



*2012 Assurance, Risk and
Compliance Supplement*

REPORT TO SOCIETY

DE BEERS
GROUP OF COMPANIES

Introduction

This supplement provides additional information on the production and content of the De Beers Group of Companies' 2012 Report to Society. De Beers is committed to reporting transparently and accurately on its financial and non-financial performance. We engage with stakeholders on a continuous basis to identify and understand their expectations of us as a business, including our approach to reporting.

This supplement describes our risk-based approach to reporting, and details the sustainability risks that we identified for prioritisation in the 2012 Report to Society. It also provides additional information on the process we undertook in 2012 to shape and inform the content of the Report to Society, and provides

assurance on the information provided in the report. This includes first party assurance on internal audit and risk management by De Beers' Manager for Internal Audit; third-party assurance on the Best Practice Principles Assurance Programme by SGS; and the third-party assurance and verification opinion of SGS UK Ltd on the 2012 Report to Society.

In their independent assurance of the Report to Society, SGS UK Ltd was of the opinion that De Beers' reporting was in line with Application level A+ of the Global Reporting Initiative (GRI) (see below). This supplement also provides a GRI Compliance Table, which we have prepared to help stakeholders quickly find the information they are seeking.

Reports referenced



2012 Report to Society



2012 Operating and Financial Review

These documents are available for download from www.debeersgroup.com.

Page number references provided in this supplement are for the 2012 Report to Society (RtS), except where noted as being for the 2012 Operating and Financial Review (OFR).

Independent Assurance Statement

SGS United Kingdom Ltd was commissioned by De Beers to conduct an independent assurance of the 2012 De Beers Report to Society.

In addition we have carried out a full evaluation of the GRI Application Level against GRI G3 (2006) and the requirements of the GRI Mining and Metals Sector supplement. This evaluation includes the contents of the Report to Society, the GRI compliance table contained in this supplement, and the 2012 Operating and Financial Review.

We are of the opinion that De Beers' reporting is in line with Application level A+.

Our full assurance statement can be found in the 2012 Report to Society, p66-67.



Feedback

We appreciate your feedback on the 2012 Report to Society or any other aspect of our sustainability performance. Please contact us at:

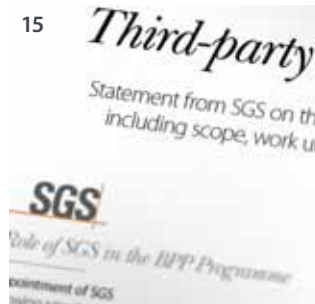
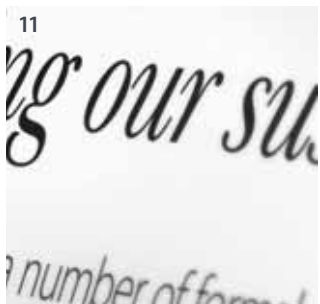
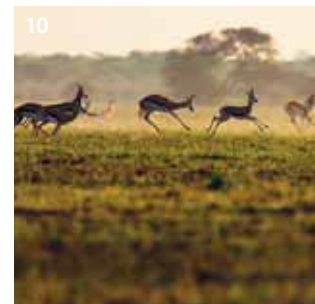
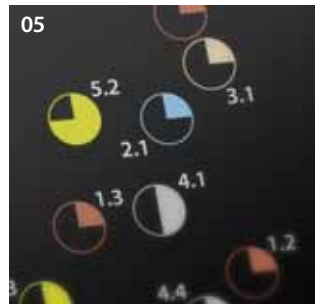
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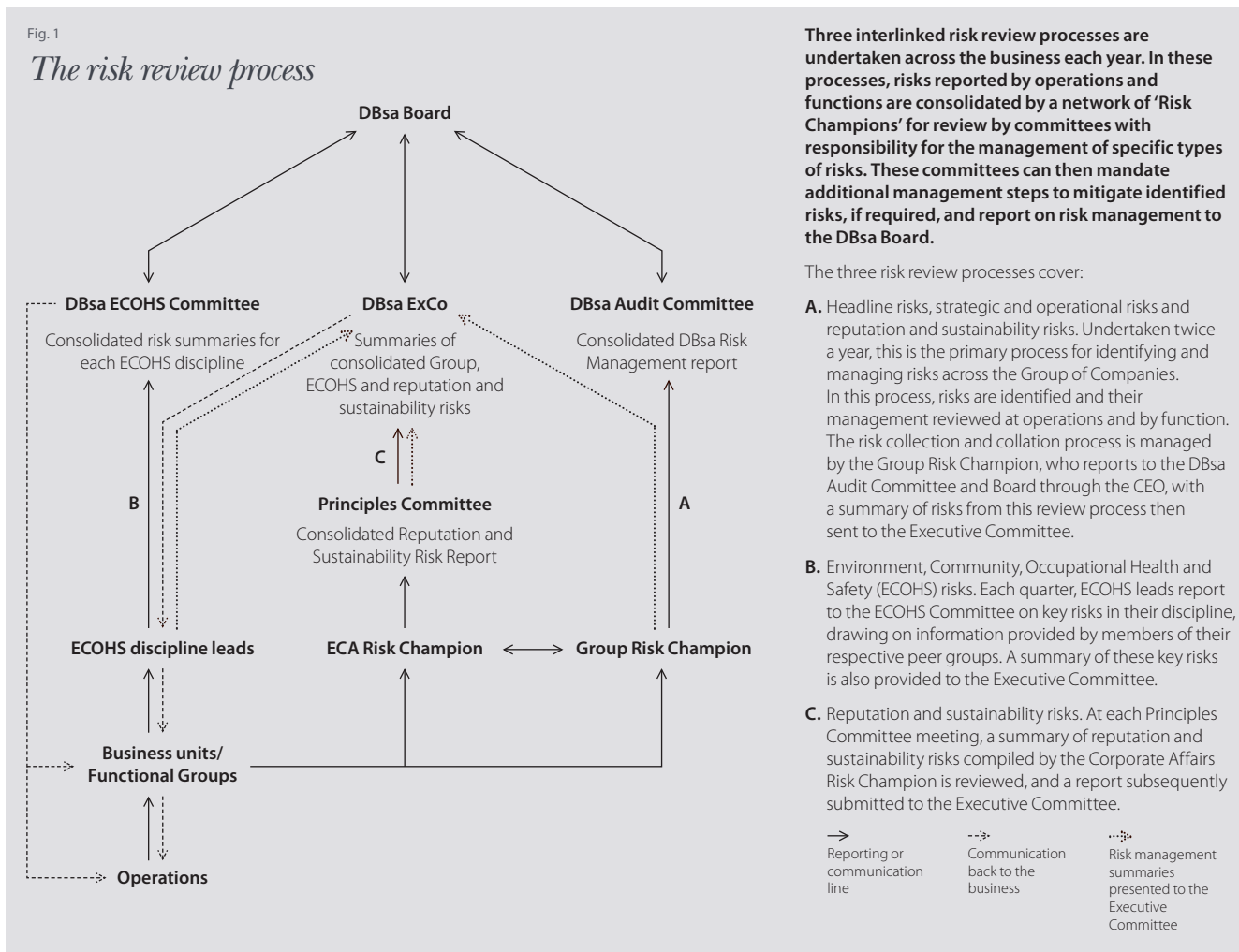
Managing our sustainability risks

We have comprehensive systems in place to manage and mitigate those risks that can adversely affect our commercial interests by undermining consumer confidence in diamonds, impacting our licence to operate, or restricting access to new resources.

Each year, three interlinked risk review processes are undertaken across the Group of Companies.

These risk management processes are built on a systematic 'bottom-up' reporting process. Individual risk reports are submitted by each of our operations, consolidated by a network of 'Risk Champions', for review by committees with responsibility for the management of specific types of risks.

These committees can then mandate additional management steps to mitigate identified risks, if required, and escalate material risks to the DBsa Board.



Our approach to reporting

Our reporting is focused on disclosing our performance on those risks that are both important to our stakeholders and have the potential to adversely affect the De Beers Group of Companies.

