

BUILDING FOREVER

OUR JOURNEY



VOLUME 2
APRIL 2019

DE BEERS GROUP



“

AS PART OF OUR JOURNEY TO CREATE
A BETTER FUTURE, WE HAVE CONTINUED
TO SELECT THE PARTNERS AND PROJECTS THAT
WILL HELP MAXIMISE OUR POSITIVE IMPACT.”

Bruce Cleaver
CEO, De Beers Group



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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 in which De Beers Group has a significant shareholding. Building Forever: Our Journey, Volume 2 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.

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Cover and outer flap

Panana Masego Yani is the founder of Lecha Bakery in Oodi, Botswana, and is supported by the Tokafala advisory programme. Find out more about Tokafala: www.debeersgroup.com



DE BEERS GROUP AT A GLANCE

85%

ANGLO AMERICAN PLC

15%

GOVERNMENT OF THE REPUBLIC OF BOTSWANA

UPSTREAM



EXPLORATION



MINING

GLOBAL EXPLORATION

Explores for rough diamond deposits around the world.

MANAGED OPERATIONS

Mines rough diamonds from Gahcho Kué Mine in Canada and Venetia Mine in South Africa.

MIDSTREAM



SALES



TECHNOLOGY

DIAMOND TRADING

Sales function in Botswana. Sells approximately 90 per cent of De Beers Group's rough diamonds, by value, via term contracts to international and Botswana-based customers known as Sightholders and Accredited Buyers.

Sales function in South Africa. Sorts and values rough diamonds mined by Managed Operations, and sells to South Africa-based customers.

INDUSTRY SERVICES

Provides diamond grading, education and technology to the diamond industry.

DOWNSTREAM



CONSUMER

FOREVERMARK

The diamond brand from De Beers Group, in which every diamond comes with a promise that it is beautiful, rare and responsibly sourced.

BEYOND OUR DIAMOND PIPELINE



SUPER MATERIALS

ELEMENT SIX:

Develops synthetic diamonds and supermaterials for use in technological and abrasive applications across a number of industries.

DEBSWANA

A 50/50 joint venture partnership with the people of Botswana. Mines rough diamonds from Orapa, Letlhakane, Damtshaa, and Jwaneng Mines in Botswana.

DTC BOTSWANA

A 50/50 joint venture partnership with the people of Botswana. Sorts and values rough diamonds mined by Debswana.

TECHNOLOGY

Develops diamond mining, sorting and detection technology for the diamond industry.

DE BEERS JEWELLERS

The diamond jewellery brand from De Beers Group, selecting only the world's finest diamonds.

NAMDEB HOLDINGS

A 50/50 joint venture partnership with the people of Namibia. Recovers rough diamonds offshore through Debmarine Namibia and on land through Namdeb.

NDTC

A 50/50 joint venture partnership with the people of Namibia. Sorts and values rough diamonds recovered by Namdeb Holdings, and carries out local sales.

INSTITUTE OF DIAMONDS

Centre for research and advancement of diamond knowledge with campuses in Maidenhead (UK), Surat (India) and Antwerp (Belgium).

AUCTIONS

Sells approximately 10 per cent of De Beers Group's rough diamonds, by value, via online auction.

A LEGACY THAT ENDURES LONG AFTER WE HAVE RECOVERED OUR LAST DIAMOND.

A BLUEPRINT FOR FOREVER

Welcome to Building Forever: Our Journey, updating you on our work to build a positive, lasting legacy that will endure long after we have recovered our last diamond.

The iconic tagline 'A Diamond is Forever' helped launch an historic marketing campaign for our company, celebrating enduring love. Today, 'forever' promises so much more – a future that's safer, fairer, cleaner and healthier for everyone.

Step by step, we are helping to create this future, aligning our vision with the UN's Sustainable Development Goals to accelerate our impact and challenging ourselves to do more through the 2030 goals. We are also forming new partnerships and using existing ones to enhance our ability to influence economic, social and environmental factors.

SUPPORTING THRIVING COMMUNITIES, WITH A FOCUS ON WOMEN AND GIRLS

Helping communities to access opportunities and thrive is key to leaving a positive legacy. We continue to support skills development and invest in education to enable mining communities to enjoy sustainable livelihoods beyond the life of our operations. Thanks in large part to our partnership with UN Women, our focus on Standing with Women and Girls is showing

real progress – helping us to integrate gender equality into everything we do across our value chain. From our own internal ambition around inclusion and diversity to our support for women entrepreneurs in southern Africa and girls in Canada, we are helping women and girls realise their possibilities for the benefit of everyone.

PROTECTING THE NATURAL WORLD

We seek to carry out all our activities as sustainably as possible at every stage, from our use of energy and water to rehabilitating land when we close a mine. Our commitment to conservation and biodiversity goes far beyond the environmental impacts of our operations. Our goal is to achieve net positive biodiversity outcomes, not only by mitigating the negative impact of our operations, but also by going beyond this to maximise positive outcomes.

We are passionate about connecting people and nature, and we are investing in cutting-edge conservation programmes, such as our elephant translocation initiative, Moving Giants. Through innovative thinking, new technologies and collaborative partnerships we are shaping an industry that becomes ever more sustainable.

FOREVER IS A JOURNEY

We hope this publication will give you a good sense of the very real progress we are making on our Building Forever journey. We are proud of the progress we've made. However, at the same time, we remain mindful that this is a journey. New challenges emerge every year and there is always more to be done. We know that, as we look to the future, radical change will be required to achieve our ambitions. But this knowledge doesn't dim our commitment or our resolve. We will continue to do all we can to leave a positive, lasting legacy for the communities and countries we work in, continuously seeking to improve and innovate our approach.



