the course of the pandemic in 2020. Key findings included consumers reporting increased levels of focus on the importance of personal relationships and the desire for more meaningful gifts and buying fewer, better things. Meanwhile, reduced spending on travel created opportunities for diamond jewellery sales, as experiential luxury such as travel has been the key competitor to diamond jewellery in recent years. Our research also found that:

- while the in-store experience was still preferred for expert advice and personal attention, e-commerce opportunities were substantially increasing;
- the growing focus on issues such as the environment and climate change was leading to a trend for designs which celebrate the natural world, sometimes incorporating unconventional organic materials and even diamonds in their natural, rough form; and

- significant economic uncertainty was leading to a 'buy less, buy better' mentality, encouraging people to choose mindfully and with greater scrutiny, and to show a preference for 'timeless classic' jewellery designs.

### TECHNOLOGY-DRIVEN CHANGES

2020 was the second year of De Beers Jewellers' digital transformation journey, with the aim of creating greater impact through more effective use of digital channels. While our digital transformation plans were already in place, the pandemic accelerated progress, enabling us to drive an even better customer experience and put the consumer right at the heart of enhanced digital and experiential offerings.

Developments throughout 2020 included:

- the launch of our 'For You Forever' bridal ring configurator tool;
- the development of our appointment booking system, with virtual store appointments to better connect consumers with our brand ambassadors online; and
- an enhanced client service experience, including more targeted email communications and captivating social channels.

Even though Covid-19 caused several of our stores to temporarily close, our virtual appointment booking capability and digital communication channels meant we could continue meeting consumer demand and provide a one-to-one purchasing experience.

## CONSUMER DEMAND FOR DIAMONDS continued

These factors led to an increase in online sales in 2020. Our ambition now is to build further growth online, with a particular focus on the mobile experience, the US audience and bringing the 'For You Forever' ring configurator online.

### ALIGNMENT BETWEEN CONSUMER AND BUSINESS VALUES

The ongoing Covid-19 crisis has sharpened consumers' focus on sustainability, as well as on making purchases driven by personal values. We are well positioned in this area, thanks to our strong commitment to Building Forever. However, demonstrating the positive impact of our diamonds has never been more important. We have therefore looked for new ways to clearly communicate our sustainability ambitions to our consumers, showing how closely our values align with theirs.

#### 1. Building Forever 2030 goals

In November 2020, De Beers Group announced 12 bold sustainability goals for 2030. (See [page 6](#) for more details.) These are part of our Building Forever sustainability framework – our commitment to creating a positive lasting impact that will endure well beyond the discovery of our last diamond. This framework sits at the heart of everything we do, embedded within our commercial strategy, to ensure we maximise the positive impact of diamonds on their journey from mine to retail.

While Building Forever is not new, by launching these goals we have committed to accelerating our progress – galvanising our employees, partners and consumers across more than 30 countries where we operate – to achieve a shared vision for a better future. Our significant investment in programmes surrounding these goals highlights the commitment we have made to Building Forever. The findings in our Diamond Insight Flash Reports reinforce the importance of this work.

The goals also ensure that consumers can see their own values reflected in our business values, which research shows has become increasingly important to consumers in recent years.

#### 2. Consumer campaigns

During 2020 we ran a series of campaigns connecting consumers to the places where their diamonds originated and the people they have positively impacted along their journey. The campaigns aim to increase trust and transparency around the provenance of our diamonds and again demonstrate how our values align with those of our consumers, meaning they can feel proud to wear our diamonds. The campaigns included:

#### ReSet

Launched in 2020, this comprised collaborations with various jewellery designers, engaging in conversations around sustainability and offering a fresh perspective on the positive impacts created by natural diamonds.

The campaign aims to help 'reset' perceptions and shine a light on the significant positive contribution that natural diamonds deliver for the people and places where they are found. It seeks to achieve this by collaborating with established and up-and-coming jewellery designers who create innovative collections incorporating diamonds from De Beers Group and which celebrate sustainability in the sector.

The first activation – ReSet Collective, launched in September 2020 – was a collaboration with five leading US designers who share a passion for natural diamonds and sustainable sourcing: Jade Trau, Jennie Kwon, Julez Bryant, Sara Weinstock and Zoë Chicco.

They all travelled to Botswana late in 2019 to visit our operations. They also visited a range of community and conservation programmes run by De Beers Group and our joint ventures to learn more about the places where diamonds are discovered and our commitment to Building Forever.

Following the visit, each designer used diamonds from De Beers Group to create a unique pendant inspired by the people, wildlife and beautiful landscape of Botswana, and a shared commitment to helping shape a better world.

The collection of one-of-a-kind pieces will be sold for charity. More information is available at [www.debeersgroup.com/campaigns/reset-collective](http://www.debeersgroup.com/campaigns/reset-collective)

#### Ten/Ten

This campaign was inspired by our desire to support those within the diamond industry who may have faced unique challenges during the Covid-19 lockdown. These include:

- the people of Botswana, whose economy is hugely dependent upon diamond revenues; and
- smaller designers who may not have had the financial support to weather months of lockdown with limited commercial activity.

We invited 10 female designers to re-envision the engagement ring using our ethically and sustainably sourced natural diamonds from Botswana's world-famous mines. Each designer produced one ring design to be made into 10 copies, specifically intended to appeal to Millennial and Gen Z consumers.

Research shows that these generations spend an average of US\$3,000 to US\$4,500 on an engagement ring and often lean towards less traditional designs. The Ten/Ten capsule collection, launched in partnership with Blue Nile in January 2021, is the result. See [www.bluenile.com/limited-edition-rings](http://www.bluenile.com/limited-edition-rings) for more information.

## CONSUMER DEMAND FOR DIAMONDS continued

### Master Diamonds

De Beers Jewellers launched a collection of exceptional diamonds, the 1888 Master Diamonds collection, in October 2020, bringing the concept of Tracr to life in store for the first time. Using Tracr technology, we can offer customers information about the full journey of each diamond in the collection, from its discovery all the way through to retail.

Our expert polishing partners have transformed a total of eight rough diamonds from Botswana and Canada, ranging from just over 35 carats to 130 carats, into 19 polished diamonds which exemplify exceptional natural beauty. The meticulous planning process ranged from two to three months per diamond to ensure that every diamond was cut in line with our standard of achieving maximum beauty over maximum weight. Some of these diamonds are loose, allowing customers to use our bespoke service to create jewellery of their choice, while others have been mounted in iconic De Beers Jewellers designs.

The collection will continue to grow as new diamonds are added. Clients will be able to explore the transformation of our Master Diamonds in images and videos.

You can see the full collection at: [www.debeers.com/en-us/the-1888-master-diamonds.html](http://www.debeers.com/en-us/the-1888-master-diamonds.html)

### Forevermark's Power of a Diamond podcast series

The Forevermark podcasts provide the opportunity to communicate Forevermark's values and commitment to Building Forever through third-party voices. The subjects covered range from conservation issues to the views of artists who have visited our operations.

Find out more at: [www.forevermark.com/en/now-forever/the-power-of-a-diamond-podcast/](http://www.forevermark.com/en/now-forever/the-power-of-a-diamond-podcast/)

### WIDER INDUSTRY CAMPAIGNS

#### Diamonds of Botswana

After working together on The True Cost documentary, named by Hollywood Reporter as one of the most influential fashion documentaries of the last decade, Livia Firth, co-founder and creative director of Eco-Age, and acclaimed film director Andrew Morgan launched the short documentary series Fashionscapes to turn the cameras towards stories of hope and possibility.

Over the past decade, the Fashionscapes documentary series has traced the fashion supply chain across continents, driven by the search for production that allows the planet to set the limits. In the third installment, The Diamonds of Botswana, presenter Livia Firth learns first-hand about the impact of diamond mining in a country that has unearthed some of the world's most precious stones.

It explores whether an industry that is historically contentious can work in favour of people and planet. The documentary features interviews with many stakeholders, from the president of Botswana to a female truck driver.

"Coming to Botswana I was nervous that I would find the imbalance I have witnessed elsewhere," explains Livia. "When a single industry generates wealth and has disproportionate power, it can be very dangerous. But here in Botswana, I've seen a picture of what can happen when businesses operate in partnership with government and civil society, and long-term investments are made in collaboration with local communities to ensure the benefits are truly shared with those on the ground. I came here to look at a single supply chain. I came away from Botswana wondering if this country represents something even bigger – a new vision for doing business – and, if so, it is certainly something that needs to be protected with integrity and vigilance."

#### Only Natural Diamonds – For Moments Like No Other campaign

The Natural Diamond Council (NDC), which represents the world's leading diamond producers, was rebranded in 2020 from its previous name of the Diamond Producers Association. This rebranding saw the launch of a new consumer-facing website and social channels, under the name of 'Only Natural Diamonds', which aims to be the definitive destination for all things natural diamonds, with content designed to inspire, inform and educate.

The NDC also launched a high-profile campaign, 'For Moments Like No Other', starring Hollywood actress Ana de Armas, to highlight the emotional significance of natural diamonds. It is the first celebrity-fronted generic diamond marketing campaign promoting an industry that supports the livelihoods of roughly 10 million people worldwide.

It is also the first campaign dedicated to the NDC's Only Natural Diamonds platform, and the first NDC marketing initiative to showcase a diverse roster of jewellery designers working with natural diamonds in exceptionally innovative and exciting ways.

Following its debut during the Emmy awards broadcast in the US, the campaign featured in print media including Vogue, Vanity Fair and The New York Times, as well as online publications ranging from Bustle to Who What Wear. It also featured on non-linear TV, including Hulu and Amazon Fire.

The campaign has a global presence, running in the US, the UK, China and India.

# BUSINESS INTEGRITY

## BUILDING FOREVER PILLARS



## CRITICAL FOUNDATIONS

## SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

For De Beers Group, business integrity means ensuring that we compete fairly, legally, without improper influence and in line with international best practice. We therefore take a zero-tolerance approach to all forms of corruption, bribery, theft, extortion, embezzlement, fraud and misuse of company assets.

We use our Business Integrity Policy and Prevention of Corruption Procedures to set out the conduct we require of our employees, including those of our subsidiaries, joint ventures and associates, in areas presenting an increased risk of bribery and corruption, such as:

- the offer and receipt of gifts, entertainment and hospitality;
- conflicts of interest;
- political and charitable donations (we do not participate in party politics or make political donations);
- interactions with government and public officials;
- the use of intermediaries; and
- social investment.

This approach is embodied in our value of Building Trust, which establishes that ‘we will always listen first, then act with openness, honesty and integrity so that our relationships flourish’.

We require each De Beers Group business to prepare its own annual Business Integrity Implementation Plan. To help provide assurance on implementation of the plan, all businesses are subject to periodic auditing, on an annual rotational basis, by our Internal Audit function.

We use a combination of e-learning and face-to-face training and regular communications to help our employees understand and apply our Business Integrity Policy and Procedures. They also have access to our whistleblowing service, YourVoice – a confidential reporting service for employees, business partners and other stakeholders, which enables them to raise concerns about potentially unethical, unlawful or unsafe behaviour or practices.

We also take a zero-tolerance approach to all forms of non-compliance with competition and antitrust laws. This is guided by our Group Antitrust Policy and Procedures.

## OUR PROGRESS

### BUSINESS INTEGRITY PLANS AND TRAINING

All De Beers Group businesses are required to have their own Business Integrity Implementation Plans. These have been developed, and we monitored progress against them during 2020.

As part of the Group-wide Business Integrity Implementation Plan, in 2020, 46 people in higher-risk roles attended instructor-led virtual Business Integrity training sessions on topics including interacting with public officials and intermediaries.

Business Integrity is also an important aspect of our managers’ induction programme, which helps to deepen awareness of Business Integrity risk across the organisation. We will launch an updated Business Integrity e-learning programme in 2021.

Our Internal Audit team selected five of our 20 Group businesses for Business Integrity audits during the year. Two additional Group businesses had business integrity elements included in a broader audit scope. The audits identified areas for improvement, which management has committed to address within a reasonable time. Two further audits of midstream and downstream units covered risks we face associated with Anti-Money Laundering (AML) and Business Integrity.



## BUSINESS INTEGRITY continued

### NEW ANTITRUST E-LEARNING PLATFORM

We published our updated Group Antitrust Policy in late 2018, together with an updated set of Antitrust Procedures. In 2019, we developed new e-learning training, piloting it with a small number of higher-risk business units. The platform trains people on the policy and procedures and includes guidance on managing competition law risks arising from dealings with competitors, suppliers and customers. It is intended that the e-learning training will be fully rolled out during 2021.

### DATA PROTECTION

In 2020, we carried out an annual review of Anglo American's data privacy policies and procedures. We also continued to ensure that all parts of De Beers Group operate in line with the EU General Data Protection Regulation (GDPR), reviewing and remediating existing processing activities and ensuring that we design and implement all new initiatives to a GDPR standard.

We also deployed a mandatory global e-learning programme on data privacy. We are progressing with the implementation of cookie consent management on our externally facing websites and introducing appropriate retention periods for the data we collect.

### WHISTLEBLOWING

YourVoice is our confidential reporting channel, which uses a multilingual platform provided by an independent service provider. In accordance with applicable data privacy laws, YourVoice enables our people and other stakeholders to make confidential and anonymous reports on a wide range of concerns. These include suspected breaches of our Code of Conduct and our company values.

Our Whistleblowing Policy and Bullying, Harassment and Victimisation Policy set out our zero-tolerance approach to any retaliation against people raising concerns through YourVoice or any other channel.

During 2020, we reviewed and evaluated 309 reports (2019: 411 reports), 53 of which we received through YourVoice and 256 through other internal channels such as walk-ins. All issues were reviewed and, where necessary, investigated, resulting in 62 dismissals (2019: 42 dismissals).

### COMPLIANCE

De Beers Group is subject to legal commitments not to buy rough diamonds, directly or indirectly, from the Russian company, ALROSA. We were in full compliance with these commitments in 2020.

We received no fines or non-monetary sanctions during 2020 in relation to non-compliance with:

- anti-corruption legislation and regulations;
- competition or antitrust laws;
- data privacy laws; or
- the ALROSA commitments.

# TRANSPARENCY

## CRITICAL FOUNDATIONS

### SUSTAINABLE DEVELOPMENT GOALS



## OUR APPROACH

### REPORTING AND DISCLOSURE

De Beers Group has a long history of publicly disclosing our financial and non-financial performance. We published our first 'Report to Society' in 2007 and have continued to report annually on our environmental, social and governance (ESG) performance ever since, in line with the best practice guidelines set out by the Global Reporting Initiative (GRI).

In addition to publishing our financial performance (at the end of each half year), since 2016 we have published sales figures for each of the 10 sales cycles (comprising 'Sight' sales and auction sales) that take place each year. Doing so enhances transparency around our financial performance, reduces speculation and helps to boost confidence in the diamond sector. It also gives our stakeholders additional information on top of our quarterly reporting of diamond production from our mining operations.

### TAX TRANSPARENCY

De Beers Group strongly supports tax transparency. We were early supporters of the Extractive Industries Transparency Initiative and we remain an active participant via Anglo American.

Being able to demonstrate our economic contribution to host countries and communities through tax is key to building trust with stakeholders and supporting our licence to operate. That's why we voluntarily make information publicly available about our tax payments through Anglo American's annual Tax and Economic Contribution Report.

### BUILDING ACCOUNTABILITY IN OUR COMMUNITIES

We want to optimise the relationship between our operations, their local communities and wider society, establishing an open and accountable dialogue that leads to greater mutual trust. Our approach, informed by Anglo American's Sustainable Mining Plan, aims to establish:

- local stakeholder engagement forums in all our mining communities. These are already in place at our Venetia and Gahcho Kué mines; and
- national-level SDGs accountability dialogues. We will engage with governments, civil society, academic institutions and other stakeholders, looking at the opportunities and challenges presented by the UN SDG framework.

By engaging constructively with local communities and other societal players in this way, we hope to create a high-quality dialogue that increases recognition of the benefits responsible mining can bring; leads to a more consensual working relationship between our mines and society; and creates an ethical value chain that reinforces positive human rights and environmental stewardship.

