

BUILDING FOREVER

OUR JOURNEY



VOLUME 1

NOVEMBER 2018

DE BEERS GROUP

ABOUT THIS PUBLICATION

Use of 'our' or 'we' in this report relates to De Beers Group and is used for both wholly-owned and joint venture business entities that De Beers Group has a significant shareholding in. Building Forever: Our Journey, Volume 1 has been prepared in accordance with the core option of the Global Reporting Initiative (GRI) Standards. Further information on the topics covered in this report, and a GRI Index, can be found at www.debeersgroup.com/buildingforever.

200,000

We maintain around 200,000 hectares for conservation – six hectares for every one impacted by mining.



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BUILDING FOREVER DESCRIBES
HOW WE SEEK TO ENSURE THAT
ALL OUR ACTIVITIES LEAVE A POSITIVE
LASTING LEGACY. THIS IS MORE
THAN THE RIGHT THING TO DO.
IT IS OUR RESPONSIBILITY.”

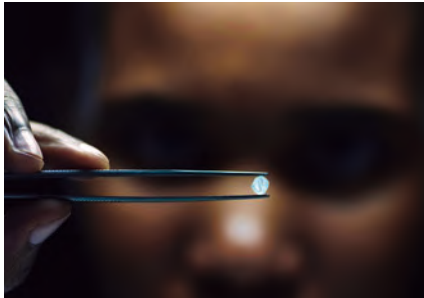
Bruce Cleaver
CEO, De Beers Group



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Where we operate

Venetia mine and the Venetia Limpopo Nature Reserve



Cover
Plant monitors Aggy Majadibodu (left) and Rianah Kholofelo Tlou at the Venetia Process Plant.



Inside front cover (overleaf)
A family of elephants crosses a watering hole at the Venetia Limpopo Nature Reserve in South Africa.

FROM FAMILY FARM TO WORLDWIDE ENTERPRISE, OVER 130 YEARS.

OUR JOURNEY IS WELL UNDER WAY

De Beers Group was founded in 1888 and named after brothers Diederik and Johannes De Beer, who owned the farmstead that would become the 'Big Hole' diamond mine in Kimberley, South Africa. From small-scale diamond mining operations of the 19th century, we've grown to become the world's leading diamond company, spanning the whole value chain. Today, we take great pride in the expertise of our people in the exploration, mining, sorting, valuing, selling and marketing of diamonds.

As we look to the journey ahead, there is still so much we aim to achieve. By working closely with our partners, and by setting the right example for others to follow, we will ensure that every De Beers Group diamond makes a positive difference in the life of every person it touches.

FOREVER IS MORE IMPORTANT TO US THAN EVER BEFORE

When we launched our iconic tagline, 'A Diamond is Forever' in 1947, 'Forever' promised eternal love and an unbreakable bond between two people. Diamonds became the ultimate symbol of commitment and enduring love because of their unique beauty and unassailable strength.

Today, we recognise that Forever means so much more for the communities and countries in which our diamonds are found, and for the thousands of people who play a role in getting our diamonds from the earth to the people who wear them.

Forever stands for a better future – fairer, safer, cleaner and healthier. Forever compels us to be more open, to earn trust and always to be accountable. Ultimately, Forever promises a lasting legacy of change. Our modern business is built around these beliefs.

After 70 years, Forever still drives us forward. We want to build partnerships, forge connections with the people we work with and their communities – and learn from our experiences to make a unique contribution to the world. We're constantly developing new approaches, and finding new ways, to make a positive impact.

We call this journey *Building Forever*. It's a unifying call-to-action for our people and partners – that we'll keep moving in the right direction and keep doing the right thing. This is about building a legacy: it's fundamental to the way we do business, and something in which we believe deeply.

Over the following pages, our people and partners will illustrate how this approach is making progress all along the value chain, from mine to finger.

Thank you for reading this report. If you would like further information, visit www.debeersgroup.com/buildingforever or contact us at buildingforever@debeersgroup.com.



