

DE BEERS GROUP

GUIDANCE

Provenance Claims: 'Diamonds from DTC'

Version 2024

PROVENANCE CLAIMS: 'DIAMONDS FROM DTC'

This guidance ("Guidance") is applicable for the 2024 BPP Cycle from 1 January 2024 until 31 December 2024.

This Guidance will apply to your organisation if you make at least one provenance claim about diamonds purchased from DTC and make a 'diamonds from DTC' claim on one or more stones or parcel.

DEFINITION OF A PROVENANCE CLAIM

A "provenance claim" is a documented claim, made using descriptions or symbols, that relates to gold, silver, PGM, diamonds or coloured gemstones that are offered for sale, (whether as stand-alone materials or set in jewellery).

Source - Responsible Jewellery Council

Provenance claims relate to:

- **Origin** – The geographical origin of the material, which can refer to the country, region, mine or corporate ownership of the product and/or
- **Source** – Type of source, for example recycled, mined, artisanally mined or date of production and/or
- **Practices** – Specific practices applied in the supply chain in the extraction and/or manufacture applied towards the source.

'DIAMONDS FROM DTC' PROVENANCE CLAIM GUIDANCE

Sightholders and/or Beneficiation Project Members purchasing diamonds from DTC in Gaborone, Johannesburg and/or Windhoek will have the following statements on their purchase invoices.

Entity/Source of origin	Invoice statement
DTC in Gaborone, Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
DTC in Gaborone, Botswana only	Source of Origin: These diamonds are from DTC and originated in Botswana. For more information, please visit www.dtc.com
DTC in Gaborone, Canadian only	Source of Origin: These diamonds are from DTC and originated in Canada. For more information, please visit www.dtc.com
DTC in Johannesburg Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
DTC in Johannesburg, SA only	Source of Origin: These diamonds are from DTC and originated in South Africa. For more information, please visit www.dtc.com
NDTC in Windhoek; Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
NDTC in Windhoek; Namibian only	Source of Origin: These diamonds are from NDTC and originated in Namibia. For more information, please visit www.dtc.com

If the Sightholder and/or Beneficiation Project Member wishes to pass these claims onwards, the Sightholder and/or Beneficiation Project Member must enter into and comply with the DTC Licence and, in addition, the following requirements must be met:

1. The Sightholder and/or Beneficiation Project Member must disclose the provenance claim wording they are using on the SMART System on their Group Profile page under the 'Provenance Claims' section.
2. The Sightholder and/or Beneficiation Project Member must establish a group-wide documented process and criteria that details the approach that needs to take place across every step of each diamond across the Sightholder's organisation to ensure that chain of custody is protected.
3. Each entity within the Sightholder and/or Beneficiation Project Member group that deals with a diamond or diamonds from DTC must understand its role in this chain, within the broader context of the group-wide approach. All entities handling diamonds from DTC within a Sightholder and/or Beneficiation Project Member group must have a copy of this internal chain of custody process.
4. If contractors are used in any part of the process of manufacturing diamonds, these contractors must be disclosed as substantial contractors on the SMART System and participate in the BPP Programme at the Tier B level of participation; and ensure that the Human Rights and Product Security Requirements are adhered to.
5. It is advisable that a central team should be responsible for coordinating the provenance claim, and other provenance claims if applicable, and a senior member of the organisation shall be responsible for ensuring that the criteria and requirements referred to in this Guidance are appropriately met.
6. The Sightholder and/or Beneficiation Project Member must be able to fully evidence that the chain of custody of the parcel of diamonds from DTC has not been compromised and that all potential risk possibilities for contamination or swapping/switching are reduced and are evidenced being classified as low risk. This applies to the receipt, unpacking, transport, sorting and allocation of the diamonds in an office and/or factory environment. Technology systems should be used as early as possible in the tracking of eligible diamonds or diamond parcels.
7. The Sightholder and/or Beneficiation Project Member must have a system in place to reconcile eligible diamonds as they move through the pipeline, particularly in the rough-to-polished phase and when the diamond parcel or diamond is being transported from one department/location/entity to another. The reconciliation system should apply in both internal and external locations. Technology systems should be used as early as possible in reconciling eligible diamonds or diamond parcels.
8. Risk assessments shall be undertaken on an ongoing basis as appropriate, particularly in the context of protecting against the risks of potential inadvertent or intentional mixing of diamonds.
9. Product security risks shall be continuously monitored, assessed and mitigation strategies should be appropriately adopted and adapted as required in line with the Human Rights and Product Security Requirements of the BPP Programme.
10. All relevant employees shall be provided with the appropriate training on an ongoing basis as required.
11. The Sightholder and/or Beneficiation Project Member shall ensure that an appropriate complaints and grievance mechanism is established to allow interested parties to voice their concerns or queries. This mechanism can be the same mechanism used for other provenance claims made by the Sightholder and/or Beneficiation Project Member, if applicable.
12. The Sightholder and/or Beneficiation Project Member will need to confirm that this is a provenance claim on both their Group Profile page on the SMART System and answer appropriately on all the relevant entity's BPP self-assessment workbook with respect to the Provenance Claims section.
13. SGS SA ("SGS"), a company that provides auditing and verification services to DTC will assess the Sightholder's and/or Beneficiation Project Member's systems and processes and will also assess against the robustness of their measures during the BPP verification visit.
14. Sightholders and/or Beneficiation Project Members who are RJC certified and are using a DTC provenance claim should include this claim on their RJC certificate. Please refer to the "Responsible Jewellery Council Certification" section for further guidance.