LIKE TO KNOW MORE?

If you'd like to know more, visit www.debeersgroup.com/buildingforever or contact us at buildingforever@debeersgroup.com.

CONTRIBUTING TO A BETTER, FAIRER FUTURE



Sunrise at the Orapa Game Park
in Botswana.



As CEO, I am proud to see first-hand the progress we are making in contributing to a better, fairer future. As the world's leading diamond company, we have a tremendous opportunity to be a force for good, and we are grasping this opportunity with genuine passion and commitment.

Our *Building Forever* approach to sustainability unites and compels our people and partners to leave a positive, lasting legacy long after we recover our last diamond. Just as a diamond is forever, we want the good work we do to stand the test of time, positively impacting people and the environment for generations to come.

Indeed, *Building Forever* reflects our determination to live the values embodied in a diamond – strength, commitment, trust, permanence and to ensure that the provenance, purity and authenticity of our products reinforce those values for our customers.

Having laid strong foundations for our sustainability work in recent years, I'm very proud of our employees' ongoing efforts to tackle the difficult issues we face with optimism and determination. As part of our journey to create a better future, we have continued to select the partners and projects that will help maximise our positive impact as an organisation. Our employees' commitment to nurturing these relationships and delivering these projects is vital to the long-term success of *Building Forever*, which we continue to roll out across two key areas: Standing with Women and Girls, and Protecting the Natural World.

We are making good progress toward an inclusive and diverse culture and are already seeing encouraging results. In just two years, for example, we have significantly improved our appointment rate of women into senior management jobs.

As well as working to ensure equal opportunities for the women in our own workforce, we are taking action to help women in our producer countries. I feel tremendously encouraged when I read the feedback from women micro-entrepreneurs who have attended our business training courses and I hear about their hope, energy and dreams for the future. By supporting women in South Africa, Botswana and Namibia to gain the confidence and skills they need to maintain and grow successful businesses, we are benefiting whole communities and helping to strengthen and diversify local economies.

I am also inspired when I see our commitment to the environment in action – from our efforts to reclaim and re-vegetate land at our Victor Mine in Canada, to our ambitious elephant translocation project moving hundreds of elephants from South Africa to Mozambique. Through projects large and small, we are supporting biodiversity, protecting vulnerable animal populations and protecting ecosystems for future generations.

Step by step, we are transforming our role in society, making sure that each diamond we sell means just as much to the community in which it was found as it does to its ultimate owner. This should give us all hope for the future. It certainly does for me.

Bruce Cleaver
CEO, De Beers Group

SOCIETY

HOW CAN WE CREATE A
POSITIVE IMPACT BEYOND
OUR MINE GATES?



We want to ensure that our operations transform diamond wealth below ground into shared value above ground for diamond communities.

We achieve this by providing jobs and supporting housing, education and healthcare; by building skills and capacity to help strengthen and diversify the economy; and through beneficiation, our commitment to sell a proportion of our rough diamonds in-country so that more of the value-adding stages in the diamond pipeline stay in our producer partners' countries.

Research shows that investing in women and girls has an exponential effect on community development, because women reinvest approximately 90 per cent of their income in their communities.¹ This is why we are Standing with Women and Girls and accelerating our commitment to gender equality through a US\$3 million partnership with UN Women and our work as one of its global HeForShe thematic champions.

In this chapter, we look at how we are supporting women through this partnership, particularly our work equipping women entrepreneurs in southern Africa with the skills they need to operate and grow successful small businesses. This three-year capacity-building programme complements existing work to help entrepreneurs – our long-standing Zimele and Tokafala programmes in South Africa and Botswana respectively, and our partnership with Stanford Business School.

We also look at how we are working to formalise the artisanal and small-scale mining sector. We hope, in time, that this will help transform the lives of millions of artisanal diamond miners.

Our work to create shared value wouldn't be possible without strong partnerships at a global, national and local level. Through these partnerships we are able to develop a shared vision for the future, and understand how we can best leave a lasting, positive legacy.



“Our work with women micro-entrepreneurs is not just about providing basic skills. It's about walking with women until they break out of a place of survival – of just putting food on the table – into a place of real business sustainability. It's also about finding specific market opportunities for them, particularly in government. Across the world, only one per cent of goods and services are bought from women-owned enterprises. The public sector doesn't generally buy from women and, if it does, it does so in a token way.

The opportunity to help women, who otherwise might not be able to feed their families, create products and then match these products with government or other businesses is something we are really excited about.”

Anne Githuku-Shongwe
UN Women representative
for southern Africa

Students at Renaissance school in South Africa, which De Beers Consolidated Mines has supported by providing funding for buildings and facilities.

¹ Source: www.weforum.org/agenda/2014/01/women-technology-world-economy/

LASTING CHANGE FOR WOMEN AND GIRLS

Our commitment to Standing with Women and Girls is a principal focus in our Building Forever journey to create a lasting positive legacy. It also contributes to our progress against the UN's Sustainable Development Goals (SDGs) in particular SDG 5 on gender equality and SDG 10 on reducing inequalities.

MAKING AN IMPACT IN PRODUCER PARTNER COUNTRIES

We are investing US\$3 million in programmes that support women and girls in our producer partners' countries through our partnership with UN Women. These programmes focus on supporting female micro-entrepreneurs in southern Africa, and young women and girls through STEM (science, technology, engineering and mathematics) studies in Canada.

HELPING WOMEN CREATE SUCCESSFUL MICRO-BUSINESSES

Run in partnership with UN Women and local government, our Acceleration of Women-Owned Micro-Enterprises (AWOME) programme is now well underway, with training launched in both South Africa and Namibia. The programme uses a 'train the trainer' approach, whereby local teams are trained to identify and address the challenges that women micro-entrepreneurs face. In turn, these trainers go on to train women entrepreneurs, meaning that the programme can be sustainably embedded for the long term.