GLOBAL GOALS

De Beers Group is fully committed to the UN Sustainable Development Goals (SDGs), the universal set of 17 target areas covering urgent global issues, from poverty eradication to environmental protection.

The SDGs help us to understand how we can make positive contributions to society and the environment, and they are the foundation on which we shape our approach to Building Forever.¹



www.debeersgroup.com/SDGs

¹ Diamond Dialogues: Mapping the SDGs to the De Beers Group Diamond Value Chain, 2017.

WE CAN'T TRAVEL THIS JOURNEY



PEOPLE AT THE HEART OF CHANGE

In my role as CEO, I'm consistently impressed by the diligence and ingenuity of my colleagues when faced with the demanding challenges that come with the complex work we do. Our focus on the issues that affect our industry, from the safety and human rights of our workforce and our communities to our environmental impact, is of utmost importance to everyone across the business.

Unless we can answer fundamental questions about our impact, and demonstrate we are doing the right thing at every turn, our business faces an uncertain future.

For consumers, it's the preciousness, rarity and strength of diamonds that makes them such potent symbols of the special moments in their lives. But can we prove that our diamonds reflect their values?

For our producer partners, diamonds are a driver of economic growth. However, while a diamond is forever, the number of diamonds in the earth is finite. How can our partners work with De Beers Group to deliver economic, social and environmental benefits long after the last diamond is mined?

Mining has historically been a male-dominated industry. How can we provide opportunities for women to participate and flourish?

ALONE.

Geophysics field operators conduct a ground gravity survey at the Tsabong Project Area in Botswana.



We operate predominantly in southern Africa, where HIV prevalence rates are high. How can we keep employees and their families healthy and informed about HIV and other diseases?

We have to face these questions and others if we are to continue driving the growth of our business and our communities.

The first step in addressing these issues is recognising that we can't travel the journey alone. We are making great progress with initiatives born from partnerships at local, national and global levels, particularly across two areas in which we believe we are uniquely placed to make a significant impact: 'standing with women and girls' and 'protecting the natural world'.

We still have a long way to travel, but I believe that our recent progress is benefiting our customers, our partners, our people, their communities and the world we share. Together, we're Building Forever, one day at a time.

Bruce Cleaver
CEO, De Beers Group

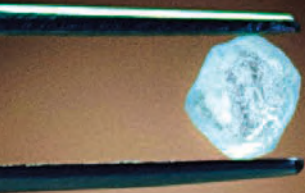
CONFIDENCE



Moving toward a more confident future
INTEGRITY IS AT THE HEART
OF TRUST. BUT WHY SHOULD
TRUST BE FUNDAMENTAL TO
THE VALUE OF A DIAMOND?

A rough diamond is inspected at De Beers Group's state-of-the-art diamond sorting and sales facility in Gaborone, Botswana.

It centres on confidence and a consumer's own personal values, says Purvi Shah, Senior Manager of Ethical Initiatives at De Beers Group.



“ Today, the connection to a diamond goes beyond its natural beauty. People need to know for sure that their diamond has been responsibly sourced. Increasingly, consumers are basing the value of their diamond on the values that have brought it to them.

This is a shift that we welcome at De Beers Group. For years, we have focused on building systems to ensure that neither our own operations nor those of the value chain partners we work with have exposure to issues that affect the integrity of our business. We will maintain that focus in the years to come.

Trust is hard won, and easily lost, so we take pride in the enduring confidence that we can provide in diamonds from De Beers Group. We will continue to demonstrate that the practices adopted across every stage of our value chain reflect the ethical values of consumers. ◆

Purvi Shah

Senior Manager of Ethical Initiatives at De Beers Group

Our ability to keep and grow the trust of consumers enables us to invest more in society, our people and the natural world, which, in turn, builds trust. This virtuous circle will become more and more relevant as the ways in which people buy diamonds, and the meaning they ascribe to them, continue to evolve.