## OUR PROGRESS

### DE BEERS GROUP REPORTING

We published, on the De Beers Group website, sales figures for all rough diamond sales cycles that took place in 2020. We also published quarterly reports on our rough diamond production across the Group, as well as half year and full year financial results for the Group.

Our GRI Index, which signposts stakeholders to our reporting on ESG issues, can be found at the end of this report.

### ANGLO AMERICAN TAX REPORT

Anglo American published its [seventh annual Tax and Economic Contribution report](#) earlier in 2021. The publication is recognised as a leading example of how to report on the contribution of mining companies to society. In addition to breaking down the global taxes that were paid, it explains the Group's tax contribution at each stage of a mine's lifecycle. It also reports on the Group's socio-economic contribution in each of its operating countries (including Botswana, Namibia, South Africa and Canada).

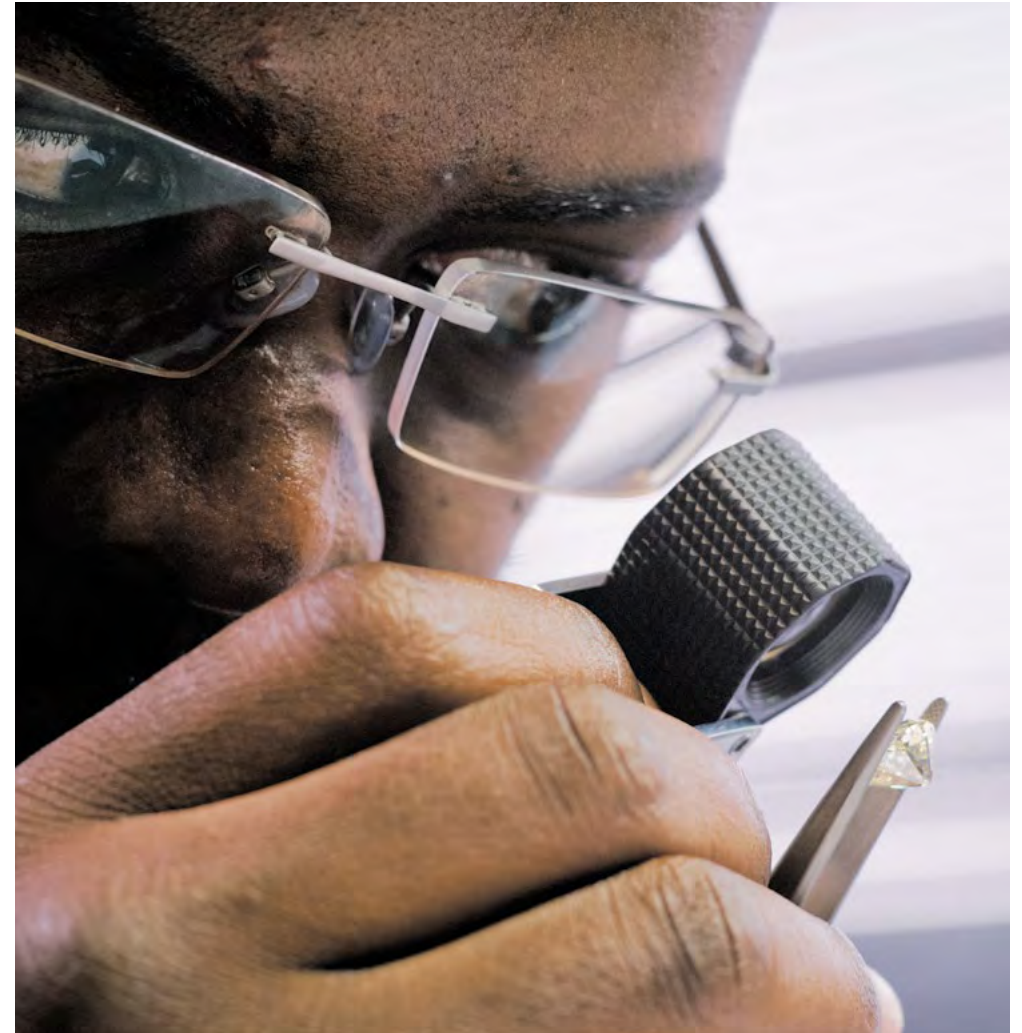
## TRANSPARENCY continued

### IMPROVED GOVERNANCE AROUND OUR INDUSTRY ASSOCIATIONS

Industry associations are an important way for De Beers Group to amplify its voice in policy advocacy and broader sustainability issues and have the potential to add real value to our government relations and other stakeholder engagement. We belong to a wide range of associations where we believe our involvement brings value to our business as well as the interests of our stakeholders. Each of these associations is different. Some promote best practice in a given area. Others represent a sector's interest to government, policymakers and other stakeholders. Many were not established to advocate and have never played this role. Others, on the other hand, provide regular input into the policymaking process.

We recognise that there is increasing stakeholder interest in industry associations and, in particular, the policy advocacy role that some of them play. The policy positions taken by industry associations reflect the consolidated views of their membership and may differ in tone or nuance from De Beers Group's position. We work hard to ensure that our voice is heard and that our views are reflected in industry associations. However, we have also strengthened our internal governance so that if one of our industry associations advocates in a way that is materially misaligned with our policy positions or interests, we will take action. This could lead to us suspending or terminating our membership. We also reserve the right to tighten our internal procedures further if we feel this is necessary. Anglo American's Code of Conduct sets out this governance and further information can be found in the [Group Business Integrity Policy](#).

Through Anglo American, we publish annual information about the industry associations we belong to and the financial contributions we make to these associations. We are committed to being transparent about our political engagement and prohibit political donations, either directly or through third parties, including industry associations. In this respect, we do not favour any political party, group or individual and expect the industry associations of which we are a member to do the same.



Sightholder employee examining a diamond with loupe and tweezers in Windhoek, Namibia

# APPENDIX

## APPENDIX

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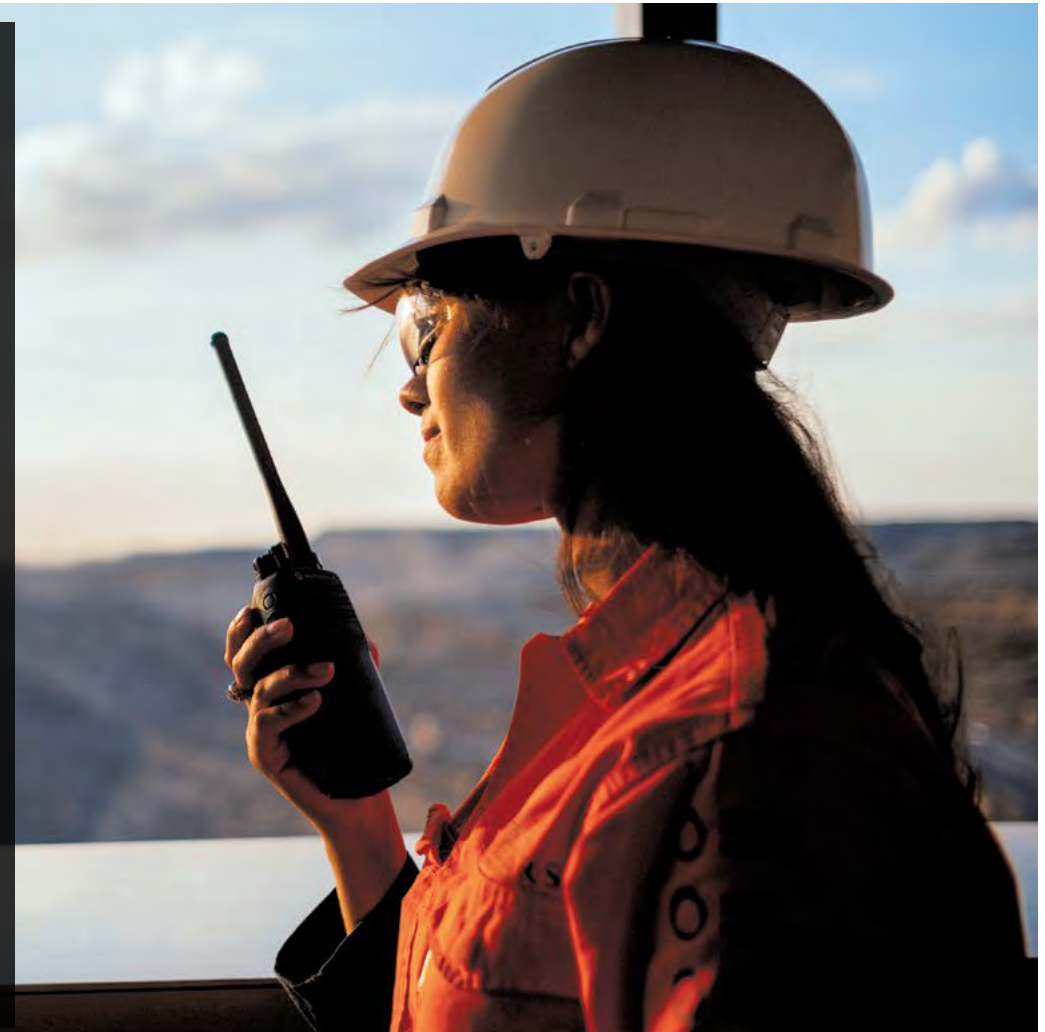
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Miner at a viewing point, Venetia mine, South Africa



# GRI INDEX: AN INTRODUCTION

*Our 2020 sustainability performance and data disclosure has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: core option. We referred to the principles set out in GRI Standard 101: Foundation 2016 to define the report's content and to guide our efforts in providing information that is accurate, comprehensive and balanced.*

We reported against the consolidated set of GRI sustainability reporting standards 2020, which included the most recent versions of the Standards available as of 19 May 2020.

Our GRI Index directs readers to content in our Building Forever 2020 report, on the De Beers Group website, and in the Anglo American plc Group Integrated Annual Report 2020 and Sustainability Report 2020. Together, these sources provide full disclosure on our sustainability approach and performance in 2020.

We engaged Bureau Veritas UK Ltd. ('Bureau Veritas') to undertake an independent, third-party assurance on selected sustainability key performance indicators disclosed within the report.

The scope of their assurance covered selected sustainability key performance indicators reported in the Building Forever – Performance Data 2018–2020 ('the Performance Data') published as an Appendix to the De Beers Group Our Material Topics: Progress Report 2020 ('the Report'). The review also included an evaluation of alignment of the reported data and information included in the Report to the requirements of the Global Reporting Initiative ('GRI') Standards 'core' option level and the corresponding GRI index.

Bureau Veritas has confirmed that our report meets the requirements of GRI Standards: core option. Their full assurance statement is provided on [pages 98 and 99](#).

# MATERIALITY

Our most recent materiality assessment was carried out in 2019. The assessment identified the economic, social and environmental topics that are important to our business and our stakeholders. It followed a four-stage process.

## OUR MATERIALITY PROCESS

### 1. Identify

Develop a long list of relevant topics using desktop research and referencing internal risk logs, peer reports, industry standards, GRI standards and the SDGs.

### 2. Engage

Discuss and rank the topics via interviews and workshops with a broad range of internal and external stakeholders from across our countries of operation, our focus areas and our value chain. Externally we engaged with stakeholders from core markets including Botswana, Namibia, South Africa, China, Hong Kong, India, Canada, USA, UK and Europe. Stakeholders included sustainability experts, academics, NGOs, luxury brand experts and retailers, government, multilateral institutions, trade media and industry/ membership bodies. Internally we conducted online focus groups with Millennial employees from across De Beers Group.

### 3. Consolidate

At a workshop with key internal stakeholders, prioritise and group the topics ranked as most important to create a finalised set of material issues.

### 4. Verify

Present the material topics to the Executive Committee for discussion and sign-off.

The process identified 52 topics, which were aggregated to form a final set of 23 material topics. These are the topics that ranked highest in terms of importance to both external and internal stakeholders.

Key updates since our last materiality process include:

- We have incorporated ‘Energy security’ (which was previously a standalone topic) into ‘Climate change’ because energy and emissions are so closely interlinked.
- We have changed the title of ‘Diamond pipeline integrity’ to ‘Diamond value chain sustainability’ to better reflect the fact that this is about managing our sustainability impacts across our entire value chain.
- We have changed the title of ‘Partnerships’ to ‘Partnerships and government relations’ to better reflect the fact that our relationships with producer governments are at the heart of our partnership approach.
- We have introduced the concept of the circular economy into our commentary within ‘Waste and pollution prevention’. We will be developing our thinking on this over the coming years and will report further on it in future reporting cycles.
- We added ‘Technology and innovation’ to our list of material topics in 2020 to reflect the growing importance of this topic to our business and our stakeholders.

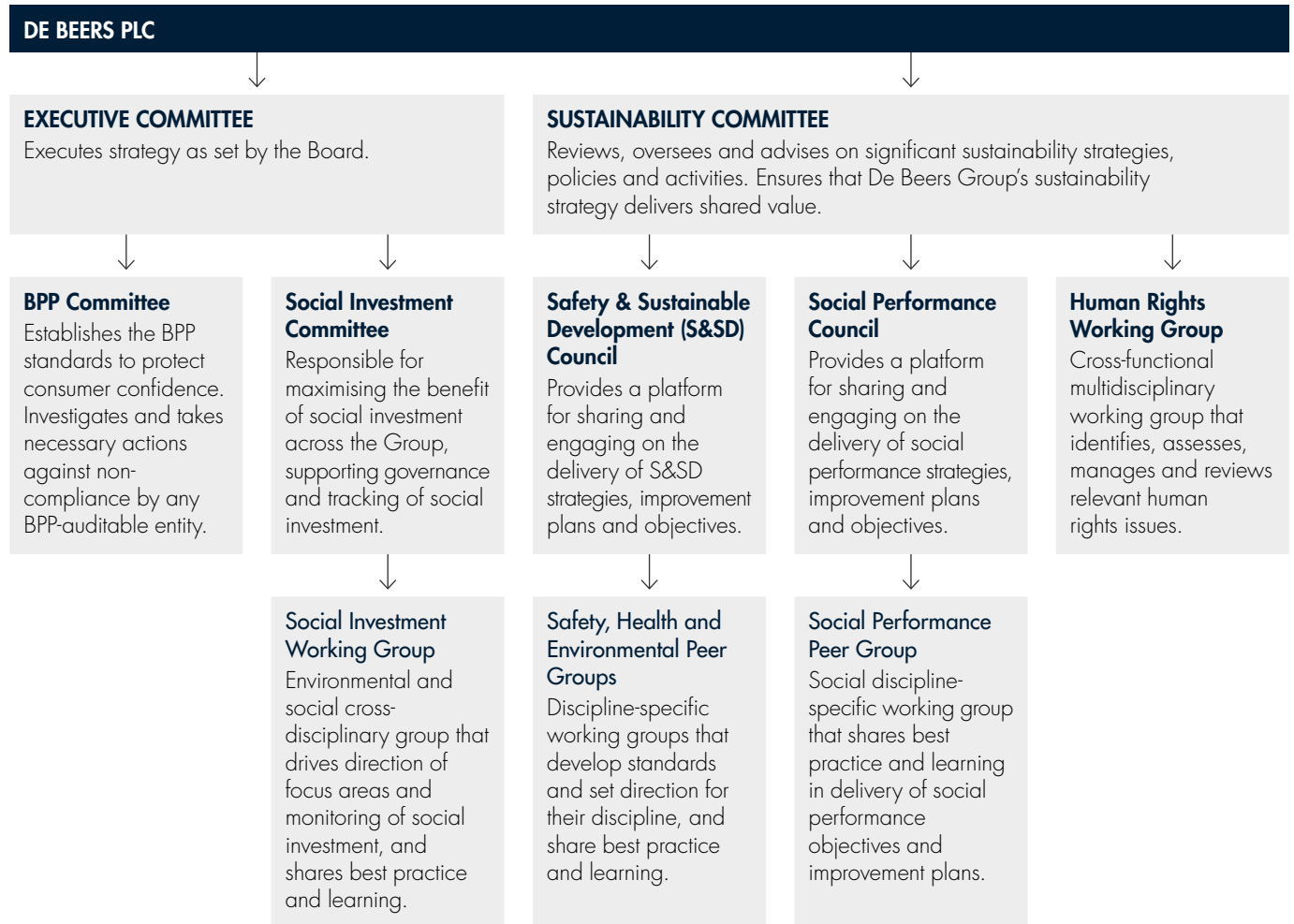
- We added ‘Ethical value chains – responsible sourcing’ to our list of material topics in 2021. Our approach to sourcing had previously been covered as a sub-topic under both ‘Human rights’ and ‘Diamond value chain sustainability’ but we wanted to provide more detailed information on it due to the increasing importance of the topic to our business and our stakeholders, hence listing it as a standalone material topic in this year’s report.