Training covers areas such as marketing, record keeping, stock management and business planning, helping women create and maintain successful micro-businesses in fields ranging from children's entertainment, fashion design and floristry, to construction and diesel mechanics.

In South Africa, the programme is run near our Venetia Mine and, in 2018, 17 trainers were trained. They, in turn, have trained the first group of 56 entrepreneurs. Training has also started in Namibia, where 58 women have been trained. In total, the programme aims to support more than 1,200 women micro-entrepreneurs across South Africa, Namibia and Botswana over three years.

Ndou Selbe, one of the South African participants, works as a diesel mechanic and hopes to open her own workshop. "This course is empowering me to do just that," she says.

In addition to this capacity-building work in southern Africa, we are aiming to support approximately 40 STEM scholarships for young women and girls in Canada by 2020, the first eight of which, worth US\$56,000, have been awarded.

CHALLENGING GENDER STEREOTYPES THROUGH OUR MARKETING

Our jewellery brands are also Standing with Women and Girls, developing new inclusive marketing guidelines to ensure both genders are portrayed positively in all of our marketing. The Women of Forever™ campaign from De Beers Jewellers has struck a powerful chord in 2018, telling the stories of real customers who have purchased our diamonds to celebrate milestones in their own personal journey through life.

The Forevermark Tribute™ and Forevermark Alchemy™ campaigns, celebrating each woman for her individual traits and unique character, have also proved highly resonant with consumers.

EXTERNAL RECOGNITION FOR OUR WORK

Together, these initiatives add up to significant progress on our journey in standing with women and girls, and we are delighted to have won external recognition for this work, including a Visionaries Award for Excellence from the Women's Jewelry Association.

“Gender equality is a deeply complex topic with many factors involved but we are taking a holistic approach and stakeholders see that we are authentic and committed.”

Katie Fergusson

Senior Vice-President for Social Impact, De Beers Group

Ngoakwana Seleka, an entrepreneur from Blouberg municipality in South Africa, speaking at the AWOME launch event in November 2018.



EDUCATION IS KEY TO BUILDING FOREVER

In addition to our STEM scholarships for young women in Canada, we are investing more broadly in high quality education.

We strongly believe in the power of education to transform lives and help individuals access jobs. This is why De Beers Group is piloting Anglo American's education programme, the South African Schools Initiative, at Venetia Mine.

Anglo American launched its five-year programme in South Africa in April 2018. Its goal is to improve access to inclusive and high-quality education for children living close to its mining operations. As part of the initiative, we are aiming for all participating schools around Venetia Mine to be included in the top 20 per cent of the country's state-run schools by 2030. This aligns closely with SDG 4 on quality education.

A total of 25 primary and secondary schools near our Venetia Mine will participate in the programme.

FROM MENTORING TO VIRTUAL CLASSROOMS

Working in close partnership with South Africa's Department of Education, we are taking a 'whole school' approach, with interventions ranging from investment in school infrastructure to teacher development workshops and mentoring. Specifically, we are focusing on building the capabilities of teachers and school governing bodies.

Josephine Pieters, Social Performance Manager at De Beers Group, South Africa, says: "Large numbers of young people in South Africa are unemployed, and education is key to changing this. We hope our sustained and focused approach will significantly improve educational outcomes, giving young people the tools they need to lift themselves out of poverty."

Image above

Students at St Martin's school in South Africa, which De Beers Consolidated Mines has supported by providing funding for buildings and facilities.



A certified miner practices using GemFair's digital solution during an on-site GemFair toolkit training session in Sierra Leone.

GEMFAIR: FOSTERING ECONOMIC DEVELOPMENT FOR ARTISANAL AND SMALL-SCALE MINERS

While De Beers Group's diamond mining operations are large-scale and formalised, millions of people in developing countries depend on artisanal and small-scale mining and trading (ASM) for an important source of income. However, ASM miners often live in poverty and face a lack of regulation and challenging working conditions. They rarely receive a fair value for their production as it is difficult for them to access established international markets.

FORMALISING THE ASM SECTOR

De Beers Group has been exploring how we can support the formalisation of this sector, and in 2018 we started a pilot programme called GemFair™ to create a secure and transparent route-to-market for ethically-sourced ASM diamonds. We have partnered with the Diamond Development Initiative an NGO, to ensure that participating mine sites abide by a set of audited ethical standards known as the Maendeleo Diamond Standards (MDS). These cover several areas, including health and safety, consent and community engagement, violence-free operations, environmental management, and site closure.

GemFair's Supplementary Criteria complement the MDS and mitigate risks that fall outside of the mine site. They include guidance on transportation routes and general due diligence guidelines on money laundering and countering terrorist financing. The Criteria are designed to align with leading best practice in responsible sourcing, including the OECD's Due Diligence Guidance and our Best Practice Principles programme.

We are also developing a full GemFair Artisanal and Small-Scale Mining Standard to cover all the elements of our business model and allow flexibility for us to scale to markets where the MDS do not exist.

A TRANSPARENT, SECURE ROUTE TO MARKET

GemFair uses dedicated, innovative technology to record and track ASM diamond production from mine sites that meet our standards. It then offers miners at those sites a fair value for their diamonds. This provides miners with a transparent, fair and reliable route to market.

GemFair has the potential to transform the sector by implementing standards for improved working, business and environmental practices, paying fair value and empowering miners with essential training. In doing so, it contributes to several SDGs, including SDG 8 (decent work and economic growth) and SDG 9 (industry, innovation and infrastructure).