Millennials, currently the largest generation of diamond jewellery consumers, are heavily motivated by authenticity and ethical integrity when deciding what to buy.²

Likewise, research shows that as women's financial and social power grows, their buying habits are changing. Women are increasingly buying diamonds for themselves as a means of self-expression and self-reward. As such, it's vital that the diamonds they purchase reflect their modern definition of femininity: a source of strength, independence and confidence.³

A MATTER OF PRINCIPLE

In 2005, we launched our Best Practice Principles Assurance Programme (BPP) to ensure that our Sightholders (term contract rough diamond customers of De Beers Group), and our own operations, adhere to comprehensive and industry-leading professional and ethical standards that are verified by a third party. The BPP programme allows us to provide consumers with robust assurance that we, and our value chain partners, adopt responsible and ethical business practices. The BPP programme



² 2016 De Beers Group Diamond Insight Report: Millennials and the future of diamonds.

³ 2017 De Beers Group Diamond Insight Report: The changing face of the female consumer.

requirements are constantly evolving to address the changing industry context, such as recent updates to strengthen practice around conflict zones, human trafficking and sourcing diamonds from artisanal and small-scale miners.

In our efforts to empower other players in the industry to do the right thing, the scope of the BPP programme has likewise expanded to include all our contractors and our Sightholders' contractors. Today, more than 365,000 people in 79 countries across the value chain are covered under the scope of the BPP programme.

THE KIMBERLEY PROCESS

SDG 16 stresses the importance of 'peace, justice and strong institutions' – a call-to-action that underpins our continued commitment to eradicate conflict diamonds from the rough diamond value chain. We are therefore proud to play an active role in the Kimberley Process, the global government, industry and civil society initiative that successfully ensures

that approximately 99.8 per cent of all diamonds traded are certified as conflict-free.

Last year, as a member of the World Diamond Council, we proposed reforms in the upstream, midstream and downstream parts of the value chain. This will help ensure that the Kimberley Process evolves in line with changes to the global context.



Employees at the De Beers Group Institute of Diamonds in Surat, India.

SAFEGUARDING AUTHENTICITY

We are investing in new technologies to continue to underpin confidence in diamonds. In particular, in 2018, we continued our exploration of blockchain technology in partnership with leading businesses across the diamond value chain. Our aim is to provide a single, tamper-proof and permanent digital record for every diamond registered, providing consumers with even more confidence that their diamond is real and conflict-free. This has led us to develop a blockchain platform called TRACR™.⁴ TRACR is being developed by the industry, for the industry, to foster a more transparent and efficient value chain.

Over the past several decades, our team has developed world-leading synthetic detection technology. And in 2018, we launched SYNTHdetect™ to enable the easy identification of synthetic diamonds and simulants, monitoring multiple stones at a time without the need for a probe.

David Prager, Executive Vice-President, Corporate Affairs, commented: "Diamonds carry one billion years of history and represent life's most important moments, so confidence in their authenticity matters. Our investments in TRACR and synthetic detection technologies are part of our effort to ensure that diamonds from De Beers Group are known as much for their integrity as their beauty."



⁴ www.tracr.com



An in-store jeweller works on the finishing touches to a piece at the De Beers Jewellers flagship store in London.

ENVIRONMENT

Conviction for the journey ahead

IS IT POSSIBLE TO TREASURE
NATURE WHILE MINING
NATURE'S TREASURES?

The Northern Lights shine brightly in the sky over Gahcho Kué mine in Canada.

Only if you act with foresight and conviction, says Dr Evelyn Mervine, De Beers Group's Climate Change Specialist.



“ There’s no masking that what we do is an environmentally intensive process.

Without rigorous stewardship, the end would not justify the means. As a scientist, I get excited about diamonds because they were formed deep in the earth, billions of years ago, and then brought to the surface by rare kimberlite volcanoes. But, as an environmentalist, I recognise our duty to protect the natural environment in which diamonds are found.