In an effort to better demonstrate and communicate how our material topics link to our Building Forever framework, we have mapped each one against the different elements of our Building Forever framework (see table on pages 8–9 of this report).

In the future we plan to report on our progress and performance against our Building Forever framework, rather than on a material topic-by-topic basis, as we have done in this report.

# GOVERNANCE

Accountability for Building Forever sits with the Board of our holding company, De Beers plc. The Board is supported by the Executive Committee and the Sustainability Committee, which is chaired by our CEO, Bruce Cleaver. Reporting into these committees are a number of working groups and specialist Environment, Health and Safety, Social Investment and Social Performance peer groups, which set direction and share best practice at an operational level.



# BUILDING FOREVER – PERFORMANCE DATA 2018–2020

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**FIGURE 1. BIODIVERSITY PLANS (%)**

	2018	2019	2020
Total mine sites which are required to and have biodiversity plans in place	100	100	100

**FIGURE 2. LAND CONSERVED VERSUS LAND ALTERED (HECTARES)**

	2018	2019	2020
Land set aside for conservation	198,499	198,499	198,499
Land altered for mineral extraction	30,306	31,175	32,943

**FIGURE 3. ENERGY CONSUMPTION (MILLION GIGAJOULES)**

	2018	2019	2020
Energy from electricity purchased	5.6	3.5	3.2
Energy from fossil fuels (non-renewable)	12.1	10.2	8.3
<b>Total energy consumption</b>	<b>17.74</b>	<b>13.7</b>	<b>11.5</b>

**FIGURE 4. GHG EMISSIONS (MILLION TONNES OF CO<sub>2</sub> EQUIVALENT)**

	2018	2019	2020
Scope 1 (direct emissions – energy from fossil fuels)	0.9	0.8	0.6
Scope 2 (indirect emissions – electricity purchased)	1.0	0.9	0.9
<b>Total (million tonnes CO<sub>2</sub>e)</b>	<b>1.9</b>	<b>1.7</b>	<b>1.5</b>

**FIGURE 5. SULPHUR DIOXIDE AND NITROGEN DIOXIDE EMISSIONS (TONNES)**

	2018	2019	2020
Total SO <sub>2</sub> emissions from fuel used and processes	1,071.74	840.52	392.01
SO <sub>2</sub> from marine gas oil	357.4	289.03	251.02
SO <sub>2</sub> from intermediate fuel oil	482.64	363.44	0
SO <sub>2</sub> from diesel	217.13	173.35	134.58
Total NO <sub>2</sub> emissions from fuel use and processes	8,494.06	7,280.98	5,653.12
NO <sub>2</sub> from diesel	8,493.79	7,280.65	5,652.41

**FIGURE 6. WATER WITHDRAWAL BY SOURCE (MEGALITRES)**

Source	Entity	2020
Surface water	Managed Operations	1,943
	Non-Managed Operations	6,554
	Other Managed Entities	1,013
	<b>Total</b>	<b>9,510</b>
Groundwater	Managed Operations	6,705
	Non-Managed Operations	21,458
	Other Managed Entities	3
	<b>Total</b>	<b>28,166</b>
Sea water	Managed Operations	0
	Non-Managed Operations	18,398
	Other Managed Entities	41
	<b>Total</b>	<b>18,439</b>

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 6. WATER WITHDRAWAL BY SOURCE (MEGALITRES) CONTINUED**

Source	Entity	2020
Third-party withdrawals	Managed Operations	0
	Non-Managed Operations	729
	Other Managed Entities	171
<b>Total withdrawals</b>	Managed Operations	<b>8,648</b>
	Non-Managed Operations	<b>47,205</b>
	Other Managed Entities	<b>1,228</b>
	<b>Overall total</b>	<b>57,081</b>

Footnote: In 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016-2019, giving us a complete and consistent set of data.

**FIGURE 7. WATER DISCHARGE FOR MANAGED OPERATIONS (MEGALITRES)**

	2020
Groundwater	433
Surface water	1,520
Third party	5
<b>Total discharge</b>	<b>1,958</b>

Footnote: In 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016-2019, giving us a complete and consistent set of data.

**FIGURE 8. WATER CONSUMPTION FOR MANAGED OPERATIONS (MEGALITRES)**

	2020
Entrainment	3,128
Evaporation	2,749
Task loss	941
<b>Total consumption</b>	<b>6,818</b>

Footnote: In 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016-2019, giving us a complete and consistent set of data.

**FIGURE 9. WATER REUSE AND RECYCLING FOR MANAGED OPERATIONS (%)**

	2020
<b>Total efficiency (reuse and recycling) for active operations</b>	<b>73%</b>

Footnote: In 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016 – 2019, giving us a complete and consistent set of data.

**FIGURE 10. TOTAL WATER CONSUMPTION AND DISCHARGE (MEGALITRES)**

	2020
Managed Operations	8,776
Non-Managed Operations	43,748
Other Managed Entities	Not reported
<b>Total De Beers Group</b>	<b>52,524</b>

– In 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016-2019, giving us a complete and consistent set of data.

– Total water consumption and discharge from Other Managed Entities was not reported on in 2020 as not all entities are metered.

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 11. WASTE BY TYPE**

	Unit of measurement	2018	2019	2020
<b>Non-hazardous and hazardous waste</b>	Non-hazardous waste to legal landfill – volume (m <sup>3</sup> )	185,857.68	93,144.87	63,674.23
	Non-hazardous waste to legal landfill – mass (tonnes)	1,840.32	2,271.59	1,672.68
	Hazardous waste to legal landfill – volume (m <sup>3</sup> )	7,483,381.86	3,540.69	558.67
	Hazardous waste to legal landfill – mass (tonnes)	871.37	1,210.61	2,249.11
	Medical waste disposed of (not incinerated) – mass (tonnes)	0.06	0.06	2.15
<b>Incineration</b>	Non-hazardous waste to incineration – mass (tonnes)	342.36	1,151.64	1,188.12
	Hazardous waste to incineration – mass (tonnes)	215.48	205.96	226.04
	Medical waste to incineration – mass (tonnes)	35.14	40.26	39.03
	Waste incinerated – volume m <sup>3</sup>	123,892.55	3,019.52	3,102.53
<b>Paper sent for recycling (tonnes)</b>	Mass (tonnes)	155.84	151.5	83.8
<b>Scrap metal (including cans) sent for external recycling</b>	Volume (tonnes)	8,375.02	10,859.97	7,353.07
<b>Conveyor belting sent for recycling</b>	Mass (tonnes)	0	0	0

**FIGURE 11. WASTE BY TYPE CONTINUED**

	Unit of measurement	2018	2019	2020
<b>Drums sent for recycling/re-use</b>	Number	901	741	732
<b>Lead acid batteries sent for recycling/re-use</b>	Number	2,656	936	611
<b>Plastic sent for recycling/re-use</b>	Mass (tonnes)	229.32	194.44	48.52
<b>Toner/ink cartridges sent for recycling/re-use</b>	Number	1601	457	511.1
<b>Used oil sent for recycling/re-use</b>	Volume (L)	3,041,516	3,481,699	1,190,050
<b>Used oil for combustion</b>	Volume (L)	198,183	341,705	Not reported

Footnote:

- Waste is reported through separate indicators both in mass and volume, rather than through conversions.
- De Beers Group reports on hazardous, non-hazardous and medical waste as per authorised protocols.

**FIGURE 12. ENVIRONMENTAL INCIDENTS BY SEVERITY**

	2018	2019	2020
Level 1	662	507	141
Level 2	112	52	9
Level 3	0	0	0
Levels 4 and 5	0	0	0
<b>Total number of incidents</b>	<b>774</b>	<b>559</b>	<b>150</b>

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 13. ENVIRONMENTAL INCIDENTS BY TYPE**

	2018	2019	2020
Environmental incident with a primary impact on land	483	384	102
Environmental incident with a primary impact on biodiversity	39	53	8
Environmental incident with a primary impact on ground water	91	38	3
Environmental incident with a primary impact on open water	106	52	24
Environmental incident with a primary impact on marine environments	28	14	11
Environmental incident with a primary impact on air	27	18	2
Environmental incident with a primary impact on noise	0	0	0

**FIGURE 14. ENTERPRISE DEVELOPMENT – TOKAFALA**

	Additional in 2018	Additional in 2019	Additional in 2020	Since inception (in 2014)
Jobs supported	511	807	1,671	5,928
Enterprises supported	141	130	174	861
Percentage of enterprises that are female-owned	40%	55%	36%	Not reported

Footnote 2020: Zimele and Tokafala are our Enterprise and Supplier Development programmes; however, they are not directly comparable in terms of number of jobs supported. Tokafala numbers are adjusted for part-time jobs (factor of 0.5 applied to PT jobs), whereas Zimele numbers indicate all jobs supported (supported means created and maintained – those could be either FT or PT, with no factorisation applied). All jobs to date reported to De Beers Group from the Zimele loan funding element are jobs estimated at the time of the loan.

**FIGURE 15. ENTERPRISE DEVELOPMENT – ZIMELE**

	Additional in 2018	Additional in 2019	Additional in 2020	Since inception (in 2014)
Jobs supported	827	475	904	5,188
Enterprises supported	189	120	429	798
Percentage of enterprises that are female-owned	43%	33%	36%	Not reported

Footnote 2020: Zimele and Tokafala are our Enterprise and Supplier Development programmes; however, they are not directly comparable in terms of number of jobs supported. Tokafala numbers are adjusted for part-time jobs (factor of 0.5 applied to PT jobs), whereas Zimele numbers indicate all jobs supported (supported means created and maintained – those could be either FT or PT, with no factorisation applied). All jobs to date reported to De Beers Group from the Zimele loan funding element are jobs estimated at the time of the loan.

**FIGURE 16. INCLUSIVE PROCUREMENT AS A PROPORTION OF TOTAL SPEND**

	2018	2019	2020
Total procurement spend (USD million)	2,048	2,236	1,852
Total inclusive procurement spend (USD million)	1,250	1,475	1,189
Total inclusive procurement as a proportion of total spend (%)	61	65	64
South Africa (%)	70	97	97.6
Namibia (%)	48	39	37.5
Botswana (%)	82	80	80.3
Canada (%)	24	19	24.5

Footnote: The 2019 South Africa [%] figure was incorrectly reported as 90% in last year's report and the correct figure of 97% has been re-stated here.



## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 17. LOCAL SIGHTHOLDERS QUALIFYING FOR THE CURRENT CONTRACT PERIOD**

	2018	2019	2020
Botswana	16	20	20
Namibia	11	9	8
South Africa	6	6	6
Canada	1	2	2

Footnote: The 2019 figures for Botswana, Namibia and South Africa were incorrectly reported as 17, 10, 5 respectively in last year's report and the correct figures of 20, 9, 6 have been re-stated here.

**FIGURE 18. DE BEERS GROUP PAYMENTS TO STAKEHOLDERS (CONSOLIDATED ACCOUNTING BASIS) (USD MILLION)**

	2018	2019	2020
Partners, joint ventures and suppliers	4,242	3,478	2,491
Employees	634	588	533
Government taxation	195	173	130
Finance providers	21	18	17
Dividends to shareholders	10	9	8

**FIGURE 19. REGIONAL BREAKDOWN OF DE BEERS GROUP PAYMENTS TO STAKEHOLDERS (CONSOLIDATED ACCOUNTING BASIS) (USD MILLION)**

	2018	2019	2020
Africa	3,867	3,070	2,364
North America	414	408	158
Europe	639	586	662
Asia	181	204	16
Percentage representation of consolidated payments made to stakeholders in Africa (%)	75.79	72.45	73.93

**FIGURE 20. DISTRIBUTION OF DIAMOND REVENUE (USD MILLION)**

	2018	2019	2020
Value of payments made to stakeholders in North America/Asia/Africa/Europe	5,102	4,267	3,199
Percentage of these payments made to stakeholders in Africa	76	72	74

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 21. BENEFICIATION (USD MILLION)**

	2018	2019	2020
Total rough diamond sales	5,398	3,997	2,841
Total sales of rough diamonds to Sightholders in producer countries for beneficiation	1,528	1,063	785
Canada – Sales of rough diamonds to Sightholders in producer countries for beneficiation	0	0	0
Namibia – Sales of rough diamonds to Sightholders in producer countries for beneficiation	352	294	185
South Africa – Sales of rough diamonds to Sightholders in producer countries for beneficiation	287	185	166
Botswana – Sales of rough diamonds to Sightholders in producer countries for beneficiation	889	3,237	2,360

**FIGURE 22. CARATS RECOVERED (000 CARATS)**

	2018	2019	2020
Total Canada (DBCI) carats recovered	4,475	3,900	3,324
Total Namibia (Namdeb Holdings) carats recovered	2,008	1,700	1,447
Total Botswana (Debswana) carats recovered	24,132	23,254	16,559
Total South Africa (DBCM) carats recovered	4,682	1,922	3,771
<b>Overall total carats recovered</b>	<b>35,297</b>	<b>30,776</b>	<b>25,101</b>

**FIGURE 23. SOCIAL WAY ASSESSMENT SCORES**

	2018	2019	2020
Serious non-compliance	0	0	Not reported
Moderate non-compliance	11	7	Not reported
Compliant	23	16	Not reported
Good practice	37	36	Not reported
Best practice	27	16	Not reported

Footnote: Social Way assessment scores are not reported for 2020 because a new version of the Social Way (version 3) was launched in January 2020. Our operations have transition plans in place with the target of full compliance by the end of 2022 (an extension of one year has been given across all Anglo American operations due to the impact of Covid-19).

**FIGURE 24. SOCIAL INVESTMENT SPEND BY COUNTRY (USD MILLION)**

	2018	2019	2020
Canada	4.3	0.5	0.35
Namibia	8.6	7.3	6.5
South Africa	3.1	6	6.1
Botswana	8.4	12.7	19.5
Other	0.3	0.4	0.6
<b>Total</b>	<b>24.7</b>	<b>26.9</b>	<b>33.1</b>

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 25. SOCIAL INVESTMENT SPEND BY TYPE OF INITIATIVE (USD MILLION)**

	2018	2019	2020
Health and welfare	7.4	11.6	21.5
Education and training	2.2	4.9	2.3
Sports, arts, culture and heritage	1.2	1.4	0.7
Institutional capacity development	0.3	0.2	1.3
Community and infrastructure development projects and small business development	13.2	8.1	5.6
Other, including emergency relief, housing and environmental	0.4	0.7	1.7
<b>Total</b>	<b>24.7</b>	<b>26.9</b>	<b>33.1</b>

**FIGURE 26. HUMAN RIGHTS TRAINING**

	2018	2019	2020
Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations	1,153	1,078	2,428
Number of people trained	2,288	3,023	2,332

**FIGURE 27. FREQUENCY RATES**

	2018	2019	2020
Lost time injury frequency rate (LTIFR)	0.72	0.55	0.58
Total recordable case frequency rate (TRCFR)	2.1	1.83	1.59

Definitions:

1. Lost time injury frequency rate (LTIFR) – Number of lost time injuries multiplied by 1,000,000, divided by the number of working hours worked.
2. Total recordable case frequency rate (TRCFR) – Number of recordable cases multiplied by 1,000,000, divided by the number of working hours worked.