“ This is an important step forward in improving working conditions and livelihoods for people working in the artisanal and small-scale mining sector.”

Ruby Stocklin-Weinberg
Programme Manager at GemFair,
De Beers Group

UNDERWAY IN SIERRA LEONE

The pilot is running in Sierra Leone, where 16 sites have been certified and 64 miners trained in how to use the GemFair technology, which includes digitally-supported equipment and dedicated hardware and software. The hardware is designed to be weatherproof and hard-wearing and solar-powered chargers enable the miners to use tablets in conditions where there is no power.

We hope to expand the pilot in Sierra Leone later in 2019. In the long term we plan to integrate GemFair with our blockchain platform Tracr™, giving consumers even more confidence in artisanal diamonds and further enhancing prospects for those working in the sector.

ENVIRONMENT

HOW CAN WE TREASURE
NATURE WHILE RECOVERING
NATURE'S TREASURES?



We believe that diamonds can be a significant force for environmental good, and that we are uniquely placed to deliver on our commitment of Protecting the Natural World.

Our focus is on generating a net positive impact on the environment, both by minimising the negative impact of our activities and by working with partners to actively protect the habitats, eco-systems and wildlife around our mines.

At an operational level, we have set ourselves ambitious targets to reduce our energy consumption and water usage to mitigate our environmental impact. We have revised our approach on water targets by first ensuring comprehensive site-wide water balances and then setting site-specific targets on freshwater abstraction, which includes an increase in the recycling of water. We are using creative and innovative methods to achieve these targets. In addition, our ground-breaking research initiative Project Minera is investigating the carbon capture potential of processed kimberlite (broken-up host rock fragments left over from diamond mining). The project is showing great progress and creates the tantalising potential that within a decade we will be capable of operating a carbon-neutral mine.

De Beers Group is actively involved in managing a number of properties dedicated to conservation. This valuable contribution to biodiversity is known as The Diamond Route, a series of rich and diverse sites covering around 200,000 hectares throughout southern Africa and seeks to support biodiversity and protect vulnerable animal populations, from vultures to white rhinos.

We know that our responsibilities to the environment, and also to local communities, don't stop when mining is finished, and in this chapter we discuss our environmental mine closure planning at Victor Mine in northern Ontario, Canada. We also shine a spotlight on Moving Giants, our ambitious elephant translocation programme, which is seeking to protect biodiversity in our Venetia Limpopo Nature Reserve in South Africa and rebuild Mozambique's depleted elephant population at the same time.



“The support we’ve received from De Beers Group to help re-wild Zinave National Park has given our conservation work a serious boost. It will help us create a well-balanced and functioning ecosystem where wild animals, from large charismatic species such as elephant, rhino, giraffe and buffalo to smaller mammals like the elephant shrew, can thrive alongside one another. Whenever we resettle animals, our priority is to make sure they can live in safety. Through the US\$500,000 donation from the Anglo American Foundation, we are working to address poaching risks, focusing on early detection and rapid deployment together with an innovative use of technology.

Rewilding Zinave will also draw tourism to the area, strengthening the economy and providing jobs for local people.”

Werner Myburgh
CEO, Peace Parks Foundation

Isaia Bye, Game Park Ranger on De Beers Group's Venetia Limpopo Nature Reserve in South Africa.

PROTECTING BIODIVERSITY: GIANTS ON THE MOVE

Our ambitious Moving Giants project is one of the ways in which we are seeking to benefit the natural world through biodiversity and conservation initiatives in areas near our mine sites.

This elephant translocation project aims to restore a balanced ecosystem in our Venetia Limpopo Nature Reserve in South Africa and, at the same time, help rebuild the depleted elephant population in Mozambique.

WORKING TO RESTORE BALANCE

We established the Venetia Limpopo Nature Reserve on the outskirts of our Venetia Mine in the early 1990s as part of our work to protect the natural world, including endangered or vulnerable species such as elephants, in the diamond-producing countries we operate in. The 32,000-hectare reserve has a carrying capacity of around 60 elephants but as a result of the success of our protection efforts, the population had swelled to 270 in recent years. In competing for space, these elephants were damaging the habitat and threatening other wildlife.

We explored a number of potential solutions to address this imbalance and decided that translocation was the best long-term solution. Months of detailed planning followed to engage partners with the right expertise and identify a suitable destination where elephants were needed and would be welcome and safe. We also had to plan a safe, efficient method to capture and transport the elephants.

We have now successfully moved 48 elephants 1,700km from South Africa to Zinave National Park in Mozambique in the first stage of the project. By 2020, around 200 elephants will have moved to a new home across the border, enabling us to restore a balanced ecosystem in the Venetia Limpopo Nature Reserve and help re-wild Mozambique's parks.

ANTI-POACHING MEASURES

We chose to partner with Peace Parks Foundation, a leading not-for-profit organisation that focuses on the protection of large cross-border ecosystems and co-manages a number of parks, including Zinave National Park, with the Mozambique Government. This lush, 400,000-hectare park can safely accommodate more than 500 elephants but, prior to the arrival of our elephants, it only had nine, because of the civil war that ended in 1992. Robust anti-poaching measures are already in place at Zinave, but we have strengthened them by committing to provide US\$500,000 over five years, via the Anglo American Foundation, to Peace Parks Foundation for additional anti-poaching support measures. The measures supported include the hiring and training of new park rangers, opening new access roads to increase patrol coverage, and buying additional surveillance equipment. In 2018, the first US\$100,000 instalment was paid.

Considerable research and planning went into the move itself, with careful selection and tracking by translocation experts to make sure we kept family and social groups together.