Mining is at a fork in the road. To be a responsible company, we must do our best to bring an overall benefit to the natural world through biodiversity and conservation initiatives near our mine sites, and contribute to global efforts to prevent and mitigate climate change. If we’re going to fulfil our commitments to the SDGs, we need to confront the environmental challenges of our industry head-on.

What does Building Forever mean to me? It is how we transform the way we mine diamonds to lead the industry in developing new and better methods for recovering nature’s treasures in environmentally conscious ways. We are choosing the right path, and it’s up to us to ensure others feel empowered to play their part. ◆

Dr Evelyn Mervine
Climate Change Specialist
at De Beers Group

“

{CARBON STORAGE IN MINE TAILINGS}
IS LIKELY TO BE ONE OF THE EASIEST AND
LEAST COSTLY METHODS OF CO₂ DISPOSAL.”⁵

Stuart Haszeldine

Professor of Carbon Capture and
Storage, Edinburgh University

⁵ www.reuters.com/article/us-anglo-american-debeers-carboncapture-idUSKBN18024T

CARBON STORAGE SPACE

On our journey, climate change is an area where we are helping to shift mining from being part of the problem to contributing to a global solution. Carbon emissions are among the biggest environmental impacts of mining. We know there is an opportunity for diamond mines to do more in areas such as carbon management and sequestration. In the last year, De Beers Group has been exploring this opportunity through Project Minera, assessing the potential for using kimberlite tailings (broken-up rock fragments left over from mining) to store carbon. The ultimate aim is to enable carbon-neutral mining by offsetting the emissions we produce.

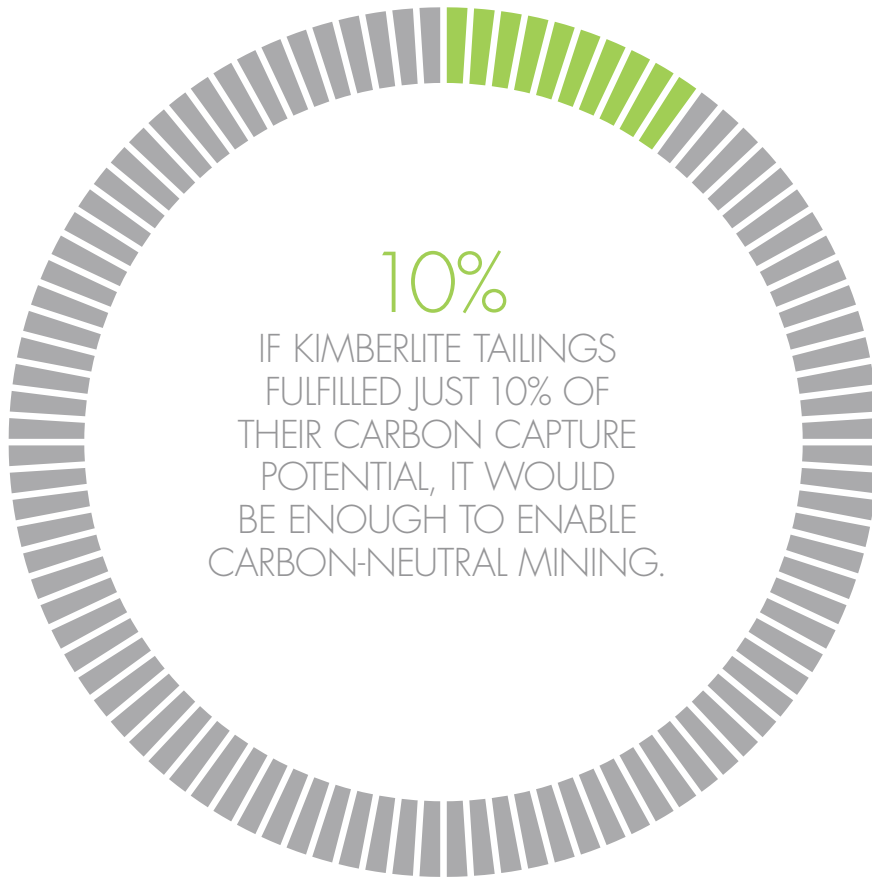
Kimberlite rock is special not simply because it can contain diamonds, but also because it offers the ideal properties for storing carbon.