**FIGURE 28. OCCUPATIONAL HEALTH**

	2018	2019	2020
Occupational disease (levels 3-5)	2	1	0
Voluntary counselling and testing (%)	89	90	76
Number of people exposed to respirable dust (Category A)	367	134	85
Number of people exposed to noise (decibels)	4,842	4,609	3,624
Number of people potentially exposed to occupational cancers	0	134	85

Footnotes:

- The 2019 figure for 'Number of people exposed to noise (decibels)' was incorrectly reported as 4,603 and the correct figure of 4,609 has been re-stated here.
- The 2019 figure for 'Number of people potentially exposed to occupational cancers' was incorrectly reported as 0 and the correct figure of 134 has been re-stated here.
- Respirable dust (Category A) includes respirable dust and coal dust.
- Potential exposure to occupational cancers includes exposure to silica and Diesel Particulate Matter. Potentially exposed employees operate in an environment with controls, not limited to personal protective equipment, to manage and mitigate risk.

**FIGURE 29. OCCUPATIONAL DISEASE**

	2018	2019	2020
New cases of occupational disease	2	1	0

**FIGURE 30. ABSENTEEISM (%)**

	2018	2019	2020
Absenteeism rate	2.5	Not reported	Not reported

Footnote: The 2019 and 2020 figure for absenteeism is not reported, as the data was not available.

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 31. EMPLOYEES TESTED FOR HIV**

	2018	2019	2020
South Africa	2,543	2,311	1,539
Botswana	4,695	5,019	4,732
Namibia	2,337	2,548	1,760
<b>Total number of employees tested for HIV</b>	<b>9,575</b>	<b>9,878</b>	<b>8,031</b>

**FIGURE 32. PERCENTAGE OF EMPLOYEES WHO KNOW THEIR HIV STATUS (%)**

	2018	2019	2020
Percentage of employees who know their HIV status	89	90	76

**FIGURE 33. NUMBER OF EMPLOYEES RECEIVING ANTI-RETROVIRAL THERAPY (ART)**

	2018	2019	2020
Number of employees receiving ART as part of De Beers Group's HIV programme in South Africa	146	131	136
Number of employees receiving ART as part of De Beers Group's HIV programme in Botswana	820	937	927
Number of employees receiving ART as part of De Beers Group's HIV programme in Namibia	185	122	123
<b>Total number of employees receiving ART</b>	<b>1,151</b>	<b>1,190</b>	<b>1,186</b>

Footnote: The 2019 figures for employees receiving ART in Botswana and Namibia were not originally reported in our 2019 report as they were not available at the time, but have since become available, hence their inclusion here.

**FIGURE 34. NUMBER OF NEW CASES OF HIV AMONG EMPLOYEES IN SOUTHERN AFRICA**

	2018	2019	2020
Number of new HIV cases (South Africa)	4	7	13
Number of new HIV cases (Botswana)	112	60	13
Number of new HIV cases (Namibia)	8	13	6
<b>Total number of new cases of HIV among employees in southern Africa</b>	<b>124</b>	<b>80</b>	<b>32</b>

**FIGURE 35. PROPORTION OF WORKFORCE WITH ACCESS TO FREE AND CONFIDENTIAL HIV TESTING AND WELLBEING PROGRAMMES**

	2018	2019	2020
Employees with access to free testing and wellbeing programmes (%)	100	100	100

**FIGURE 36. INCIDENCE OF TUBERCULOSIS**

	2018	2019	2020
Incidence of tuberculosis per 100,000 full-time employees	53	46	37

**FIGURE 37. WOMEN IN THE WORKFORCE AND IN MANAGEMENT POSITIONS (%)**

	2018	2019	2020
Women in the workforce	26.1	26.3	26.9
Women in management positions	29.3	29.8	32.2
Women in senior management positions	20.0	24.2	30.1

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 38. WOMEN IN THE WORKFORCE AND IN MANAGEMENT POSITIONS, BY BUSINESS UNIT (%)**

	2018	2019	2020
Total employees that are women, De Beers Group	26.1	26.3	26.9
Total employees that are women, De Beers Canada	19.6	18.2	20.5
Total employees that are women, DBCM	25.8	23.8	23.9
Total employees that are women, Debswana	22.0	22.3	22.9
Total employees that are women, Namdeb	20.0	20.3	20.3
Total employees that are women, Debmarine Namibia	13.6	14.2	14.9
Total employees that are women, Debmarine SA	20.9	20.8	19.6
Total employees that are women, DBAS	38.5	44.2	46.2
Total employees that are women, FM	48.2	49.0	52.0
Total employees that are women, DB group services	42.0	42.9	43.1
Total employees that are women, DTC	48.4	49.1	50.1
Total employees that are women, Exploration	42.2	43.2	39.6
Total employees that are women, Element Six	24.3	25.9	27.2
Total employees that are women, DBGSS and DBSA	52.3	53.1	53.3
Management employees that are women, De Beers Group	29.3	29.8	32.2
Management employees that are women, De Beers Canada	23.9	25.2	21.4
Management employees that are women, DBCM	27.1	27.0	29.2
Management employees that are women, Debswana	25.6	26.0	27.0
Management employees that are women, Namdeb	33.1	34.8	34.8

**FIGURE 38. WOMEN IN THE WORKFORCE AND IN MANAGEMENT POSITIONS, BY BUSINESS UNIT (%) CONTINUED**

	2018	2019	2020
Management employees that are women, Debmarine Namibia	30.8	30.7	31.0
Management employees that are women, Debmarine SA	22.0	20.9	20.7
Management employees that are women, DBAS	40.0	33.3	37.5
Management employees that are women, FM	50.4	53.3	60.3
Management employees that are women, DB group services	34.6	33.8	38.8
Management employees that are women, DTC	37.3	38.6	36.8
Management employees that are women, Exploration	37.3	36.5	32.7
Management employees that are women, Element Six	23.8	25.6	29.0
Management employees that are women, DBGSS and DBSA	40.7	43.0	43.5
Senior Management employees that are women, De Beers Group	20.0	24.2	30.1
Senior Management employees that are women, De Beers Canada	0	0	20.0
Senior Management employees that are women, DBCM	16.7	25.0	25.0
Senior Management employees that are women, Debswana	15.8	16.7	18.8
Senior Management employees that are women, Namdeb	0	0	0
Senior Management employees that are women, Debmarine Namibia	0	0	0
Senior Management employees that are women, Debmarine SA	0	0	0
Senior Management employees that are women, DBAS	0	0	0



## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 38. WOMEN IN THE WORKFORCE AND IN MANAGEMENT POSITIONS, BY BUSINESS UNIT (%) CONTINUED**

	2018	2019	2020
Senior Management employees that are women, FM	25.0	25.0	50.0
Senior Management employees that are women, DB group services	27.6	39.1	50.0
Senior Management employees that are women, DTC	0	0	0
Senior Management employees that are women, Exploration	0	0	100.0
Senior Management employees that are women, Element Six	28.5	28.6	33.3
Senior Management employees that are women, DBGSS and DBSA	40.0	50.0	33.3

**FIGURE 39. LOCAL AND HISTORICALLY DISADVANTAGED EMPLOYEES (%)**

	2018	2019	2020
South Africa (Historically disadvantaged South Africans) among employees	89.14	85.85	84.7
South Africa (Historically disadvantaged South Africans) in management	62.52	59.39	60.52
South Africa (Historically disadvantaged South Africans) in senior management	33.33	47.37	50.00
Namibia (Historically disadvantaged Namibians) among employees	89.74	90.52	90.95
Namibia (Historically disadvantaged Namibians) in management	65.47	66.79	68.17
Namibia (Historically disadvantaged Namibians) in senior management	57.14	66.67	66.67

**FIGURE 39. LOCAL AND HISTORICALLY DISADVANTAGED EMPLOYEES (%) CONTINUED**

	2018	2019	2020
Botswana (local citizens) among employees	98.28	98.57	98.4
Botswana (local citizens) in management	92.31	93.18	93.68
Botswana (local citizens) in senior management	83.33	83.33	81.82

Footnotes:

- South Africa, Botswana and Namibia are significant locations of operation for De Beers Group.
- Senior management is defined as the top 3 levels of seniority in the business, out of a total of 7 levels.
- Local citizens are defined as natives of Botswana.

**FIGURE 40. INVESTMENT IN EMPLOYEE TRAINING AND DEVELOPMENT (USD MILLION)**

	2018	2019	2020
Investment in employee training	29.9	19.4	9.3

**FIGURE 41. NUMBER OF EMPLOYEES RECEIVING TRAINING**

	2018	2019	2020
Total number of employees receiving training (Group)	19,332	10,496	8,732

**FIGURE 42. HOURS OF TRAINING DELIVERED**

	2018	2019	2020
Total number of hours of training delivered	767,921	635,238	581,570
Average hours of training per year per employee trained	40	61	67

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 43. WORKFORCE BY TYPE OF EMPLOYEE**

	2018	2019	2020
<b>Total workforce</b>	<b>20,875</b>	<b>19,150</b>	<b>21,615</b>
Direct employees			
Permanent employees	13,318	12,944	12,744
Fixed-term employees	1,258	1,324	1,049
<b>Total direct employees</b>	<b>15,037</b>	<b>14,616</b>	<b>13,976</b>

Footnote: Direct employees includes permanent employees, those on fixed-term contracts and trainees.

**FIGURE 44. EMPLOYEES BASED IN AFRICA**

	2018	2019	2020
Percentage of direct employees in Africa	81.21	81.27	81.42

**FIGURE 45. EMPLOYEES BY REGION**

	2018	2019	2020
Africa – fixed-term employees	1,008	1,078	837
Africa – permanent	10,750	10,458	10,363
Asia – fixed-term employees	72	70	53
Asia – permanent	396	404	398
Europe and Middle East – fixed-term employees	124	127	87
Europe and Middle East – permanent	1,296	1,341	1,295
America – fixed-term employees	54	49	72
America – permanent	876	741	688

**FIGURE 46. EMPLOYEES BY GRADE**

	2018	2019	2020
Grade 9 UK/GBF2	1	1	1
F-Band/Grade 8/GBF3	14	14	13
EU-Band/Grade 7/GBF4	80	80	79
EL-Band/Grade 6/GBF5	352	370	386
DL & DU-Band/Grade 4&5/GBF6	2,045	2,069	2,093
CU-Band/Grade 3/GBF7	2,694	2,606	2,478
CL-Band/Grade 2/GBF8 – GBF10	9,851	9,240	8,779
<b>Total</b>	<b>15,037</b>	<b>14,380</b>	<b>13,829</b>

Footnote: These figures exclude 'no graders'.

**FIGURE 47. EMPLOYEE TURNOVER (%)**

	2018	2019	2020
Overall employee turnover	8.3	10.4	8.1
Resigned, redundant, retired, contract completed	7.6	9.8	7.4
Dismissed	0.7	0.6	0.7

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 48. EMPLOYEE TURNOVER BY REGION**

		2018	2019	2020
<b>Africa</b>	Resigned, redundant, retired, contracts completed	772	1,055	766
	Dismissed	72	64	65
<b>Asia Pacific</b>	Resigned, redundant, retired, contracts completed	38	31	37
	Dismissed	2	8	1
<b>Europe and Middle East</b>	Resigned, redundant, retired, contracts completed	110	121	139
	Dismissed	13	8	14
<b>Americas</b>	Resigned, redundant, retired, contracts completed	219	225	97
	Dismissed	15	13	15

**FIGURE 49. EMPLOYEE TURNOVER BY GENDER (%)**

	2018	2019	2020
Male	7.80	9.60	7.75
Female	9.67	12.68	9.11

Footnote: These figures show turnover by gender as a percentage of the total male/female workforce.

**FIGURE 50. UNION MEMBERSHIP**

	2018	2019	2020
De Beers Group employees who are members of a union (%)	51.02	49.28	46.97

Footnote: Employees who are members of a union are covered by collective bargaining agreements.

**FIGURE 51. UNION MEMBERSHIP ACROSS AFRICAN OPERATIONS (%)**

	2018	2019	2020
DBCM	83.5	81.0	87.3
Debswana Diamond Company	55.6	64.7	64.8
Namdeb (land operations)	79.7	74.8	71.3

Footnotes:

- These figures are for employees in CL-band/Grade 2/bands GFB8-10 at our African operations.
- The 2019 figure for employees covered by collective bargaining agreements at DBCM [%] has been re-stated and corrected upon review of the numbers during the 2020 reporting cycle. The original figure that was reported in 2019 was 60.2%.
- Employees who are members of a union are covered by collective bargaining agreements.

**FIGURE 52. BPP PROGRAMME COVERAGE – PEOPLE, ENTITIES AND COUNTRIES**

	2018	2019	2020
Number of people	353,001	346,349	349,955
Number of entities	2,805	2,718	2,644
Number of countries	78	77	77

**FIGURE 53. DE BEERS GROUP SITE VISITS FOR THE BPP PROGRAMME CYCLE**

	2018	2019	2020
Number of De Beers Group site visits	7	13	10

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 54. SIGHTHOLDER VISITS FOR THE BPP PROGRAMME CYCLE**

	2018	2019	2020
Number of Sightholder visits for BPP cycle	113	109	103

**FIGURE 55. DE BEERS GROUP INFRINGEMENTS**

	2018	2019	2020
Total number of De Beers Group infringements	0	5	1

**FIGURE 56. SIGHTHOLDER INFRINGEMENTS AND IMPROVEMENT OPPORTUNITIES**

	2018	2019	2020
Number of Sightholder major infringements (Business, Social and Environmental)	30	28	9
Number of Sightholder minor infringements (Business, Social and Environmental)	147	192	55
Number of Sightholder improvement opportunities (Business, Social and Environmental)	275	143	88
<b>Total number of Sightholder infringements &amp; improvement opportunities (Business, Social and Environmental)</b>	<b>452</b>	<b>363</b>	<b>152</b>

## Footnotes:

- Infringements can be either Major or Minor and indicate where an issue has been identified that does not meet the BPP requirements and Corrective Action is required. Minor Infringements are where Corrective Action can be taken within a reasonably short time period. Major Infringements are imposed for more serious compliance issues, and require Corrective Action to be taken within the BPP Cycle. All Corrective Actions are reviewed by SGS, the independent third party assurer of the BPP programme.
- Improvement Opportunities are not compliance issues but are where issues are recorded to assist the journey of continuous improvement and best practice.
- During the 2020 BPP cycle, significant changes were made to the programme to manage the risks of the Covid-19 pandemic. All audits, interviews with subject matter experts, site tours and third-party assessments took place remotely using video-conferencing tools. This is likely to have had an influence on the lower number of infringements in 2020 versus previous years.

**FIGURE 57. SIGHTHOLDER INFRINGEMENTS AND IMPROVEMENT OPPORTUNITIES BY THEME**

	2018	2019	2020
Number of Sightholder 'business' major infringements	3	8	4
Number of Sightholder 'business' minor infringements	28	56	28
Number of Sightholder 'business' improvement opportunities	122	21	28
Number of Sightholder 'social' major infringements	30	20	5
Number of Sightholder 'social' minor infringements	98	127	27
Number of Sightholder 'social' improvement opportunities	155	120	60
Number of Sightholder 'environment' major infringements	0	0	0
Number of Sightholder 'environment' minor infringements	3	7	0
Number of Sightholder 'environment' improvement opportunities	0	2	0

Footnote: No Sightholder 'environment' infringements were reported in 2020 as the environmental section of the workbook was covered in self-assessments but not in the report audit process.

## BUILDING FOREVER – PERFORMANCE DATA 2018–2020

continued

**FIGURE 58. ANTI-CORRUPTION/BUSINESS INTEGRITY**

	2018	2019	2020
Number of business unit and corporate functions subject to full anti-corruption programme internal audits	0	5	7
Number of business unit and corporate functions that undertook business integrity self-assessments	17	17	20
Number of employees attending face-to-face anti-corruption training workshops	0	128	46
Number of employees completing online anti-corruption training	218	2,122	2,090
Number of significant incidents of corruption	0	0	0

**Footnotes:**

- No full-scope anti-corruption audits were undertaken for 2020. Instead, five of our 20 Group businesses were subject to business integrity focused audits and an additional two Group businesses had business integrity elements included in a broader audit scope.
- The 2020 online training number includes employees that completed online training up to and including 31 March 2021. The timing of the launch of the 2020 training programme was delayed due to Covid-19 so the deadline for completion of training was extended by three months to March 2021. The next training cohort is scheduled for 2022 in line with a bi-annual training schedule.