The following statements can then be made by the Sightholder and/or Beneficiation Project Member on their sales invoices for any diamonds from DTC, as appropriate, depending on the source. Please note that statements that include references to 'DTC only' or other variations are not permitted.

Entity/Source of origin	Invoice statement
DTC in Gaborone, Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
DTC in Gaborone, Botswana only	Source of Origin: These diamonds are from DTC and originated in Botswana. For more information, please visit www.dtc.com .
DTC in Gaborone, Canadian only	Source of Origin: These diamonds are from DTC and originated in Canada. For more information, please visit www.dtc.com
DTC in Johannesburg Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
DTC in Johannesburg, SA only	Source of Origin: These diamonds are from DTC and originated in South Africa. For more information, please visit www.dtc.com
NDTC in Windhoek; Aggregated	Source of Origin: These diamonds are from DTC and originated in South Africa, Botswana, Namibia and Canada. For more information, please visit www.dtc.com
NDTC in Windhoek; Namibian only	Source of Origin: These diamonds are from NDTC and originated in Namibia. For more information, please visit www.dtc.com

Please note that all other applicable statements and warranties made on invoices remain (eg the WFDB and WDC statements).

If you have supplementary documentation with the diamond, you may wish to include this statement:
"Source of Origin: DTC (visit www.dtc.com for more information)."

Any Sightholder/ Beneficiation Project Member that wishes to include individual country of origin claims alongside the DTC Provenance Claim, where this is provided directly by DTC, shall:

1. Always include the reference to DTC (corporate) provenance as well as the country provenance; and
2. Ensure there is an entirely segregated and traceable pipeline for DTC diamonds, per individual country, that is a separate pipeline to diamonds from DTC that are aggregated as well as any other non-DTC diamonds.

GUIDANCE WHERE DIAMONDS ARE SOURCED FROM DTC AND OTHER SOURCES

Mixing diamonds from other sources in addition to DTC will negate the DTC provenance claim, unless the wording of the claim, the representation on the invoice and any other related communications on provenance make sufficiently clear which goods relate to DTC and which relate to other sources, through evidence-based and accurate management systems. Misleading statements or misrepresentation of the provenance of the diamonds/ diamond parcel is not permitted in accordance with this Guidance and the BPP Requirements.

KEY CRITERIA FOR MAKING THIS PROVENANCE CLAIM

1. **Diamond eligibility:** Only diamonds purchased directly at Sight from DTC in Gaborone, DTC in Johannesburg and/or NDTC in Windhoek are eligible.
Diamonds purchased prior to 1 April 2019 are not eligible.
2. **Invoices:** invoices of parcels/boxes purchased from DTC in Gaborone, DTC in Johannesburg and/or NDTC in Windhoek need to be maintained and systems for demonstrating the parcel/invoice of origin of a polished 'Diamonds from DTC' need to be in place and withstand audit scrutiny.
3. **Team:** The implementation of this provenance claim will likely involve many different teams, and could involve people based in multiple jurisdictions. A central team should be appointed to coordinate the implementation of this provenance claim (and possibly also any other provenance claims).
4. **Record keeping:** Systems and processes need to be clearly documented and understood by relevant employees, especially with respect to chain-of-custody processes. Risk assessments should be documented and reviewed regularly. Training records, including employees trained as well as training material and content, need to be retained.
5. **Grievance mechanism:** an appropriate grievance mechanism needs to be in place for the company to respond to queries and/or concerns relating to the provenance claim by interested parties. This grievance mechanism can be the one applied for other provenance claims and needs to be appropriate to the scale, nature and impact of your business.