When brought to the earth's surface, kimberlite acts like a sponge, rapidly taking carbon into its structure and storing it as stable, non-toxic minerals that are similar to chalk. In these minerals, the carbon is permanently and safely locked away.

During 2017, we studied the overall potential for carbon storage in tailings at De Beers Group mine sites in South Africa and Canada, and we also started examining potential methods for boosting carbon storage in kimberlite tailings. We are currently testing these methods at laboratory scale, and we hope to progress to mine site trials within the next two years. We also continued to work with our academic partners around the world to advance our understanding of the science behind this process and how it might be applied more broadly. This may include extending its use to other types of mining operations, such as platinum and nickel mines, that also have suitable rocks for carbon storage.

A rough diamond partially exposed in kimberlite.





NEXT STOP: CARBON-NEUTRAL

Results show that if the kimberlite tailings produced by a diamond mine fulfilled just 10 per cent of their carbon capture potential, it would be enough to enable carbon-neutral mining. More than that, and the mine becomes carbon negative. Our goal is that within five to 10 years of launching Project Minera, we will be capable of operating a carbon-neutral mine.

Capturing and storing carbon will be a vital component of any effective long-term approach for addressing a climate change imbalance. By developing technologies for carbon storage on a large scale, we are turning theory into tangible results.

However, addressing the impact of climate change cannot be done in isolation. With the results from our work, we are hopeful that it will spur others to join us in taking bold action to continue developing solutions to stem climate change.

**ON THE TRUNK ROAD,
FROM SOUTH AFRICA
TO MOZAMBIQUE**

For over a century, De Beers Group has invested in biodiversity and heritage conservation, recognising the inevitable impact that mining has on local flora and fauna. We're committed to researching and protecting animal and plant populations, including some of the most iconic species in our diamond-producing countries.

This year, in partnership with Peace Parks Foundation, we have worked closely with Mozambique's National Administration for Conservation Areas to begin translocating 200 elephants across 1,700km from our Venetia Limpopo Nature Reserve in South Africa to Mozambique. One of the largest of its kind ever recorded in South Africa, the project is part of a major conservation initiative to protect the welfare of wildlife in South Africa and help restore Mozambique's elephant population.

“The reintroduction of elephants to Mozambique will bring us one step closer to achieving our dream of restoring {Mozambique’s} landscape.”

Werner Myburgh
CEO, Peace Parks Foundation

A herd of elephants wanders through the Venetia Limpopo Nature Reserve in South Africa.

PEOPLE



Elina Amutenya is a Senior Production Geologist on the Debmar Atlantic.

Reaching out for healthier communities

HOW CAN WE TAKE BETTER CARE OF OUR WORKFORCE, THEIR FAMILIES AND THEIR COMMUNITIES?

It is Senior Occupational Health Manager Tshepo Sedibe's job to find innovative answers to this question.



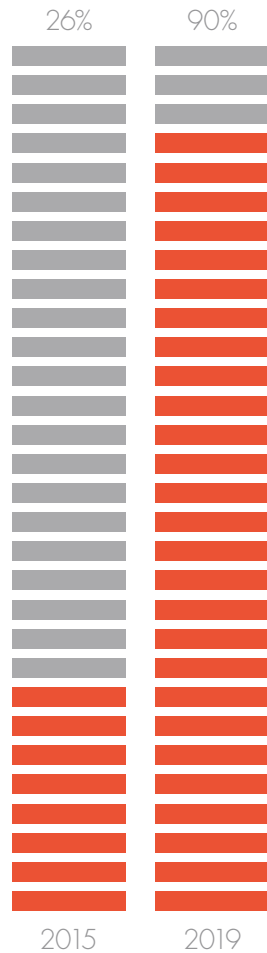
De Beers Group relies on more than 11,000 employees in southern Africa. We are