**FIGURE 59. COMPETITION LAW TRAINING**

	2018	2019	2020
Number of individuals nominated to complete competition law training (Group)	0	350	0
Average completion rate (Group) (%)	0	97	0
Average pass rate (Group) (%)	0	94	0

Footnote: No competition law training took place in 2020.

**FIGURE 60. WHISTLEBLOWING INVESTIGATIONS**

	2018	2019	2020
Number of investigations into alleged illegalities/breaches of De Beers Group's policies resulting from whistleblowing reports and internal investigations	419	411	309

**FIGURE 61. DISMISSALS AS A RESULT OF ILLEGALITIES**

	2018	2019	2020
Number of dismissals	65	42	62



# INDEPENDENT ASSURANCE STATEMENT

## TO: THE STAKEHOLDERS OF DE BEERS GROUP

### INTRODUCTION AND OBJECTIVES OF WORK

Bureau Veritas UK Ltd. ('Bureau Veritas') has been engaged by De Beers Group ('De Beers') to provide independent assurance over selected sustainability information reported in the *Building Forever – Performance Data 2018–2020* ('the Performance Data') published as an Annex to the *Build Forever: Our Material Topic Report 2020* ('the Report'). This Assurance Statement applies to the related information included within the scope of work described below.

### SCOPE OF WORK

The scope of our work was limited to assurance over performance data and information included in the Performance Data for the reporting period January 1, 2020 to December 31, 2020 (the 'Selected Information'), covering the following topics:

- Energy consumption
- Greenhouse Gas (GHG) and SO<sub>2</sub>, and NO<sub>2</sub> emissions
- Water withdrawal by source
- Biodiversity plans
- Enterprise development
- Inclusive Procurement

- Local sightholders
- Carats recovered
- Social investment and social way assessment
- Workforce and employees
- Best Practice Principles (BPP) Programme
- Anti-corruption and business integrity
- Whistleblowing and dismissals

Our review also included an evaluation of alignment of the reported data and information included in the Report to the requirements of the Global Reporting Initiative ('GRI') Standards 'core' option level and the corresponding GRI index.

### REPORTING CRITERIA

The Selected Information has been prepared in accordance with internal definitions and reporting guidelines established by De Beers and its parent company, Anglo American plc ('Anglo American').

### LIMITATIONS AND EXCLUSIONS

Excluded from the scope of our work is verification of the following:

- Data and information on Land use, Water consumption and discharge, Waste, Environmental incidents, Health, Safety, Absenteeism, and Employee training, including on human rights and competition law<sup>1</sup>;

- Cumulative data since inception reported for Tokafala (2014) and Zimele (2009) under Enterprise Development<sup>2</sup>;
- Financial data included in the Performance Data that is already subject to independent third-party audit and opinion, including but not limited to any statements relating to revenue, sales, and tax. This was relied upon and the verification effort was not repeated;
- The appropriateness of the reporting criteria and its boundaries;
- Positional statements (expressions of opinion or belief) and statements of future intention or commitment;
- Content of external websites or documents linked from the Performance Data; and
- Other information included in the Performance Data outside the defined scope.

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of data collection and monitoring arrangements at the entity or business unit level which are not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

### RESPONSIBILITIES

The preparation and presentation of the Selected Information in the Report are the sole responsibility of the management of De Beers.

Bureau Veritas was not involved in the drafting of the Report. Our responsibilities were to:

- Obtain limited assurance about whether the Selected Information has been prepared in accordance with internationally acceptable definitions of the relevant indicators;
- Form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- Report our conclusions and detailed findings and recommendations to De Beers' management.

### ASSESSMENT STANDARD

We performed our work in accordance with the requirements of the International Standard on Assurance Engagements ('ISAE') 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after December 15, 2015).

Our conclusions are for 'limited' assurance as set out in ISAE 3000.



## INDEPENDENT ASSURANCE STATEMENT continued

### SUMMARY OF WORK PERFORMED

As part of our independent verification, Bureau Veritas undertook the following activities remotely:

1. Conducted interviews with relevant personnel of De Beers at corporate and site level.
2. Examined the data collection and consolidation processes used to compile the Selected Information, including assessing the appropriateness of any assumptions made, the data scope and the reporting boundaries.
3. Reviewing a sample of the Selected Information to the corresponding source documentation.
4. Confirming where relevant the accuracy of information with third parties and/or partner agencies.
5. Assessed the disclosure and presentation of the Selected Information in the Report to ensure consistency with assured information.
6. Evaluating the alignment of Selected Information with the reporting requirements of the GRI Standards 'core' option level.

The scope of a limited assurance engagement is substantially less than for reasonable assurance both in terms of the risk assessment procedures and in performing the procedures to address the identified risks.

### CONCLUSION

On the basis of our methodology and activities described above, nothing has come to our attention to indicate that the Selected Information is not fairly stated in all material respects.

### STATEMENT OF INDEPENDENCE, INTEGRITY AND COMPETENCE

Bureau Veritas is an independent professional services company that specialises in quality, environmental, health, safety and social accountability with over 190 years history. Its assurance team has extensive experience in conducting verification over environmental, social, ethical and health and safety information, systems and processes.

Bureau Veritas operates a certified<sup>3</sup> Quality Management System which complies with the requirements of ISO 9001:2015, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Bureau Veritas has implemented and applies a Code of Ethics, which meets the requirements of the International Federation of Inspections Agencies (IFIA)<sup>4</sup>, across the business to ensure that its employees maintain integrity, objectivity, professional competence and due care, confidentiality, professional behaviour and high ethical standards in their day-to-day business activities.

The assurance team for this work conducted the verification independently and is not involved in any other Bureau Veritas projects with De Beers.

### Bureau Veritas UK Ltd.

London  
19 May 2021

- 1 Included in Figures 2, 7–13, 26–36, 40–42, and 59 of the Performance Data.
- 2 Included in Figures 14 and 15 of the Performance Data.
- 3 Certificate of Registration available upon request.
- 4 International Federation of Inspection Agencies – Compliance Code – Third Edition.



# SUMMARY REPORT FOR DE BEERS GROUP 2020 CYCLE

## ROLE OF SGS IN THE BEST PRACTICE PRINCIPLES PROGRAMME

### APPOINTMENT OF SGS

SGS has been the verification partner for the De Beers Best Practice Principles (BPPs) Assurance Programme since July 2003. After involvement in the development of the programme and initial pilots, SGS has verified compliance against the BPP requirements since they came into full force in 2005. The programme now covers 2,644 entities in 78 countries encompassing a range of activities and sizes.

SGS is the world's leading independent verification and certification organisation with no commercial interests in the diamond industry. SGS continues to maintain a vigilant system to ensure that no conflicts of interest arise through the provision of additional services to Sightholders, Accredited Buyers, Forevermark Diamantaires, Beneficiation Programme Members or De Beers Group. This has been supplemented by further safeguards since SGS gained accreditation as a Certification Body for the Responsible Jewellery Council (RJC), which also has requirements in this regard.

### SCOPE OF WORK AND EVOLUTION OF PROGRAMME

In 2020, the BPP cycle returned to a 12-month cycle and ran from 1 January to 31 December 2020. Due to the challenges presented by Covid-19, some flexibility was offered to participants as outlined below, but all aspects of the assurance programme were delivered as usual and on time. Participants of the programme include Sightholders, Accredited Buyers, Beneficiation Project Members and all De Beers Group business units, which comprises 2,644 entities across the diamond value chain.

For 2020, the programme was updated to align fully to the RJC 2019 Code of Practices. This included:

- Addition of a new section on “Sourcing from Conflict-Affected and High-Risk Areas” aligned with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance). The new workbook had additional questions and the complementary requirements followed the five-step framework set out in the OECD Guidance.
- Additional requirements in relation to businesses and/or operations using both laboratory grown and natural diamonds to further strengthen provisions relating

to the segregation of diamonds and synthetic diamonds and their related processes during the trading, manufacturing, sale and transport of diamond and diamond jewellery products, and a requirement that claims relating to environmental and ethical impacts in relation to synthetic diamonds being substantiated, qualified and specific.

- Elevated requirements in the environmental section in recognition of the growing expectation for companies to demonstrate that they have robust environmental management systems and practices in place.

For De Beers Group, the requirements for mining entities were extensively expanded and strengthened in the areas of Impact Assessment; Community Engagement and Development; Biodiversity; Natural Resource and Environmental Risk Management; Indigenous Peoples; and Mine Closure Planning.

The self-assessments were completed against the full workbook including these additions.

Due to the Covid-19 pandemic, and the related limitations on physical travel and face-to-face interaction, the decision was made to conduct the verification visits remotely to ensure the safety of the participants and the SGS auditors.

The remote assessments were conducted using video conferencing tools which allowed for virtual tours of the different entities, document reviews and management interviews. Group worker interviews were completed for manufacturing entities to cover general topics such as Health and Safety. Whilst every effort was taken to replicate an on-site audit as far as possible, individual worker interviews were not included in the remote assessments due to the inability to ensure confidentiality for the workers.

In recognition of the efforts made by all parties to complete their self-assessments against all relevant requirements, which is a core aspect of the BPP programme implementation, where applicable, some lower-risk requirements were removed and others were limited to a review of core documents (e.g. policies, procedures, training records) and either written or oral evidence of implementation. This adjustment to scope was also due to the assessments being completed remotely which meant the auditors would not have the full ability to triangulate in-depth observations without worker interviews. If any compliance issues were observed for the excluded areas, these would be reported in the usual manner. All other requirements remained in scope in full.



## SUMMARY REPORT FOR DE BEERS GROUP 2020 CYCLE continued

The BPP requirements continue to be the leading benchmark across industry, continually raising the bar of ethical and best practice and where the BPP requirements are set at a higher level, this has not been compromised. The decision to move to remote assessments was taken in recognition that whilst it is crucial that the BPP programme continued to be implemented as a way to demonstrate compliance against best practice standards even in times of crisis and challenges, there were legitimate health and safety issues and concerns that had to be balanced to guarantee the wellbeing of all individuals involved. To balance this further, enhanced desktop reviews were undertaken of the Sightholder Headquarter entities to review what systems the entities had developed to manage the effects of the Covid-19 pandemic both in terms of employee rights, and precautions to manage health and safety risks and the remote assessments also focussed on these topics. The Sightholder Headquarter was expected to provide information on what steps every entity within their Group had undertaken to manage the risks of the pandemic.

The five Beneficiation Project Members (BPM) were again required to submit workbooks and this year, all BPMs were subject to the full verification of the BPPs after their phased introduction to the programme. One BPM did not submit a first-party workbook during the 2020 cycle, and this was reflected in their End of Year report. However, they were subject to a third-party verification audit during the cycle, which reviewed and verified their compliance against all relevant BPP requirements. Overall, the performance of the BPMs improved again in 2020 although one Major and three Minor Infringements were identified across the BPMs. These BPMs are being assisted by De Beers Group to ensure infringements are closed out as they continue their journey towards best practice.

As in previous years, the online BPP SMART System provides opportunities to leverage areas of commonality. All participants were able to select an "autofill" option to carry forward their responses from the previous cycle, and to review these and amend where necessary. Further, participants who are already certified to the RJC Code of Practices can upload their RJC certificates to the online system. This facilitates a shorter first-party assessment workbook being available to recognise their RJC certification. However, the third-party verification visits continue to assess compliance across all relevant aspects of the BPP requirements through a risk-based

approach, ensuring a deeper verification is undertaken. In addition, Sightholders and Accredited Buyers may elect to integrate RJC certification visits into their BPP programme to streamline their approach to these programmes and avoid audit duplication. In 2020, 12 combined BPP/RJC visits were undertaken covering 10 Sightholders/Accredited Buyers who had elected to become certified, renew their certification, or extend the scope for additional entities or to include provenance claims. This number was impacted due to the decision to conduct BPP assessments remotely. The RJC limited the certifications which could be conducted remotely and therefore provided extensions to Sightholders who were impacted to complete the combined audits during the 2021 cycle.

The scope of work undertaken by SGS as the BPP verifier for the 2020 cycle comprised the following:

- Desktop review of a sample of up to one third of each of the workbooks submitted by Sightholders, Accredited Buyers and their substantial contractors (Tier B), BPMs and De Beers Group entities.
- This desktop review process verifies that all required workbooks have been submitted; that all questions have been answered; that the responses to the questions support the compliance status declared in each case and to test the conclusions by requesting supporting evidence on a random number of questions.
- A specific set of queries was raised during the Sightholder Corporate Headquarter desktop reviews in relation to policies, procedures and employment practices implemented due to the Covid-19 pandemic
- Remote verification assessment on up to 10 per cent of each Sightholder, Accredited Buyer or BPMs declared eligible entities including substantial Tier B entities to independently assess their performance against the BPP requirements through first-hand evaluation of evidence of compliance with the issues concerned.
- Ratings for findings are recommended by the local auditor, but final decisions on the ratings of each finding are made by joint agreement with SGS Central and De Beers teams.
- Provision of information relating to the compliance status of Sightholders', Accredited Buyers' and BPM's entities and details of any significant issues. This information is provided in accordance with the confidentiality requirements imposed by the Ombudsman.
- Ongoing support in explaining local legislative requirements and common issues and challenges.



## SUMMARY REPORT FOR DE BEERS GROUP 2020 CYCLE continued

### VERIFICATION METHODOLOGY

The verification process is undertaken in three stages:

- In the country of operation, the desktop review of workbooks is undertaken by qualified auditors who also meet the requirements of the RJC certification programme. These are experienced Social Auditors, cross-trained in environmental management and the business elements applicable to companies involved in diamonds and gold and trained on the requirements of the Best Practice Principles.
- Local reviews are then submitted to a central review point and subsequently cross-checked to ensure consistency by country and requirement.
- A sample of up to 10 per cent of each Group's entities is selected centrally for verification assessments to check the effectiveness of the first-party assessments and to evaluate at first hand the situation on the ground.

### DE BEERS GROUP FACILITIES

The De Beers Group participated in the programme by submitting 51 workbooks against their eligible entities within agreed deadlines and received 11 desktop workbook reviews and 10 remote assessments.

Within the 11 workbook reviews conducted during the cycle, no Material, Major or Minor Infringements were raised.

Forty two Improvement Opportunities were self-declared across several topics in the Business Practices and Employment sections, recognising the seriousness the Group takes its position as a leader to continuously identify areas of improvement across their business.

Within the 10 remote verification assessments undertaken at De Beers Group entities, no material breaches were raised. However, one Minor Infringement and three Improvement Opportunities were raised. The Minor Infringement raised was in relation to a health and safety issue to ensure retail staff in a particular location were first aid trained, and the Corrective Action Plan is currently being completed, demonstrating the robust Corrective Action Process that is in place whereby participants have to provide evidence that they have taken the necessary steps to remove the infringement found from their operations. This also demonstrates the seriousness with which De Beers Group treats the application of the BPP requirements to themselves and taking any necessary action if issues are found.

The entities selected for visits included four mining entities, one sales operation and five retail stores. The increased focus on retail locations was due to the new retail entities coming into scope of the BPP programme across our brands.

In conclusion, there is one open minor infringement which is currently being

addressed by the relevant entity, from this cycle and the Ethical Initiatives Team and De Beers Group entities have been open to all improvement recommendations and responsive to all information requests.

### SIGHOLDERS AND ACCREDITED BUYERS

All entities that are owned or under the management control of Sightholders and Accredited Buyers are required to participate in the full BPP programme. In addition, substantial contractors – those that derive more than 75 per cent of their revenue from a Sightholder or Accredited Buyer – are required to participate in the Contractor BPP programme; and all non-substantial contractors must be disclosed on the BPP SMART System.

In addition, Sightholders and Accredited Buyers are required to declare all owned entities and contractors who are manufacturing melee diamonds to enable reviews to be undertaken to cover the BPP Melee Assurance Protocol requirements.