HOME FROM HOME

Around 50 elephants will be translocated to Zinave National Park mid-2019, and we intend to move a further 100 elephants to conservation areas in Mozambique with sufficient carrying capacity in 2020.

“The elephants are flourishing in their new home and are opening up areas that will enable other species to thrive, too.”

Bernard van Lente
Peace Park Foundation's Project
Manager in Zinave

Watch the story unfold at
www.movinggiants.org



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

MINE CLOSURE – LEAVING A POSITIVE LEGACY

We start planning for the day a mine will close long before it is even opened. Our aim is to reduce risks and optimise opportunities, both environmentally and socially, so that when mining has ended, a positive legacy remains.

Rudolph Botha, Lead, Mine Closure at Anglo American, says: “We want to make sure the local community can continue to enjoy sustainable livelihoods and that flora and fauna are flourishing post-rehabilitation.”

Achieving this vision requires detailed planning. The process starts as part of the development and evaluation phase, and then, once a mine is operational, we aim to integrate our closure planning into the long-term and day-to-day operational planning and management. This means continually asking ourselves questions such as “How can we best support future employment opportunities in the community after the mine closes?” and “How are we best able to restore the biodiversity appropriate for the area?”

As a mine approaches the end of its life, and we have a better understanding of what can be achieved sustainably post-mining, our planning becomes more focused. During the last five years of a mine’s life, we increase the level of detail in our closure plans. We do this in consultation with local stakeholders so that we achieve buy-in and ownership of the closure vision, and also ensure that the necessary funding is in place.

UNIQUE ENVIRONMENTAL CHALLENGES

This year, two of our mines will enter their closure phase: Voorspoed, an open-pit mine near Kroonstad in South Africa, and Victor, a remote,

open-pit, fly-in/fly-out mine located in the James Bay Lowlands of northern Ontario, Canada. This chapter will focus on progress at Victor mine.

Victor’s remote location, climate and habitat all pose significant challenges. The land is essentially swampland, and temperatures are, on average, minus 20 degrees Celsius for six months of the year and can get as low as minus 40 degrees Celsius.

James Alexander, Reclamation Superintendent, says: “No one has reclaimed a mine in the James Bay Lowlands before. We have more than 850 hectares to cover and re-vegetate – simply getting trees here is a big challenge.”

Waiting for the right planting conditions is also very tricky; the planting season is short, packed between long icy winters and a short dry summer.

However, with the help of the local community, we are successfully addressing these challenges.

INVOLVING THE LOCAL COMMUNITY

The nearest community to Victor Mine is the coastal Attawapiskat First Nation community, which is located 90km to the east of the mine. We have held public meetings to engage with community members about our mine closure plans; in addition, we have met with schools and local community groups to explain how we are rehabilitating the land and ensuring that local wildlife such as caribou, geese, muskrat and beavers can thrive.

Since 2014, we have employed people from the Attawapiskat community to harvest seeds from native plants as part of an active seed collection programme. Over 61kg of seeds have been collected and used to grow many of the trees and other plants that are now re-vegetating the mine site.

Victor Reclamation Technician, Lynea Aboumrad, plants Green Alder shrubs as part of the environmental rehabilitation plan for Victor Mine in Canada.



OUR TREE-PLANTING PROGRAMME

When we close a mine, we seek to return the land to its original state wherever possible. At Victor Mine, this means planting hundreds of thousands of trees and shrubs.

Trees are once more starting to grow at our Victor Mine site thanks to a pioneering reclamation programme.

Over the last four years, we have reclaimed 28 per cent of 853 hectares, planting native trees and shrubs grown from the seeds we collected locally.

Before reclaiming the land, we consulted with horticultural experts and carried out research trials to identify what kind of vegetation would thrive. Our aim is to return the land to its original form wherever possible. Where we cannot achieve this – because the soil has changed from a lowlands habitat to an uplands habitat in some parts of the site – we aim to restore the environment to an equivalent form and function. In order to do this, we try to mimic the adjacent natural uplands in terms of plant species and densities.

Once we had a good understanding of which plants would grow successfully in the new soil conditions, our work to revegetate the site started in earnest. In 2018 alone, we planted 434,000 seedlings, including 105,000 plants grown on-site in our own greenhouse and cropbox. The other 329,000 seedlings were grown in commercial nurseries in Timmins, a city in northeastern Ontario, and elsewhere in Canada.

In 2019, we hope to double the number of seedlings we grow on-site to 200,000, as well as planting a total of 458,000 trees grown in off-site nurseries.

We plan to reclaim and re-vegetate all 853 hectares by the end of 2022.

Image above

Seeds are planted in the Victor Mine greenhouse by members of the reclamation team.



PEOPLE

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

Our journey to a fully inclusive culture is a long-term endeavour, but we have already made exciting strides and have seen the positive impact that different experiences and perspectives can have in making us a more creative, innovative and resilient business.

In this chapter, we focus on some of our key initiatives – for example, unconscious bias training, flexible working practices and our efforts to improve gender diversity, particularly in terms of the appointment rate of women into senior roles.

We are also broadening our approach to employee safety, health and wellbeing, and are developing a more holistic programme that addresses the interdependencies between these areas. This chapter explores how we are implementing this approach through initiatives such as our new Total Worker Health programme. We also report on the continuing progress being made in our HIV/AIDS programme and the role it is playing both in suppressing the HIV virus and contributing to the fight against tuberculosis.



“How can we challenge bias if, as individuals, we are unaware of the unconscious biases that we hold? How do we support everyone across our business, regardless of their gender, race, disability, religion or sexuality, as we undergo a journey towards creating a more inclusive and diverse culture? How do we attract, retain and develop talent from different backgrounds and experiences? These are some of the questions we’re striving to answer as we look to support our people in fulfilling their potential.