passionate about their health and well-being, and that of the communities they belong to. In 2017, great progress was made in the fight against HIV/AIDS. Wider provision of life-saving anti-retroviral therapy and support has significantly reduced ill-health and deaths related to HIV/AIDS. With increasingly effective treatment, more colleagues living with HIV are continuing to contribute positively to their communities and the company. In turn, these advancements have helped to decrease sustainably the incidence of other illnesses that affect our communities, such as tuberculosis. However, challenges remain. The rate of new infections remains high and we must continue to raise awareness and develop our programme of care to win the battle.

SDG 3 – 'Ensure healthy lives and promote well-being for all' – gets to the heart of our obligations as an employer and a development partner in the region. That's why we never view an employee in isolation, but rather as a member of the community who is affected by other conditions that may undermine his or her quality of life, work satisfaction and ability to do a good job. ♦

Tshepo Sedibe

Senior Occupational Health Manager
at De Beers Group



90%

BY 2019, WE EXPECT 90% OF OUR PEOPLE TO KNOW THEIR HIV STATUS.

ALWAYS MOVING FORWARD

This year, we added several new initiatives to our pioneering focus on HIV screening and treatment, which dates back to 2001 when we introduced the world's first HIV Disease Management Workplace Programme. We have adopted the 'test and treat' approach: this means we do not wait for an infected person's immune status to reach a certain level before starting treatment. Instead, we begin care, support and treatment after diagnosis.

We also took early steps to offer all HIV-positive employees prophylactic treatment to protect them against tuberculosis.

APPROACHING A MILESTONE

We are closing in on our 90-90-90 targets, in partnership with UNAIDS. By 2019, we expect to be one of the region's first organisations in which 90 per cent of our people will know their HIV status, 90 per cent of employees diagnosed with an HIV infection will receive sustained anti-retroviral therapy, and 90 per cent of employees receiving anti-retroviral therapy will have viral suppression. This rapid progress is a source of immense pride for everybody in our organisation.

During our first year of participation in the 90-90-90 programme in 2015, only 26 per cent of our employees knew their status.

By 2017, this had risen to 82 per cent, bolstered by the launch of a communications programme fronted by our business leaders, which made a significant difference to people's mindsets regarding the stigma of HIV. The 'Know your status' campaign called on senior leadership to get tested and then directly addressed employees, asking: "Do you know your status? I know mine."

Bakani Motlhabani, General Manager of Orapa, Letlhakane and Damtshaa mines in Botswana, was one of our leaders happy to be filmed being tested. "My message was that people no longer have to fear the test," he said. "I'm pleased that the video is being used regularly to persuade others." Currently, four out of five employees in our southern African operations know their status.

TAKING COMMUNITIES WITH US

Being present in the community is a core part of our approach to community wellness. In 2017, in the towns of Musina, Alldays and Blouberg, which lie close to our Venetia mine in South Africa, 1,500 people were screened at health and wellness fairs for prevalent diseases such as HIV and tuberculosis, and to detect the early signs of other risks including hypertension, diabetes, high cholesterol levels and specific female and male health issues.

Importantly, we gained the support of traditional leaders and of local churches. This had the valuable benefit of ensuring that people would hear about health matters outside usual working hours and communication channels. By the end of October, 10,000 people had received comprehensive health

screening under the programme, and more than 100 micro-enterprises from the Musina area had received training on health risks, business risks and legal risks.

Phillip Barton, CEO of De Beers Consolidated Mines, captured the sentiment at the time. "We are 'lowering our fences' and are keen to have a positive impact on the health of the communities that are hosting us," he said. "A healthy employee cannot exist in the absence of a healthy community."

Of course, the links between our workforce and the society around us are interwoven. If we help one, we help the other too. This shared mission is at the core of Building Forever.