2,644 eligible Sightholder and Accredited Buyer entities were declared, and workbooks were submitted within agreed timescales. Where entities are co-located or part of a retail brand, merged workbooks may be submitted, and this resulted in 711 individual workbooks. Of these, 175 workbooks were reviewed for this cycle and rated in accordance with the BBP programme requirements.

In addition, 103 verification visits were completed based on the sampling rules defined above.

## OVERALL SUMMARY

### DE BEERS GROUP:

Policies and procedures are now embedded into normal operations for De Beers Group's facilities and there is a commitment to continuous improvement against both the BPP and RJC requirements.

No Material Breaches were identified during first- or third-party assessments. One Minor Infringement remains open and corrective action is underway to prevent recurrence. Three Improvement Opportunities were raised where entities could seek to go further in the spirit of continuous improvement.

### SIGHOLDERS AND ACCREDITED BUYERS:

Sightholders and Accredited Buyers had a more mixed performance. A total of 64 infringements were raised during the cycle. 9 of these were Major Infringements, with 4 raised against Business Principles and 5 against Social Requirements. In addition, 88 Improvement Opportunities were identified. Improvement Opportunities do not require a Corrective Action Plan as these are intended to help Sightholders and Accredited Buyers towards continuous improvement or highlight a limited compliance issue where resolution is





## SUMMARY REPORT FOR DE BEERS GROUP 2020 CYCLE continued

beyond the ability of the group/entity/facility to resolve. Corrective Actions are required for minor and major infringements, which are reviewed by SGS auditors and closed out when appropriate action, and evidence, has been provided that the risk identified no longer exists.

The number of infringements varies in each cycle depending on the mix of entities selected for visits as part of the sampling process.

In 2020, the number of infringements raised was lower than previous cycles. This was due to the limited and reduced scope for some areas. Also, the method of remote assessments meant individual employee interviews were not completed and therefore auditors were unable to raise findings without full triangulation. A number of Improvement Opportunities were identified across the different requirements for delayed training sessions, emergency drills and document processing. These were largely due to enforced local lockdowns in the Covid-19 pandemic which restricted Sightholders from accessing the facilities. In addition, some jurisdictions introduced new measures relating to payments to workers during government enforced lockdown periods which impacted the observations made during the assessments. Individual circumstances were reviewed, and findings were classified as either Infringements or Improvement Opportunities. Classifications

were determined through consideration of the specific legal requirements, their legal status at the time of the assessment, and evidence of appropriate consultation and communication with employees, which is in line with the usual approach of verifying compliance across employment matters.

Sightholders and Accredited Buyers have been asked to provide Corrective Action Plans and evidence of closure for all infringements, in accordance with the usual protocol, and these are reviewed by the local SGS offices. For Major Infringements, the local SGS offices actively follow-up with Sightholders and Accredited Buyers to ensure that these are completed both effectively and efficiently. For Minor Infringements, SGS reviews evidence as it is submitted by Sightholders or Accredited Buyers.

### RECOMMENDATIONS AND FUTURE DEVELOPMENTS

For the 2020 cycle the programme was updated to align to the RRJC 2019 Code of Practices. This has resulted in several additional requirements within existing sections as well as a new section which ensures that the sourcing of diamonds is managed responsibly. This new section is aligned to the OECD Guidance. The mining supplement which applies to De Beers Group's mining operations has also been updated and strengthened, aligned with best practice social and environmental standards to appropriately

meet the types of risk that can occur at these entities. The continual improvement of performance against the BPP requirements will be further encouraged by escalating infringements from previous cycles which are not being addressed.

As in previous cycles, Sightholders and Accredited Buyers will be able to opt in for combined BPP/RJC verification with the possibility of this leading to a recommendation for RJC certification.

For the 2021 cycle, the new sections, which had been limited or excluded from the verification activity, are being fully reinstated to ensure that participants are fully implementing the enhanced requirements aligned to best practices. Employment and Health and Safety sections have been updated to reflect lessons learnt from the Covid-19 pandemic with an increased focus on protecting workers rights in times of crisis and unforeseen circumstances. A return to onsite assessment is anticipated which will increase the robustness of the verification and enhance the due diligence, and provide the opportunity to assess the impact of the Covid-19 pandemic on operations.

De Beers Group has also expanded the voluntary section, Corporate Social Investment and Business Impact to align with its Building Forever framework. In particular, changes have been made

to align to two of the goals: Accelerating Equal Opportunity and Protecting the Natural World. These changes resulted in Sightholders being asked from 2021 to provide information on any initiatives they have in place, and are measuring performance against, on environmental and inclusion and diversity initiatives. In recognition of the importance De Beers Group is placing on climate change and carbon neutrality, Sightholders have also been asked to report on any Carbon Footprinting efforts, as part of a baseline assessment to understand carbon neutrality across the value chain.

2021 also marks a year where the De Beers Group RJC certification is to be renewed and preparations are underway for this.



**Effie Marinos**  
SGS United Kingdom Ltd

26 March 2021

[www.uk.sgs.com](http://www.uk.sgs.com)




# DE BEERS GROUP 2020: GRI INDEX








## KEY

Under GRI Topic Specific Disclosures, the GRI Standard title has been written **IN CAPITALS** with the related De Beers Group material topic title **in brackets** next to it.


There are a few De Beers Group material topics for which there is no corresponding GRI topic. These are labelled '**custom topic**' and have been included for completeness, as per GRI Standards guidelines.

 This icon indicates that the hyperlink leads to a website or other online resource.







## GENERAL DISCLOSURES

Indicator	Disclosure	Reference, answer, additional information
<b>ORGANISATIONAL PROFILE</b>		
102-1	Name of the organisation	De Beers Group
102-2	Activities, brands, products, and services	De Beers Group: At a Glance <a href="#">About De Beers Group</a> 
102-3	Location of headquarters	London, United Kingdom
102-4	Location of operations	De Beers Group: At a Glance <a href="#">About De Beers Group</a> 
102-5	Ownership and legal form	<a href="#">Group structure</a> 
102-6	Markets served	De Beers Group: At a Glance <a href="#">About De Beers Group</a> 
102-7	Scale of the organisation	De Beers Group: At a Glance <a href="#">Group structure</a>  <a href="#">Financial results</a>  <a href="#">Production reports</a>  Economic impacts for producer countries (Financial and operational update) <a href="#">page 33</a> Data: <a href="#">Figures 18–21, pages 88–89, Figure 43, page 94</a>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
102-8	<b>Information on employees and other workers</b>	Employee attraction, development and diversity <a href="#">page 57</a> <i>Data: Figures 43–46, <a href="#">page 94</a></i>
102-9	<b>Supply chain</b>	As an international diamond company, De Beers Group has a large and complex supply chain supporting our varied operations. In 2020, our Group-wide procurement spend was just over US\$1.8 billion with approximately 5,000 suppliers and over 180,000 individual purchase order lines. Examples of key products and services supplied are: contracted maintenance, fuels, earthmoving machinery, drilling and cutting machinery, pumps and lubricants. Our supply function employs 353 people globally. Through our inclusive procurement policy we support local businesses from the countries and communities where we operate. See more in Economic impact on producer countries <a href="#">page 33</a> .
102-10	<b>Significant changes to the organisation and its supply chain</b>	There were no new mine openings in 2020. Voorspoed mine in South Africa and Victor and Snap Lake mines in Canada continued with the implementation of their closure plans. In October 2020, Namdeb completed the sale of Elizabeth Mine in Namibia to the Lewcor Group, a 100 per cent Namibian-owned Consortium, and Lightbox Jewelry's new lab-grown diamond production facility opened in Gresham, Oregon USA.
102-11	<b>Precautionary principle or approach</b>	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> 
102-12	<b>External initiatives</b>	We participate in many external initiatives including: <ul style="list-style-type: none"> <li>– United Nations Sustainable Development Goals;</li> <li>– United Nations Global Compact (through Anglo American);</li> <li>– United Nations Women Programme;</li> <li>– United Nations CEO Water Mandate;</li> <li>– Kimberley Process Certification Scheme;</li> <li>– Voluntary Principles on Security and Human Rights;</li> <li>– Convention on Biological Biodiversity's Business and Biodiversity pledge;</li> <li>– Maendeleo Diamond Standards;</li> <li>– World Diamond Council System of Warranties; and</li> <li>– OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.</li> </ul>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
102-13	Membership of associations	We are members of a number of industry associations including: <ul style="list-style-type: none"> <li>– Natural Diamond Council;</li> <li>– International Council of Mining and Metals;</li> <li>– World Diamond Council;</li> <li>– Responsible Jewellery Council; and</li> <li>– Diamonds do Good.</li> </ul>
<b>STRATEGY</b>		
102-14	Statement from senior decision-maker	Our Commitment to Building Forever <a href="#">page 4</a>
<b>ETHICS AND INTEGRITY</b>		
102-16	Values, principles, standards, and norms of behaviour	<a href="#">Vision and values</a>  <a href="#">Building Forever/Policies</a>  The Building Forever 2030 Goals <a href="#">page 6</a>
102-17	Mechanisms for advice and concerns about ethics	<a href="#">Business integrity</a> <a href="#">page 75</a> <a href="#">De Beers Group Code of Conduct</a>  <a href="#">Anglo American Group Business integrity policy</a>  Anglo American and De Beers Group <a href="#">confidential whistleblowing service</a>  Data: <a href="#">Figures 60 &amp; 61</a> <a href="#">page 97</a>
<b>GOVERNANCE</b>		
102-18	Governance structure	<a href="#">Leadership team</a>  GRI Appendix: Governance <a href="#">page 82</a>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>STAKEHOLDER ENGAGEMENT</b>		
102-40	A list of stakeholder groups engaged by the organisation	Engaging our stakeholders <a href="#">page 10</a>
102-41	Percentage of total employees covered by collective bargaining agreements	In 2020, 46.97 per cent of De Beers Group employees were members of a union. These employees are covered by collective bargaining agreements. Industrial relations <i>Data: Figures 50 &amp; 51 <a href="#">page 95</a></i>
102-42	Identifying and selecting stakeholders	Engaging our stakeholders <a href="#">page 10</a>
102-43	Approach to stakeholder engagement	Engaging our stakeholders <a href="#">page 10</a> We engage with many different stakeholder groups every day across our business. Some of these stakeholders were engaged as part of our most recent materiality process in 2019. We conduct materiality assessments every 2–3 years.
102-44	Key topics and concerns raised	Our approach to reporting <a href="#">page 8</a> <a href="#">GRI Appendix: Materiality</a>
<b>REPORTING PRACTICE</b>		
102-45	Entities included in the consolidated financial statements	All entities within De Beers Group are included in the 2020 consolidated financial statements. Debswana and Namdeb are independently managed companies but these are included due to the strategic and operational alignment of activities across the business. The consolidation method has not changed, and Debswana and the Namibian businesses continue to be incorporated into the Group numbers.
102-46	Defining report content and topic boundaries	Our approach to reporting <a href="#">page 8</a> <a href="#">GRI Appendix: Materiality</a>
102-47	List of material topics	Our approach to reporting <a href="#">page 8</a>
102-48	Restatements of information	No restatements of information or data other than where noted in the form of a footnote.
102-49	Changes in reporting (in the list of material topics and boundaries)	<a href="#">GRI Appendix: Materiality page 81</a>



## DE BEERS GROUP 2020: GRI INDEX continued


Indicator	Disclosure	Reference, answer, additional information
102-50	<b>Reporting period</b>	Qualitative information and quantitative performance data in this report refers to the calendar year 2020 (1 January to 31 December). Where appropriate, in order for the report to be as up to date as possible at the time of publication, we have also included qualitative information from the first half of 2021.
102-51	<b>Date of most recent previous report</b>	August 2020
102-52	<b>Reporting cycle</b>	Annual
102-53	<b>Contact point for questions regarding the report</b>	Email: <a href="mailto:buildingforever@debeersgroup.com">buildingforever@debeersgroup.com</a>
102-54	<b>Claims of reporting in accordance with the GRI Standards</b>	This report has been prepared in accordance with the GRI Standards: core option.
102-55	<b>GRI content index</b>	GRI Appendix: GRI Index <a href="#">page 104</a>
102-56	<b>External assurance</b>	GRI Appendix: Bureau Veritas Assurance Statement <a href="#">page 98</a>

## DE BEERS GROUP 2020: GRI INDEX continued





## TOPIC SPECIFIC DISCLOSURES

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 201: ECONOMIC PERFORMANCE (ECONOMIC IMPACT ON PRODUCER COUNTRIES; PARTNERSHIPS AND GOVERNMENT RELATIONS)</b>		
103-1	Explanation of the material topic and its boundary	Partnerships and government relations <a href="#">page 45</a>
103-2	Components of the management approach	Economic impact on producer countries <a href="#">page 33</a>
103-3	Evaluation of the management approach	Transparency <a href="#">page 77</a>
201-1	Direct economic value generated and distributed	Economic impact on producer countries <a href="#">page 33</a> <i>Data: Figures 18–21 <a href="#">pages 88–89</a></i>
201-4	Financial assistance received from government	Two De Beers Group business units received financial assistance from governments in 2020: De Beers Canada received US\$14,920,582 as part of the Canada Emergency Wage Subsidy (CEWS) scheme designed to support employers affected by the Covid-19 pandemic. The amount received from the Federal Government includes the total claim received on behalf of Gahcho Kué mine inclusive of the 49 per cent portion reportable by our Mountain Province joint venture partner. Element Six received US\$544,000 from the UK government in the form of tax credits, and US\$17,000 from the South African government in the form of grants for trainees employed by the business.
<b>GRI 202: MARKET PRESENCE (ECONOMIC IMPACT ON PRODUCER COUNTRIES)</b>		
103-1	Explanation of the material topic and its boundary	Economic impact on producer countries <a href="#">page 33</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
202-2	Proportion of senior management hired from the local community	<i>Data: Figures 39, 44, 45 <a href="#">pages 93–94</a></i>
MMG4 – EC6	In significant locations of operation, report proportion of the facility's total workforce from the local community	<i>Data: Figures 39, 44, 45 <a href="#">pages 93–94</a></i>




## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 203: INDIRECT ECONOMIC IMPACTS (ECONOMIC IMPACT ON PRODUCER COUNTRIES; COMMUNITY DEVELOPMENT FOR PRODUCER COUNTRIES)</b>		
103-1	Explanation of the material topic and its boundary	Economic impact on producer countries <a href="#">page 33</a>
103-2	Components of the management approach	Community development for producer countries <a href="#">page 38</a>
103-3	Evaluation of the management approach	
203-1	Infrastructure investments and services supported	Economic impact on producer countries (Financial and operational update) <a href="#">page 33</a> Women and girls' empowerment <a href="#">page 30</a> Community development for producer countries <a href="#">page 38</a> Artisanal and small-scale mining <a href="#">page 43</a> Indigenous communities <a href="#">page 47</a> <i>Data: Figures 14 &amp; 15 <a href="#">page 87</a></i>
203-2	Significant indirect economic impacts	Economic impact on producer countries <a href="#">page 33</a> Community development for producer countries <a href="#">page 38</a> Partnerships and government relations <a href="#">page 45</a>
<b>GRI 204: PROCUREMENT PRACTICES (ECONOMIC IMPACT ON PRODUCER COUNTRIES)</b>		
103-1	Explanation of the material topic and its boundary	Economic impact on producer countries <a href="#">page 33</a>
103-2	Components of the management approach	Page 69 of <a href="#">Anglo American Sustainability Report 2020</a> 
103-3	Evaluation of the management approach	
204-1	Proportion of spending on local suppliers	Economic impact on producer countries <a href="#">page 33</a> <i>Data: Figure 16 <a href="#">page 87</a></i>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 205: ANTI-CORRUPTION (BUSINESS INTEGRITY)</b>		
103-1	Explanation of the material topic and its boundary	Business integrity <a href="#">page 75</a>
103-2	Components of the management approach	<a href="#">De Beers Group Code of Conduct</a> 
103-3	Evaluation of the management approach	<a href="#">Anglo American Group Business Integrity Policy</a> 
205-1	Operations assessed for risks related to corruption	Business integrity <a href="#">page 75</a> <i>Data: Figure 58 page 97</i>
205-2	Communication and training about anti-corruption policies and procedures	Business integrity <a href="#">page 75</a> Diamond value chain sustainability <a href="#">page 62</a> <i>Data: Figure 58 page 97</i>
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOUR (BUSINESS INTEGRITY)</b>		
103-1	Explanation of the material topic and its boundary	Business integrity <a href="#">page 75</a>
103-2	Components of the management approach	<a href="#">De Beers Group Code of Conduct</a> 
103-3	Evaluation of the management approach	<a href="#">Anglo American Group Business Integrity Policy</a>  <i>Data: Figure 59 page 97</i>
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business integrity <a href="#">page 75</a> There were zero legal actions pending for De Beers Group or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation.