BPP VERIFICATION VISITS

All entities in your Sightholder and/or Beneficiation Project Member group that play any role in the chain of custody of Diamonds from DTC will need to respond as appropriate to the Provenance Claims section in the BPP Workbook.

If any of these sites are selected for an on-site verification, SGS will undertake a review against this Guidance to verify compliance with the BPP Requirements. All entities involved in the chain of custody of diamonds from DTC will need to demonstrate what their specific role is in the context of the group-wide approach, and will also need to have copies of the full group-wide approach for the SGS reviewer to review.

De Beers Group reserves the right to conduct 'bolt-on' verification of any DTC-related provenance claims made by any Sightholder entity or Beneficiation Project Member. This may be in addition to entities already selected for general BPP verification visits and would only be limited to provenance claim verification.

RESPONSIBLE JEWELLERY COUNCIL CERTIFICATION

If you are an RJC (certified) member, please remember that use of the statements referred to in this Guidance will count as a provenance claim and will need to be added as a 'bolt-on' to your RJC certification, depending on when your re-certification deadline is. As per the RJC Code of Practices Guidance, a provenance claim can be added to a certificate either during recertification or, if the need to add the provenance claim to a certificate occurs during the certification period, through an RJC bolt-on audit. Please go to the RJC website for more details on the timing.

Please note that our "Opt-In scheme" accommodates first-time certifications, recertifications and extensions to scope (to add an entity to a scope) but cannot be used for RJC bolt-on audits.

Therefore, if you are making a DTC provenance claim, the below two options are available to you:

1. If you are recertifying your RJC certification this year you can use the usual BPP Opt-In scheme and receive a BPP/RJC combined audit to verify the DTC provenance claim. The normal additional costs to be borne by the Sightholder/Beneficiation Project Member would then apply (eg any RJC-only visits, reporting time, RJC certification fees).
2. If you are within your certification period, an RJC bolt-on audit would be needed to add the DTC provenance claim to your RJC certificate, which our Opt-In scheme does not accommodate. However, if you are a PI participant:
 - 2.1 Compliant participation in the PI Programme will be deemed sufficient evidence of meeting both the general BPP Provenance Claims Requirements and those specifically relating to the Diamonds from DTC Guidance. Therefore, you can certify the DTC provenance claim via your PI audit without the need to do an RJC bolt-on audit. This means you would need to wait to receive your compliance status to be awarded once the PI audit has concluded, and to complete the relevant admin process with the RJC, in order to add the DTC provenance claim to your RJC certificate. The normal additional costs to be borne by the Sightholder/Beneficiation Project Member would then apply (eg reporting time, RJC certification fees).
 - 2.2 Alternatively, you can choose to do a separate RJC bolt-on audit to certify your DTC provenance claim (in addition to your normal PI audit), which means you would be able to add the DTC provenance claim to your RJC certificate directly at the end of the RJC bolt-on audit instead of waiting for your PI audit to conclude; however, the Sightholder/Beneficiation Project Member would need to pay for the cost of this RJC bolt-on audit.

If you are making a provenance claim which demonstrates that you can evidence the origin of goods sourced from DTC, as part of a broader provenance claim, this will continue to be applicable and verified in accordance with the RJC Code of Practices guidance and this Guidance.

MANAGING THE 2024 CYCLE

If your company wishes to use the 'Diamonds from DTC' provenance claims referred to in this Guidance, the on-site verification visit will review the documented process and approach and the plan for implementation. Major infringements will be raised for failing to have a documented process and plan for infringements or for incorrectly or inaccurately making a provenance claim without the appropriate evidence to support the claim.

The BPP Team and your Key Account Manager (KAM) are available to support on any questions you might have to ensure your compliance against these requirements.

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