Community members received screening for a range of health conditions in the Pink Drive truck during a health and wellness fair in Alldays, near Venetia mine.





NO DIAMOND IS
WORTH DISCRIMINATION,
ILLNESS, INJURY OR THE
LOSS OF A LIFE."

Bruce Cleaver
CEO, De Beers Group

WITH DEEP REGRET

We are extremely sad to note that three fatalities have occurred this year on our operations. Our colleagues Dimakatso Maggie Semata (Venetia mine, South Africa), Chevula Cynthia Mbaakanyi (Jwaneng mine, Botswana) and Moemedi Mpho (Orapa mine, Botswana) lost their lives in separate site accidents.

On behalf of everyone at De Beers Group, our deepest condolences are with the families of Maggie, Chevula and Moemedi. We know that these deaths represent a permanent and irreplaceable loss for the families and we are committed to providing ongoing support.

Investigations into the incidents are continuing, and we will provide a full update in next year's report.

In 2017, we added 'Put Safety First' to our set of core values, and Bruce Cleaver hosted the Group's first CEO Safety Summit with employee engagement events across the business. Throughout all our regions, we have seen our standards rise; however, these tragic incidents demonstrate that we must keep raising awareness and vigilance.

SOCIETY

Making fair progress

HOW CAN WE
DEMONSTRATE THAT
WE ARE CREATING
A POSITIVE IMPACT
FAR BEYOND OUR
MINE GATES?



Shingi Chaza, Managing Director of Dynamic Road Services, is involved with the Stanford Seed Program, sponsored by De Beers Group (see pages 26–27).

Being fully committed to becoming a force for social good is one way to start, says Katie Fergusson, Senior Vice-President of Social Impact at De Beers Group.



“ One of our most notable advances in 2017 was signing a three-year partnership with UN Women. This new agreement will accelerate our commitment to standing with women and girls in the countries and communities where our diamonds come from. The advantages of backing women to spearhead change in their communities are well known. Women will typically reinvest around 90 per cent of income in their families, on essentials such as food, housing, books, medicines and bed nets.⁶

Our US\$3 million partnership will improve the prospects of women and girls across education, employment and enterprise development. For example, in Botswana, Namibia and South Africa, we are working with UN Women to speed the growth of female-owned micro-enterprises, including addressing the barriers that may slow their progress, such as prejudice, low self-esteem, a lack of access to transport and capital, and loss of time to household management and caring for others.

In Canada, we are partnering with universities to offer scholarships and mentoring to young women and girls who want to pursue studies and careers in STEM (Science, Technology, Engineering and Mathematics) subjects. We've worked closely with the University of Waterloo in Ontario, a fellow UN Women HeForShe Champion, and we are partnering with the University of Calgary to improve access to this programme for the First Nations communities around our Victor and Gahcho Kué mines. ◆

Katie Fergusson

Senior Vice-President of Social Impact at De Beers Group

⁶ Phil Borges (foreword by Madeleine Albright), *Women Empowered: Inspiring Change in the Emerging World* (Rizzoli, 2007). Men make returns of nearer 30 or 40 per cent. ◆



I WAS HUMBLLED TO BE APPOINTED AS ONE OF UN WOMEN'S HEFORSHE THEMATIC CHAMPIONS TO ACCELERATE GENDER EQUALITY. DE BEERS GROUP HAS ENTERED INTO AN EXCITING NEW PARTNERSHIP WITH UN WOMEN, AND IT IS OUR RESPONSIBILITY AND PRIVILEGE TO STAND WITH WOMEN AND GIRLS AROUND THE WORLD. MY DUTY IS TO LEAD THE INDUSTRY IN THE PURSUIT OF EQUALITY AND TO GIVE EVEN DEEPER MEANING TO THE DIAMONDS THAT WOMEN ARE PROUD TO WEAR."