Open and honest dialogue is one important way through which we are working towards this. Our workshops, where employees can talk freely and anonymously about any aspect of diversity, are enabling people to voice reservations without feeling stigmatised. At the same time, our senior management-led reciprocal mentoring programme is giving ExCo members the chance to consider issues from different perspectives.

We hope everyone at De Beers Group will join us on this journey, as we realise the exciting possibilities that building an inclusive and diverse culture represents for us all, as a business and as a force for positive change.”

Lachlan Pearman
Group Inclusion & Diversity,
Talent and Organisational
Effectiveness Manager,
De Beers Group

Wonder Thanye working in the Base Workshop at Jwaneng Mine, Botswana.

BUILDING AN INCLUSIVE AND DIVERSE CULTURE

We are making significant progress in our efforts to build an inclusive and diverse culture where every single one of our employees, from mining to retail and from Gaborone to Shanghai, can thrive. In doing so, we are contributing to SDG 5 (gender equality) and SDG 10 (reduced inequalities).

Attracting, retaining and developing people with different backgrounds and experiences is the right thing to do. But it also makes sound business sense – we need people who can offer a range of perspectives and ideas in order to thrive in today's marketplace.

Historically, mining has been a male-dominated industry, but we are working hard to address this and have significantly increased the appointment rate of women into senior management roles in the last two years, from 22 per cent in 2016 to 43 per cent in 2018.

ALL ASPECTS OF DIVERSITY

While we are proud of our progress in addressing gender diversity, we recognise we have a lot more to do. We have therefore introduced a new Group-wide Inclusion and Diversity Policy and are strengthening our focus on other aspects of diversity such as race, religion and sexuality. We have also developed a new Harassment and Bullying Policy to build a more robust and shared understanding of what is acceptable behaviour in the workplace. Our focus is on creating a safe and inclusive working environment where people can bring their 'whole self' to work.

TRAINING IN UNCONSCIOUS BIAS

To help us explore all aspects of diversity, we have rolled out unconscious bias training to senior staff, with 93 per cent having completed the training.

New recruitment guidelines are helping us put our improved understanding about unconscious bias into practice.

The guidelines include 'how to' guides on writing job adverts and interviewing and selecting candidates. We're also using other methods to attract and retain a diverse pipeline of talent. For example, we have introduced a new graduate programme in Debmarine Namibia offering technical training, and we are sponsoring young women in Canada to study STEM subjects through university scholarships.

MORE FLEXIBLE WORKING

We have also been looking at how we can offer more flexibility in our working practices to suit the needs of people with differing commitments, such as working parents or those with carer responsibilities. For office workers, this may mean the ability to work from home; for miners and those working in secure diamond sorting environments, it may mean flexible shift patterns.

OPEN, HONEST DIALOGUE

Throughout this work, we recognise that some employees may feel anxious or threatened by our approach to inclusion and diversity. To address any concerns, we've been running workshops where men and women can talk freely and anonymously about all aspects of gender diversity, highlighting concerns and identifying the benefits of our focus for all employees, regardless of gender. Currently, these workshops are single-gender only so that men and women feel able to voice any reservations in safe environments. In due course, we also plan to run mixed-gender workshops, creating space for constructive and collaborative discussions between employees.

We're particularly keen to ensure that men recognise the value of a more inclusive working environment, understand the positive role they can play in creating such an environment, and realise that we all benefit from an equal workplace that creates a level playing field for every employee.

“ We have seen more and more men who believe in this journey join in and speak up, which has encouraged others to do the same.”

Willy Mertens
Chief Financial Officer,
Debmarine Namibia

From left: Marakalala Nthabiseng – Senior Plant Monitor and Malongete Nkhensani – Senior Plant Foreman, Venetia Mine, South Africa.



THE POWER OF RECIPROCAL MENTORING

One way we have been educating our leaders about diversity and supporting women in our business is our senior management-led reciprocal mentoring programme.

Despite our progress in improving gender diversity, De Beers Group still has an imbalance of men and women in management positions and so, in 2018, we matched 14 Executive Committee (ExCo) members with high-potential women from different parts of the organisation. The aim was to offer women the chance to be mentored by a senior leader and to give the ExCo members the opportunity to learn different perspectives.

THE BENEFITS ARE MUTUAL

Pauline Thomas, Corporate Affairs Manager for Namdeb in Namibia, was matched with Phillip Barton, CEO of De Beers Consolidated Mines in South Africa. She says the experience has improved her confidence:

“I’ve talked to Phillip about situations where I’ve been afraid to say something, and this has strengthened my resolve to take a stand and speak up next time.”

Phillip says he, too, has gained insight: “Diverse views are powerful, and Pauline’s views have impacted on my thinking.”

WE’RE GROWING THE PROGRAMME

In 2019, we have already expanded the programme to the next level of senior management and are matching participants on the basis of gender as well as other aspects of diversity, such as generational and cultural differences.

Image above

Phillip Barton, CEO of De Beers Consolidated Mines and Pauline Thomas, Corporate Affairs Manager for Namdeb.

THE LINK BETWEEN HEALTH AND SAFETY

We seek to achieve 'zero harm' across all our workplaces, and to achieve this we are taking a holistic approach that recognises the link between safety and good health – both mental and physical.

HEALTHY EMPLOYEES MAKE BETTER DECISIONS

Our research shows that, beyond the physical, a range of health issues – including fatigue, depression, anxiety, financial worries or difficulties at home – can affect employee performance and decision-making. To address these issues and create a more open workplace where people feel comfortable to discuss the issues that affect them, we are rolling out a new Total Worker Health programme in 2019. The programme aims to minimise inherent health risks in our work environment, for example risks from traffic, noise, radiation and dust. It will also seek to help employees manage other personal and psychological issues affecting their performance – for example, someone who is struggling to concentrate at work because he or she is having trouble sleeping at night.