## DE BEERS GROUP 2020: GRI INDEX continued




Indicator	Disclosure	Reference, answer, additional information
<b>GRI 207: TAX (TRANSPARENCY)</b>		
207-1	Approach to tax	<a href="#">Anglo American Group 2020 Tax and Economic Contribution Report</a> 
207-2	Tax governance, control, and risk management	<a href="#">Transparency page 77</a>
207-3	Stakeholder engagement and management of concerns related to tax	
207-4	Country-by-country reporting	<a href="#">Anglo American Group 2020 Tax and Economic Contribution Report</a>  <a href="#">Transparency page 77</a>
<b>PARTNERSHIPS AND GOVERNMENT RELATIONS (DE BEERS GROUP CUSTOM TOPIC)</b>		
103-1	Explanation of the material topic and its boundary	Partnerships and government relations <a href="#">page 45</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
<b>CONSUMER DEMAND FOR DIAMONDS (DE BEERS GROUP CUSTOM TOPIC)</b>		
103-1	Explanation of the material topic and its boundary	Consumer demand for diamonds <a href="#">page 72</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
<b>GRI 302: ENERGY (CLIMATE CHANGE)</b>		
103-1	Explanation of the material topic and its boundary	Climate change <a href="#">page 20</a>
103-2	Components of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> 
103-3	Evaluation of the management approach	
302-1	Energy consumption within the organisation	Climate change <a href="#">page 20</a> <i>Data: Figure 3 page 84</i>



## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
302-4	Reduction of energy consumption	Climate change <a href="#">page 20</a> Pages 99–100 of <a href="#">Anglo American Sustainability Report 2020</a> <input type="checkbox"/> – Basis for the preparation of key sustainability data. Note: 2016 was selected as the baseline year for our measurement of energy savings because we initiated our energy and carbon-saving programme – Programme Terra – in that year. This programme has since been superseded by our programme of work linked to our Climate Neutral Roadmap.
<b>GRI 303: WATER (WATER AVAILABILITY AND QUALITY)</b>		
103-1	Explanation of the material topic and its boundary	Water availability and quality <a href="#">page 26</a>
103-2	Components of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> <input type="checkbox"/>
103-3	Evaluation of the management approach	Note: in 2020 we reviewed our methodology for calculating water data to ensure it is consistent with International Council on Mining and Metal (ICMM) definitions. We did this for all managed and non-managed operations for our 2020 data. In addition, we restated our water data for 2015 – the baseline year for our target setting. Over the coming year we plan to restate our water data for 2016–2019, giving us a complete and consistent set of data.
303-1	Water withdrawal by source	Data: <a href="#">Figure 6 page 84</a>
303-4	Water consumption	Data: <a href="#">Figures 7, 8, 10 page 85</a>
303-5	Water discharge	Data: <a href="#">Figures 7 &amp; 10 page 85</a>
<b>GRI 304: BIODIVERSITY (BIODIVERSITY AND CONSERVATION; MINE CLOSURE AND ASSET TRANSFER)</b>		
103-1	Explanation of the material topic and its boundary	Biodiversity and conservation <a href="#">page 16</a>
103-2	Components of the management approach	<a href="#">Building Forever: Protecting the natural world</a> <input type="checkbox"/>
103-3	Evaluation of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> <input type="checkbox"/>
304-2	Significant impacts of activities, products, and services on biodiversity	Biodiversity and conservation <a href="#">page 16</a>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
304-3	Habitats protected or restored	Biodiversity and conservation <a href="#">page 16</a> Mine closure and asset transfer <a href="#">page 23</a> <a href="#">Table 1, page 127</a> : Closure and rehabilitation status across De Beers Group, 2020 Page 51 of <a href="#">Anglo American Sustainability Report 2020</a>  – Group Biodiversity Technical Standard
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	Biodiversity and conservation <a href="#">page 16</a> <i>Data: Figure 2 <a href="#">page 84</a></i> <a href="#">Table 1, page 127</a> : Closure and rehabilitation status across De Beers Group, 2020
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place	Biodiversity and conservation <a href="#">page 16</a> <i>Data: Figure 1 <a href="#">page 84</a></i> Diamond value chain sustainability <a href="#">page 62</a> SGS Assurance Statement for the Best Practice Principles programme, <a href="#">pages 100–103</a> Page 51 of <a href="#">Anglo American Sustainability Report 2020</a> – Group Biodiversity Technical Standard
<b>GRI 305: EMISSIONS (CLIMATE CHANGE)</b>		
103-1	Explanation of the material topic and its boundary	Climate change <a href="#">page 20</a>
103-2	Components of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> 
103-3	Evaluation of the management approach	
305-1	Direct (Scope 1) GHG emissions	Climate change <a href="#">page 20</a> <i>Data: Figure 4 <a href="#">page 84</a></i> Pages 99–100 of <a href="#">Anglo American Sustainability Report 2020</a>  – Basis for the preparation of key sustainability data.



## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
305-2	Energy indirect (Scope 2) GHG emissions	Climate change <a href="#">page 20</a> Data: <a href="#">Figure 4 page 84</a> Pages 99–100 of <a href="#">Anglo American Sustainability Report 2020</a> – Basis for the preparation of key sustainability data. The GHG Protocol Scope 2 guidance revision to location-based and market-based reporting is not current practice in Anglo American plc, and therefore in De Beers Group. Our reporting is based on only location-based emissions equivalents but we are currently assessing the change.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	Data: <a href="#">Figure 5 page 84</a>
<b>GRI 306: EFFLUENTS AND WASTE (WASTE MANAGEMENT AND POLLUTION PREVENTION)</b>		
103-1	Explanation of the material topic and its boundary	Waste management and pollution prevention <a href="#">page 29</a>
103-2	Components of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a>
103-3	Evaluation of the management approach	
306-2	Waste by type and disposal method	Data: <a href="#">Figure 11 page 86</a>
306-3	Significant spills	No significant spills occurred in 2020. Data: <a href="#">Figures 12 &amp; 13 pages 86–87</a>
MM3	Total amounts of overburden, rock, tailings and sludges and their associated risks	Waste management and pollution prevention <a href="#">page 29</a>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 307: ENVIRONMENTAL COMPLIANCE</b>		
103-1	Explanation of the material topic and its boundary	<a href="#">Table 2, page 130</a> : Environmental management activities across the mining lifecycle
103-2	Components of the management approach	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> <input type="checkbox"/>
103-3	Evaluation of the management approach	
307-1	Non-compliance with environmental laws and regulations	De Beers Group was not subject to any significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations in 2020.
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT (DIAMOND VALUE CHAIN SUSTAINABILITY; ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING)</b>		
103-1	Explanation of the material topic and its boundary	Diamond value chain sustainability <a href="#">page 62</a>
103-2	Components of the management approach	Ethical value chains – responsible sourcing <a href="#">page 66</a>
103-3	Evaluation of the management approach	
308-1	New suppliers that were screened using environmental criteria	Diamond value chain sustainability <a href="#">page 62</a> Ethical value chains – responsible sourcing <a href="#">page 66</a> <i>Data: Figures 51, 54, 56, 57 pages 95–96</i> All of De Beers Group's Sightholders, Accredited Buyers and substantial contractors abide by De Beers Group's Best Practice Principles Assurance Programme (BPP), through participation in the associated BPP assurance process. The BPP programme includes requirements around good environmental practices.
<b>CLOSURE PLANNING (SECTOR-SPECIFIC TOPIC) (MINE CLOSURE AND ASSET TRANSFER)</b>		
103-1	Explanation of the material topic and its boundary	Mine closure and asset transfer <a href="#">page 23</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
MM10	Number and percentage of operations with closure plans	Mine closure and asset transfer <a href="#">page 23</a> <a href="#">Group structure</a> <input type="checkbox"/> <a href="#">Financial results</a> <input type="checkbox"/>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 401: EMPLOYMENT (EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY)</b>		
103-1	Explanation of the material topic and its boundary	Employee attraction, development and diversity <a href="#">page 57</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
401-1	New employee hires and employee turnover	Employee attraction, development and diversity <a href="#">page 57</a> <i>Data: Figures 47–49 pages 94–95</i>
<b>GRI 402: LABOUR/MANAGEMENT RELATIONS (INDUSTRIAL RELATIONS)</b>		
103-1	Explanation of the material topic and its boundary	Industrial relations <a href="#">page 60</a>
103-2	Components of the management approach	<i>Data: Figures 50 &amp; 51 page 95</i>
103-3	Evaluation of the management approach	
402-1	Minimal notice periods regarding operational changes.	We do not have an overarching policy at Group level on notice periods regarding operational changes. Each business unit in each of our operating countries has its own individual policy.
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY (SAFETY; HEALTH AND WELLBEING)</b>		
403-1	Occupational health and safety management system	Health and wellbeing <a href="#">page 55</a>
403-2	Hazard identification, risk assessment and incident investigation	Safety <a href="#">page 51</a> <i>Data: Figures 31–36 page 91</i>
403-3	Occupational health services	<a href="#">De Beers Group Safety, Health and Environmental (SHE) Policy</a> 
403-4	Worker participation, consultation and communication on occupational health and safety	<a href="#">Anglo American Safety, Health and Environment Way</a> 
403-5	Worker training on occupational health and safety	
403-6	Promotion of worker health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	





## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
403-9	Work-related injuries	Health and wellbeing <a href="#">page 55</a> Data: <a href="#">Figure 27 page 90</a> There were zero fatalities as a result of work-related injuries in 2020. There were 73 high potential incidents reported across the Group.
403-10	Work-related ill-health	Health and wellbeing <a href="#">page 55</a> Data: <a href="#">Figures 28 &amp; 29 page 90</a> There were zero fatalities as a result of work-related ill health in 2020. A total of 17 minor (level 2) medical-related incidents were reported across the Group.
<b>GRI 404: TRAINING AND EDUCATION (EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY)</b>		
103-1	Explanation of the material topic and its boundary	Employee attraction, development and diversity <a href="#">page 57</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
404-1	Average hours of training per year per employee	Employee attraction, development and diversity <a href="#">page 57</a> Data: <a href="#">Figures 40–42 page 93</a>
404-3	Percentage of employees receiving regular performance and career development reviews	Across De Beers Group, 100 per cent of employees within the non-unionised workforce are included in a team-based performance management system where team goals and individual commitments are set, development is discussed and feedback is provided. Employees in the unionised workforce negotiate as a group and do not take part in these reviews.



## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (EMPLOYEE ATTRACTION, DEVELOPMENT AND DIVERSITY; WOMEN AND GIRLS' EMPOWERMENT)</b>		
103-1	Explanation of the material topic and its boundary	Employee attraction, development and diversity <a href="#">page 57</a>
103-2	Components of the management approach	Women and girls' empowerment <a href="#">page 30</a>
103-3	Evaluation of the management approach	<a href="#">Building Forever: Accelerating Equal Opportunity</a>  <a href="#">De Beers Group Employee Human Rights Policy</a> 
405-1	Diversity of governance bodies and employees	Employee attraction, development and diversity <a href="#">page 57</a> Women and girls' empowerment <a href="#">page 30</a> <a href="#">Leadership team</a>  <i>Data: Figures 37–39 pages 91–93</i>
<b>GRI 406: NON-DISCRIMINATION (HUMAN RIGHTS)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	<a href="#">De Beers Group Employee Human Rights Policy</a> 
103-3	Evaluation of the management approach	
406-1	Incidents of discrimination and corrective actions taken	Nineteen incidents of discrimination were reported across the Group during 2020. One case remains an open investigation and all others were investigated and closed out, with applicable actions as required. <a href="#">Business integrity page 75</a>
<b>GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (HUMAN RIGHTS; INDUSTRIAL RELATIONS)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	Industrial relations <a href="#">page 60</a>
103-3	Evaluation of the management approach	<a href="#">De Beers Group Employee Human Rights Policy</a>  <i>Data: Figures 50 &amp; 51 page 95</i>




## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Industrial relations <a href="#">page 60</a>
<b>GRI 408: CHILD LABOUR (HUMAN RIGHTS)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	<a href="#">De Beers Group Employee Human Rights Policy</a> 
103-3	Evaluation of the management approach	
408-1	Operations and suppliers at significant risk for incidents of child labour	Human rights <a href="#">page 41</a> Diamond value chain sustainability <a href="#">page 62</a> Ethical supply chains – responsible sourcing <a href="#">page 66</a> SGS Assurance Statement for the Best Practice Principles programme, <a href="#">pages 100–103</a>
<b>GRI 409: FORCED OR COMPULSORY LABOUR (HUMAN RIGHTS)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	<a href="#">De Beers Group Employee Human Rights Policy</a> 
103-3	Evaluation of the management approach	
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human rights <a href="#">page 41</a> Diamond value chain sustainability <a href="#">page 62</a> Ethical supply chains – responsible sourcing <a href="#">page 66</a> SGS Assurance Statement for the Best Practice Principles programme, <a href="#">pages 100–103</a>

## DE BEERS GROUP 2020: GRI INDEX continued



Indicator	Disclosure	Reference, answer, additional information
<b>GRI 410: SECURITY PRACTICES (HUMAN RIGHTS)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	<a href="#">De Beers Group Security Services and Human Rights Policy</a> 
103-3	Evaluation of the management approach	
410-1	Security personnel trained in human rights policies or procedures	Human rights <a href="#">page 41</a> All security personnel (i.e. 100 per cent) receive training in De Beers Group's human rights policies and procedures and their application to security. We also require external contractors to ensure their employees are trained in the human rights aspects of security.
<b>GRI 411: RIGHTS OF INDIGENOUS PEOPLES (INDIGENOUS COMMUNITIES)</b>		
103-1	Explanation of the material topic and its boundary	Indigenous communities <a href="#">page 47</a>
103-2	Components of the management approach	<a href="#">De Beers Group Social Performance Policy</a> 
103-3	Evaluation of the management approach	
411-1	Incidents of violations involving rights of Indigenous peoples	Indigenous communities <a href="#">page 47</a> No violations involving the rights of Indigenous peoples were recorded in 2020.
MM5	Total number of operations taking place in or adjacent to Indigenous peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous peoples' communities	Indigenous communities <a href="#">page 47</a>

## DE BEERS GROUP 2020: GRI INDEX continued





Indicator	Disclosure	Reference, answer, additional information
<b>GRI 412: HUMAN RIGHTS ASSESSMENT (DIAMOND VALUE CHAIN SUSTAINABILITY; HUMAN RIGHTS; ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING)</b>		
103-1	Explanation of the material topic and its boundary	Human rights <a href="#">page 41</a>
103-2	Components of the management approach	Diamond value chain sustainability <a href="#">page 62</a>
103-3	Evaluation of the management approach	Ethical value chains – responsible sourcing <a href="#">page 66</a> <a href="#">De Beers Group Modern Slavery Act statement</a> 
412-1	Operations that have been subject to human rights reviews or impact assessments	Human rights <a href="#">page 41</a> Diamond value chain sustainability <a href="#">page 62</a> Ethical value chains – responsible sourcing <a href="#">page 66</a> <a href="#">De Beers Group Modern Slavery Act statement</a>  <i>Data: Figures 53 &amp; 55 pages 95–96</i>
412-2	Employee training on human rights policies or procedures	Human rights <a href="#">page 41</a> <i>Data: Figure 26 page 90</i>
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Human rights <a href="#">page 41</a>
<b>GRI 413: LOCAL COMMUNITIES (COMMUNITY DEVELOPMENT FOR PRODUCER COUNTRIES)</b>		
103-1	Explanation of the material topic and its boundary	Community development for producer countries <a href="#">page 38</a>
103-2	Components of the management approach	<a href="#">De Beers Group Social Performance Policy</a> 
103-3	Evaluation of the management approach	
413-1	Operations with local community engagement, impact assessments, and development programmes	Community development for producer countries <a href="#">page 38</a> <i>Data: Figures 23–25 pages 89–90</i>
413-2	Operations with significant actual and potential negative impacts on local communities	Community development for producer countries <a href="#">page 38</a>





## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT (DIAMOND VALUE CHAIN SUSTAINABILITY; ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING)</b>		
103-1	Explanation of the material topic and its boundary	Diamond value chain sustainability <a href="#">page 62</a>
103-2	Components of the management approach	Ethical value chains – responsible sourcing <a href="#">page 66</a>
103-3	Evaluation of the management approach	<a href="#">De Beers Group Modern Slavery Act statement</a> 
414-1	New suppliers that were screened using social criteria	<p>Diamond value chain sustainability <a href="#">page 62</a></p> <p>Ethical value chains – responsible sourcing <a href="#">page 66</a></p> <p><i>Data: Figures 52, 54, 56, 57 pages 95–96</i></p> <p>All of De Beers Group's Sightholders, Accredited Buyers and substantial contractors abide by De Beers Group's Best Practice Principles Assurance Programme (BPP), through participation in the associated BPP assurance process. The BPP programme includes requirements around human rights, labour rights and transparent product disclosure.</p>
<b>GRI 415: PUBLIC POLICY</b>		
103-1	Explanation of the material topic and its boundary	<a href="#">De Beers Group Code of Conduct</a> 
103-2	Components of the management approach	
103-3	Evaluation of the management approach	
415-1	Political contributions	No political donations were made in 2020.
<b>GRI 417: MARKETING AND LABELLING (CONFLICT DIAMONDS; DIAMOND VALUE CHAIN SUSTAINABILITY; ETHICAL VALUE CHAINS – RESPONSIBLE SOURCING)</b>		
1031	Explanation of the material topic and its boundary	Conflict diamonds <a href="#">page 71</a>
103-2	Components of the management approach	Diamond value chain sustainability <a href="#">page 62</a>
103-3	Evaluation of the management approach	Ethical value chains – responsible sourcing <a href="#">page 66</a>

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
417-1	Requirements for product and service information and labelling	Conflict diamonds <a href="#">page 71</a> Diamond value chain sustainability <a href="#">page 62</a> Ethical value chains – responsible sourcing <a href="#">page 66</a> SGS Assurance Statement for the Best Practice Principles programme <a href="#">pages 100–103</a> <a href="#">De Beers Group Responsible Jewellery Council certification</a> 
417-2	Incidents of non-compliance concerning product and service information and labelling	Conflict diamonds <a href="#">page 71</a>
417-3	Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship in 2020.
<b>GRI 418: CUSTOMER PRIVACY (BUSINESS INTEGRITY)</b>		
103-1	Explanation of the material topic and its boundary	Business integrity <a href="#">page 75</a>
103-2	Components of the management approach	<a href="#">De Beers Group Code of Conduct</a> 
103-3	Evaluation of the management approach	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were no substantiated complaints regarding breaches of customer privacy in 2020, either from outside parties or from regulatory bodies.
<b>GRI 419: SOCIO-ECONOMIC COMPLIANCE</b>		
103-1	Explanation of the material topic and its boundary	Business integrity <a href="#">page 75</a>
103-2	Components of the management approach	<a href="#">De Beers Group Social Performance Policy</a> 
103-3	Evaluation of the management approach	<a href="#">Anglo American Group Business Integrity Policy</a> 
419-1	Non-compliance with laws and regulations in the social and economic area	De Beers Group was not subject to any significant fines or non-monetary sanctions for non-compliance with economic or social laws and regulations in 2020.

## DE BEERS GROUP 2020: GRI INDEX continued

Indicator	Disclosure	Reference, answer, additional information
<b>ARTISANAL AND SMALL-SCALE MINING (SECTOR-SPECIFIC TOPIC) (ARTISANAL AND SMALL-SCALE MINING)</b>		
103-1	Explanation of the material topic and its boundary	Artisanal and small-scale mining <a href="#">page 43</a>
103-2	Components of the management approach	<a href="#">De Beers Group Social Performance Policy</a> 
103-3	Evaluation of the management approach	
MM8	Number and percentage of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks	Artisanal and small-scale mining <a href="#">page 43</a>
<b>LAND ACCESS AND RESETTLEMENT (SECTOR-SPECIFIC TOPIC)</b>		
103-1	Explanation of the material topic and its boundary	Land access and resettlement <a href="#">page 49</a>
103-2	Components of the management approach	Community development for producer countries <a href="#">page 38</a>
103-3	Evaluation of the management approach	<a href="#">De Beers Group Social Performance Policy</a> 
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous peoples	Land access and resettlement <a href="#">page 49</a>
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous peoples, and the outcomes	Land access and resettlement <a href="#">page 49</a>
<b>TECHNOLOGY AND INNOVATION (DE BEERS CUSTOM TOPIC)</b>		
103-1	Explanation of the material topic and its boundary	Technology and innovation <a href="#">page 50</a>
103-2	Components of the management approach	
103-3	Evaluation of the management approach	

## DE BEERS GROUP 2020: GRI INDEX continued

### OMISSIONS

The below list of omissions relates to topic-specific indicators required to report in accordance with the GRI Standards: core option.

Indicator	Disclosure	Specific information omitted and reason for omission
207-4	<b>Country by country tax reporting</b>	Criteria b (x) not reported in full as this information is not currently available.
302-4	<b>Reduction of energy consumption</b>	Part a of criteria relating to amount of reductions in energy consumption is partially omitted as it is reported as a percentage rather than in absolute terms.
303-1	<b>Water withdrawal by source</b>	Part a (iv) of criteria omitted as it is not relevant.
305-1	<b>Direct (Scope 1) GHG emissions</b>	Criteria c, d and f omitted as this data is not currently available.
401-1	<b>New employee hires and employee turnover</b>	Part a of criteria omitted. Not applicable as management does not use this as part of our internal reporting. One aspect of Part b also omitted (ie breakdown by age).
403-9	<b>Work-related injuries</b>	Criteria a (iv) and b (f) not reported as this data is not currently available.
405-1	<b>Diversity of governance bodies and employees</b>	Part a.ii of criteria omitted. Not applicable as management does not use this as part of our internal reporting.

## DE BEERS GROUP 2020: GRI INDEX continued

TABLE 1: CLOSURE AND REHABILITATION STATUS ACROSS DE BEERS GROUP, 2020

**SOUTH AFRICA**  
**The Oaks,**  
**Limpopo Province**

The Oaks open pit mine ceased production in 2008. Active restoration has been concluded and a project to review open-pit closure criteria globally was conducted to inform the final closure arrangements. Water quality sampling, as well as vegetation monitoring, is ongoing. Discussions and agreements with the Department of Mineral Resources are ongoing as to achievement of agreed closure criteria, in line with legislation.

**SOUTH AFRICA**  
**Namaqualand,**  
**Northern Cape**  
**Province**

A sale of a portion of Namaqualand Mines was completed in 2014. De Beers Consolidated Mines retained the rehabilitation liabilities in the Buffels Marine Right with an altered land footprint of 3,652 hectares. Rehabilitation of the areas disturbed by many decades of mining remains ongoing. All land reclamation and profiling work was completed in 2015 with around 35 million cubic metres of earth having been reclaimed over a period of eight years. Various areas across the landscape have been subjected to active ecological intervention in the form of netting, seeding and transplanting, and these are being monitored. Severe drought conditions have been experienced throughout the region since 2010 and these conditions persisted during 2019. Precipitation improved during 2020 even though it was still below average and no rain has yet been recorded for 2021 YTD. This prolonged period of drought has had a significant negative impact on the ecological interventions, and work has therefore been suspended pending normalisation of rainfall patterns. The mine remained on care and maintenance during 2020.

**SOUTH AFRICA**  
**Kimberley**  
**exploration,**  
**Northern Cape**  
**Province**

As part of decommissioning of the Exploration Geology Pit in Kimberley, which ceased operations in 2005, water monitoring, vegetation assessments and removal of any alien invader plants continue according to the comprehensive five-year closure plan in line with legal requirements.

**SOUTH AFRICA**  
**Voorspoed mine,**  
**Free State**  
**Province**

The Board of De Beers Consolidated Mines announced the closure of Voorspoed mine in July 2018. Production ceased in Q4 2018, and execution of the closure and rehabilitation programme commenced in Q1 2019 and was completed in Q4 2019. The rehabilitation programme is underpinned by the following specific objectives:

- Restore as much as possible of the mining area to a condition consistent with the pre-determined post closure land use objectives;
- Ensure that the area is left in a condition which poses an acceptable level of risk to public health and safety; and
- Reduce as far as is practicably possible the need for post closure intervention, either in the form of monitoring or ongoing remedial work.

Voorspoed mine entered care and maintenance period of deferred closure for three years (2020-2022). During this time, Voorspoed mine will be completing various technical studies including water studies, landform design and demolition execution plan.

**NAMIBIA**

The update and review process for the biophysical closure plan is continuing as per the three-year review cycle. The plan makes provision for a domain approach that includes a risk profile. Improvements in data for surveyed areas and refinement for closure criteria form part of this process. The review process also makes provision for external engagement with key stakeholders on the closure tasks and completion criteria. Annual biophysical closure cost provisioning by an external party continued in 2019. Biophysical closure cost provisioning continues to be cash flowed as part of life of mine planning.

The demolition project ended in December 2019 and the company is reviewing its strategy for demolition of redundant infrastructure. More than 136,000 tonnes of scrap were removed from licences since the inception of the scrap project in 2008. Backfilling of mined out areas continues at Sendelingsdrif and Obib. The Sendelingsdrif Restoration Ecology Programme continues together with the multidisciplinary rehabilitation task team.



## DE BEERS GROUP 2020: GRI INDEX continued

TABLE 1: CLOSURE AND REHABILITATION STATUS ACROSS DE BEERS GROUP, 2020 continued

**NAMIBIA**  
continued

An integrated closure plan for the Nambian land-based operations was under development in 2020, looking to integrate closure into the remaining life of mine while developing a holistic closure plan for the operations. Consistent with the life of mine extension, alignment with the Anglo American Group Technical Standards would be completed upon approval of the extension including the Anglo Closure Toolbox.

**BOTSWANA**  
**Exploration –**  
**Lobatse Sample**  
**Treatment Centre**

In terms of the closure process, the rehabilitation and monitoring programme has been completed in full compliance with the government-approved Preliminary Environmental Impact Assessment (EIA). The final report was submitted to government in April 2016, and it has subsequently been approved. Following negotiations, on 1 November 2019, Anglo American Corporation Botswana (Services) Limited entered into a binding agreement for the sale and transfer of the Remaining Extent of Portion 6 (Klipkraal) of the farm Woodhall No 11-JO, on which the historic Lobatse Sample Treatment Centre is situated, to De Beers Holdings Botswana Proprietary Limited. The next step involves ministerial approval for the transfer of the property.

**CANADA**  
**Snap Lake mine,**  
**Northwest**  
**Territories**

Detailed closure planning for the Snap Lake mine site was completed in 2018. Final detailed designs for all facilities were developed and a Final Closure and Reclamation Plan (FCRP), which meets the Anglo Closure Toolbox requirements, was completed. The FCRP addresses closure of the mineral residue facility, demolition of site infrastructure, re-vegetation of the project area and water treatment. A land use permit amendment and water licence renewal application were submitted, along with the FCRP, to the regulator in March of 2019.

In 2020 De Beers Group completed the final detailed designs and underwent an Anglo Technical Assurance review for an InvestCo application scheduled for Q2 2021. The scope of the project will be:

- Continue with remote monitoring initiative from September 2020 to March 2021, followed by a period of care and maintenance until the award of the site to a prime contractor for active reclamation.

**CANADA**  
**Snap Lake mine,**  
**Northwest**  
**Territories**  
continued

- The rehabilitation scope which involves the development of the passive closure water management system, constructing engineered cover on the North Pile and ensuring the long-term stability of the rehabilitated areas.
- The demolition and disposal of the remaining infrastructure including the final capping of underground openings.
- Monitoring of the site post closure until approximately 2033.

Once the closure activities are considered complete and active management of the site no longer required, the site or its components completed will transition to post-closure. The post-closure phase consists of ongoing monitoring of the site to confirm that the required closure condition has been developed and to demonstrate achievement of the closure objectives.

**CANADA**  
**Victor mine,**  
**Northern Ontario**

In 2019, Victor mine successfully and safely ceased operations with an excellent safety record. Materials from the operation were offered to local communities through the first salvage programme, which was completed in January 2020. Victor mine closure amendment #5 was approved by the Provincial Regulators and engagement began on closure amendment #5 with the Ministry of Energy, Northern Development and Mines for a planned filing date in Q1 2021.

Regulatory engagements continued through 2020 with an Anglo Technical Assurance review being completed in Q4 2020 for a Q1 Investment Assurance Review. De Beers Group completed a comprehensive Request for Proposal, supported by Anglo American plc Group Supply Chain and Legal, for the full remaining scope of work for the Project execution (remaining Phase 1 and Phase 2) using a Prime Contractor, which has subsequently been awarded to Golder Associates with the mine transitioning to a new execution approach in Q4 2020.

- The rehabilitation scope involves constructing engineered covers over the fine residue tailings facility and the waste stockpiles, creation of a fish habitat pond, seeding of newly covered areas and ensuring the long-term stability of the rehabilitated areas.

## DE BEERS GROUP 2020: GRI INDEX continued

**TABLE 1: CLOSURE AND REHABILITATION STATUS ACROSS DE BEERS GROUP, 2020** continued**CANADA**  
**Victor mine,**  
**Northern Ontario**  
continued

- Continuing the active filling of the pit to achieve a steady state site wide water level.
  - The demolition and disposal of the remaining infrastructure in a phased approach and undertaking simultaneous rehabilitation of the remaining areas.
  - Monitoring of the site post closure until approximately 2049.
- Going forward, Victor mine will aim to complete the following initiatives:
- Obtain approval for amendment #5 of the closure plan.
  - Begin environmental assessment permitting for the demolition landfill.
  - Close out all outstanding Impact Benefit Agreement matters for Victor mine, including the settling of the harvester claims with two outstanding communities.
  - Complete all required execution of the mine and transition to post closure in 2024.

## DE BEERS GROUP 2020: GRI INDEX continued

**TABLE 2: ENVIRONMENTAL MANAGEMENT ACTIVITIES ACROSS THE MINING LIFECYCLE**

Phase	Activity	Objective
<b>Conceptual</b>	Environmental and social screening	To establish if the proposed project has the potential to generate significant or unacceptable environmental or social impacts.
<b>Pre-feasibility</b>	Scoping	To gather and evaluate information and undertake specialist studies for the Environmental and Social Impact Assessment (ESIA).
<b>Feasibility</b>	Environmental and Social Impact Assessment and Environmental and Social Management Plan (ESMP) or Environmental Management Plan (EMP)	To identify, qualify and quantify project impacts on the biophysical, socio-economic, heritage, aesthetic and cultural environments. To document and detail future monitoring and management requirements outlined in the ESIA and develop closure plans in line with the life of mine.
<b>Construction or commissioning</b>		To ensure inclusion of all requirements of the EMP (Environmental Management Plan) for the operational phase, for smooth transition to the operational phase.
<b>Operations</b>	Environmental management systems (EMS)	To ensure ISO (International Standards Organization) 14001 compliant EMS are in place at all diamond mining operations, to guide the management of our operational environmental impacts and promote continual improvement in environmental performance and implementation of concurrent rehabilitation.
<b>Closure/disposal</b>	Closure plans/liabilities	To have a closure plan for each mine that has the appropriate level of detail applicable to the remaining life of mine and ensure adequate financial provision for outstanding environmental liabilities. To implement a final closure plan once production ceases.

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