Bruce Cleaver
CEO, De Beers Group

A PIONEERING FORCE FOR GOOD

There's no hiding the social extremes in the value chain, which extends from exploration and mining in some of the world's poorest rural communities through to luxury retail in the most affluent urban centres. 'Standing with women and girls' provides a shared message that can unite our business, perhaps more than any other.

The success⁷ of the Forevermark Tribute™ Collection marketing campaign in the US shows the impact our advertising can achieve in terms of influencing society's entrenched perceptions.

Launched towards the end of 2017, the campaign switched the emphasis away from men gifting their partners diamonds for relationship milestones and, instead, focused on celebrating a woman and the many individual qualities that make her unique. Diamond jewellery from the Forevermark Tribute Collection can be gifted to a woman, but can also be bought by a woman for herself to celebrate a personal achievement such as a new job, or simply 'just because'.

Part of our commitment with UN Women means shining the spotlight on our own organisation and how we provide internal opportunities and remove barriers for female employees. We aim to achieve parity in our appointment rate of women and men into senior leadership positions over the full three years of our partnership to 2020.

We're also making headway in issues related to remote working locations such as recruitment and flexible working practices, talent and performance evaluation, as well as providing reciprocal mentoring and establishing employee networks. These improvements are especially relevant for colleagues in the Canadian Arctic or on our marine vessels.

We are at the start of our journey towards equality in all that we do at De Beers Group, but our commitment is for the long term. Our partnership with UN Women will help us to accelerate the rate of change, bringing us ever closer to our goals.

⁷ In the US, between Thanksgiving and New Year, sales were 38 per cent higher in 2017 than in the same period 12 months earlier.

“We choose to work with companies and CEOs who wish to be on the right side of history. While women can aim to smash through the glass ceiling, it would be better to take it away and save them from cutting their hands.”

Elizabeth Nyamayaro

Senior Adviser to the UN Under-Secretary General and Executive Director, UN Women, and the global head of the HeForShe movement.



Mukondi Mafune is the owner of Renuna Bakery. She secured a De Beers Group Zimele loan to purchase trucks for bread distribution across Musina in South Africa.

SOCIAL ENTERPRISE THAT KEEPS GROWING



Entrepreneurs from western and southern Africa cohorts gather for a classroom session as part of the Stanford Seed Program, sponsored by De Beers Group.



We are committed to helping individuals in our diamond-producing countries succeed in ways that best suit their circumstances. To this end, in 2017, we announced a three-year partnership with Stanford Graduate School of Business (GSB) that is designed to empower young entrepreneurs and owners of established small-to-medium sized businesses in Botswana, Namibia and South Africa. We have invested US\$3 million in two programmes that launched in 2018: the Seed Transformation Program and Stanford Go-To-Market, both of which will have a base at the Botswana Innovation Hub in Gaborone.

CEOs, founders and entrepreneurs will learn from Stanford GSB tutors in immersive sessions and bootcamps, designed to rapidly improve their management training, leadership skills, networking and ability to attract finance.

This partnership will build on De Beers Group's other socio-economic development programmes: Tokafala ('to improve' in the local Tswana language) and Zimele ('to stand on your own two feet' in Zulu). Based in Botswana and South Africa respectively, they aim to support small companies and mentor local entrepreneurs in developing the skills required to build successful, sustainable businesses.

Our progress last year in inclusive procurement (ensuring priority is given to suppliers in varying categories that are specific to each country we operate in) provides further evidence of De Beers Group's commitment to creating strong and diverse local economies. At US\$1.2 billion, our total spend for preferential procurement in 2017 represented more than 60 per cent of our overall total procurement spend.

As we reflect on this year's progress, we must also plan for the challenges that lie ahead and the fresh opportunities to keep building confidence in our diamonds and the values that have brought them to people around the world.

We have the chance to do more to promote our people's well-being and the health of society at large. We want to make new breakthroughs in protecting the environment and biodiversity.

It's all part of our commitment to Building Forever. The next stage of our journey has already begun.



Sunset over the Dronfield Nature Reserve.



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