HELPING PEOPLE TAKE OWNERSHIP OF THEIR HEALTH

In particular, we will be looking at how we can help people take better care of their health and recognise when they need support.

“ We want to create a workplace environment that encourages people to take ownership of their health and that builds resilience in the face of change.”

Dr Tshepo Sedibe

Group Senior Occupational Health Manager, De Beers Group

WORKING TOWARDS UN GOALS

One area where employees are already taking responsibility for their health is HIV/AIDS, with our 'Know Your Status' campaign proving very successful. We are now extremely close to achieving our 90-90-90 targets in partnership with UNAIDS. A total of 89 per cent of our employees in southern Africa know their HIV status, 93.5 per cent of employees diagnosed with an HIV infection are receiving sustained anti-retroviral therapy, and 91 per cent of employees receiving this treatment are successfully suppressing the virus, reducing the risk of transmission. Our successful focus on prevention means we are now celebrating 10 years of HIV positive mothers giving birth to HIV negative babies. In South Africa, more than 450 HIV positive mothers have given birth to HIV negative babies.

The effectiveness of our HIV/AIDS programme is also contributing to the fight against tuberculosis (TB). We have now cut incidences of TB in our workforce to fewer than 100 per 100,000 people in southern Africa, a region that generally reports between 500 and 800 cases per 100,000 people.

Boiler maker, Lillepus Andreas, at work on board the SS Nujoma mining vessel, Namibia.



CONFIDENCE

A close-up photograph of a diamond being inspected through a magnifying glass. The diamond is the central focus, showing its intricate facets and light reflections. The magnifying glass has a dark, octagonal frame. In the background, several other diamonds of various sizes and colors (including a reddish-orange one) are scattered on a light-colored surface, some in focus and some blurred.

WHY IS TRUST FUNDAMENTAL
TO THE VALUE OF A DIAMOND?

A diamond being inspected
at NDTC, Namibia.

The rarity, beauty and enduring value of diamonds make them fitting symbols for life's most precious moments.

Consumers need to be able to trust that the values that have brought their diamond to market reflect the values that they want to express when they wear it. Without this trust, desire for diamonds will wane. And, without consumer demand for diamonds, we have no business and, therefore, no opportunity to create value in the communities and countries where we operate. So we strive to understand and manage the potential risks across the diamond pipeline so that consumers can be confident that a diamond from De Beers Group reflects the values they seek to celebrate through their diamond jewellery purchase.

We have developed an approach to protecting and certifying the integrity of diamonds that spans not only our operations and those of our rough diamond customers, but extends across the industry to contractors engaging in diamond-related activities. We are also investing in technological innovation and systems that will help us continue to develop and maintain our professional and ethical standards to meet the expectations of consumers.

This chapter covers some of the ways we are building confidence across the diamond pipeline, including:

- our rigorous, industry-leading Best Practice Principles Assurance Programme, which sets out the mandatory environmental, social and ethical requirements that our operations, our Sightholders and Accredited Buyers, and their contractors engaged in diamond-related activities must adhere to
- our role in leading the development of Tracr™, a blockchain-based traceability platform for the industry by the industry
- our training and education facilities, which offer courses in polished diamond grading, the identification of synthetic diamonds and much more.

These, and other measures, ensure that our employees can be proud to work with our diamonds and consumers can be proud to wear them.



“Strong partnerships have always been fundamental to how we do business, helping us extend our reach and enabling us to push boundaries more effectively. This is particularly true of our collaborative approach to building transparency and consumer confidence in diamonds. Recently, for example, we have been actively involved in the reform of the Responsible Jewellery Council’s Chain of Custody and Code of Practices and of the World Diamond Council’s System of Warranties launched in November 2018.

We are board members of the Responsible Jewellery Council, World Diamond Council, Diamond Development Initiative and the Jeweler Vigilance Committee. And we have been actively involved in the Kimberley Process Certification Scheme to eliminate conflict diamonds from the legitimate diamond supply chain since its implementation in 2003.

Together with our own Best Practice Principles, these partnerships and our leadership position allow us to influence practice right across the industry. Often we are able to shape standards of external initiatives that reach organisations outside of our scope.”

Ferial Zerouki
Senior Vice-President,
International Relations
and Ethical Initiatives,
De Beers Group

BUILDING CONFIDENCE IN THE DIAMOND VALUE CHAIN

One of the most effective ways we build trust in the diamond industry is through our Best Practice Principles (BPP) Assurance Programme. This is a set of ethical standards designed to promote the highest levels of business conduct across the diamond value chain. Compliance with the BPP programme is mandatory for anyone who wants to do business with us. It is a unique programme that not only applies to our own operations, but also to our customers, as they are required to demonstrate commitment and ongoing improvement to comply with this set of robust, comprehensive and third-party audited standards in order to receive rough diamond supply from De Beers Group.

The programme now covers more than 353,000 people in the industry, including all customers of De Beers Group Diamond Trading. Compliance with the BPP programme also extends to their contractors involved in diamond-related activities, including cutting, polishing and jewellery manufacture.

WHAT THE BPP PROGRAMME MEANS IN PRACTICE

The programme sets out the standards expected of our own operations and those of our customers and their contractors across three key areas: business, social and environmental practices. For example, our requirements are designed to prevent discriminatory employment practices. This covers many aspects, including respecting women's rights in the workforce through measures such as having appropriate maternity leave policies, and ensuring workers have freedom to celebrate religious holidays. The requirements also ensure that workers are paid appropriately and in accordance with the law.

As a minimum, this means workers must have a written contract, be paid at regular intervals, and receive at least the national minimum wage. Where organisations employ trainees or apprentices, our requirements set out that there should be a meaningful training programme in place that leads to advancement and that employees receive the appropriate benefits that come with promotion.

ROBUST STANDARDS FOR SYNTHETIC DIAMOND TESTING

The BPP programme also plays an essential role in minimising the risk of undisclosed synthetic diamonds entering the value chain. For example, we have produced guidance setting out how Sightholders and Accredited Buyers should test for undisclosed synthetic diamonds in the pipeline. Recently, we have strengthened our testing requirements in this area, significantly increasing the level of testing for synthetic diamonds that we expect Sightholders and Accredited Buyers to carry out, in line with recent technological advancement in synthetic diamond detection equipment.

PROTECTING THE ENVIRONMENT

On the environmental front, the BPP programme sets out stringent requirements for our own mining operations. These cover everything from mine closure planning and community engagement to biodiversity measures. For example, our biodiversity requirements include how we should assess potential environmental impacts on land, water, air and biodiversity when planning any mining projects and implement action plans that deliver measurable biodiversity benefits proportionate to the level of any impacts.

EXTENSIVE REVIEW

We will be updating our human rights requirements for the BPP programme in 2019, to decrease social and economic inequality as well as to protect civil and political rights. Looking further ahead, we are currently conducting the necessary planning and preparation that will enable us to carry out a more extensive review of the entire BPP programme in 2021. This will tighten our standards still further.

“What makes the BPP programme so impactful is its extensive reach, the breadth of its standards, and the high regard in which it is held by the industry. Maintaining this trust means continually reviewing our requirements in response to emerging risks and changing consumer expectations.”

Purvi Shah

Senior Manager, Ethical Initiatives,
De Beers Group



Grader, Chandni Jariwala, inspects a diamond at the Institute of Diamonds, Surat, India.

INDUSTRY-LEADING TECHNOLOGY

Technology is vital in our efforts to provide enhanced assurance for consumers about the provenance and authenticity of their diamonds. We are developing and applying it in many innovative ways, from our award-winning synthetic diamond screening device SynthDetect™ to the leading role we are playing in developing a blockchain-based traceability platform for the industry.

OUR NEW DETECTION TOOL

SynthDetect, which tests multiple stones in set jewellery to make sure natural diamonds have not been swapped out for synthetic diamonds, won Industry Innovation of the Year at last year's JNA Awards, which champions best business practice in the jewellery and gemstone community. We have since launched SynthDetect XL. This uses the same revolutionary technology to screen even larger volumes of jewellery at the same time, offering customers greater efficiencies.

BOOSTING CONSUMER CONFIDENCE

Through our Industry Services business, we provide a range of services to improve transparency and trust in the diamond industry. These include grading and inscription services for our jewellery brands, Forevermark and De Beers Jewellers, plus verification and grading of loose diamonds and a jewellery testing service. We offer these services to everyone in the industry, from rough and polished manufacturers to traders, jewellery manufacturers, luxury groups, brands and retailers.

“Looking after consumer confidence means looking after everyone. Our aim is to make testing viable for everyone in the diamond supply chain.”

Charlie Oakes

Business Development and Planning Manager, De Beers Group Industry Services

OUR EDUCATION SERVICES

Education is also a growing part of our work to enhance consumer confidence in the industry. We run a wide range of industry-leading courses, such as our intensive grading course that involves each participant grading around 300 diamonds, through De Beers Group Institute of Diamonds.

Our work with retailers is designed to help them understand the journey that a diamond makes from mine to finger, and it can help sales staff convey the remarkable story of natural diamonds.

We offer our diamond education courses around the world, often at trade fairs. Most recently, we have partnered with China's National Gemstone Testing Center to make our educational services available to the country's fast-growing diamond industry.



TRACR

TRACR TRACKS FIRST DIAMOND FROM MINE TO RETAIL

The development of an industry blockchain platform is one of the ways we are using technology to enhance trust across the diamond value chain and enable consumers to buy with greater confidence.

We have successfully proved the concept of traceability and traced diamonds along the value chain using the Tracr platform. This is the first time diamonds have been digitally traced from mine to retail and marks significant progress in our journey to improve trust throughout the diamond industry. We are now working to scale up this solution to the benefit of the entire diamond industry.

NEW PARTNERS JOIN PILOT

Diamond producer Alrosa and jewellers Signet and Chow Tai Fook have all joined the pilot programme, significantly extending the reach of Tracr in global markets. Tracr is designed to be an inclusive and open platform built for the diamond industry, by the diamond industry. This will be reflected in its governance structure, which will comprise a quorum of industry stakeholders to independently govern the platform.

We will continue to develop the platform with our partners and other leading industry stakeholders before making the technology available to the wider industry.

Tracr General Manager, Jim Duffy, says: "Our aim in creating Tracr is to provide the traceability, provenance and authenticity that consumers are looking for, helping them to buy with even greater confidence."

A rough diamond being prepared for cutting at KGK Sightholders, Botswana.



We have laid the foundations for projects that will deliver positive change for the communities we operate in for generations to come.

While we celebrate the progress to date – from helping employees live fuller, healthier lives, to moving nature’s giants across countries to protect two ecosystems – we know there is more to be done.

Our passion for recovering diamonds worthy of life’s milestones also drives our Building Forever commitments. We want to make a positive and lasting impact – redefining what we mean when we say ‘A Diamond is Forever’.

And so, our journey continues...



De Beers Group's Venetia Limpopo
Nature Reserve in South Africa.

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