A risk-based approach to reporting

We use a sustainability risk matrix (see p5) to evaluate the short-, medium- and long-term risks that are most material to our stakeholders and to our business. The matrix is developed using outputs from our risk identification process and from our engagement with stakeholders.

Each year we go through a robust process to identify all of the potential risks we could report on and to prioritise those that are most material. Firstly, we compare risks identified through our ongoing internal risk management processes with those reported externally the previous year, and consult with risk owners across the business on the location and definition of risks on our sustainability risk matrix.

Following this, we engage with external stakeholders via our annual Multi-Stakeholder Forum (see p11) to check that our assessment fits with stakeholder concerns and expectations. Based on this feedback, we modify the matrix as necessary.

We also complete an annual Managers' Perception Survey to gather internal feedback on our approach, and the Report to Society. The 2012 Assurance, Risk and Compliance Supplement gives details on the specific feedback gained from these two engagement processes.

Material risks in 2012

Each of the chapters within the 2012 Report to Society includes an individual sustainability risk matrix. The purpose of the matrix is to articulate the short-, medium-, and longer-term risks most material to the reputation and sustainability of the business (Fig. 2). Business risk includes both the likelihood of a risk manifesting itself and the potential impact that it would have on our business (i.e. direct risk). Stakeholder materiality is based on the degree to which stakeholders consider an issue relevant and material, and the ability of those stakeholders to have an impact on our business (i.e. indirect risk).

In 2012, we identified a total of 29 sustainability risks and these are shown in the sustainability risk matrix on the following page. We have prioritised 22 of these risks across all five sustainability areas to cover in the 2012 Report to Society.

Key changes from the risk matrix presented in 2011 include removal of the 'Managing organisational change' risk, which originally reflected the impact of the global financial crisis. Aspects of this risk that are still relevant are now included within the 'Attracting and retaining talent' risk. For 2012, we have prioritised two risks previously only highlighted in the risk matrix; 'Diversity and inclusion' and 'Respect for protected areas, key biodiversity areas or World Heritage sites'. Full descriptions of our sustainability risks are provided in the following pages.

An award-winning report

Our 2011 Report to Society again won Best Overall Sustainability Report and Best Extractive Sector Report in the ACCA South Africa Sustainability Reporting Awards. This is the third year running that our Report to Society has won these two awards.

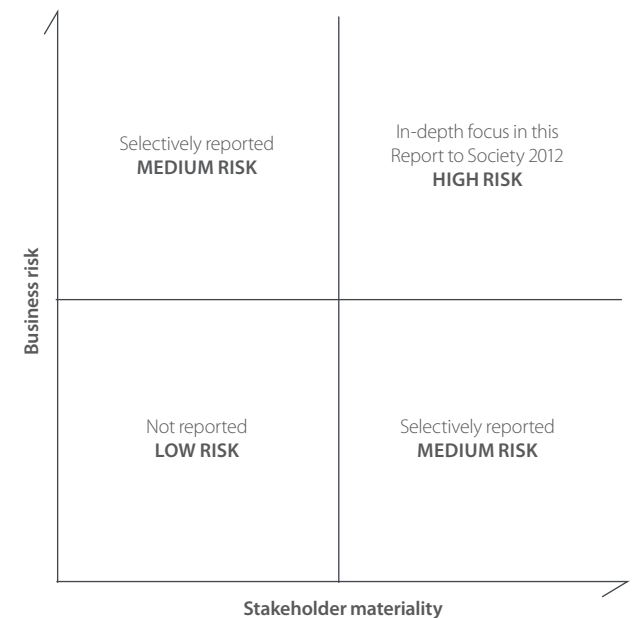
Internal and External Assurance

The 2012 Report to Society, and the data presented within it, is assured by internal and external parties. De Beers Internal Audit provides assurance on selected material issues including internal auditing, the Best Practice Principles, the Kimberley Process, anti-money laundering and integrated reporting. Principles Committee provides oversight of the report as a whole, and Audit Committee provides oversight of our approach to integrated reporting, as recommended by the South Africa King III Report – an international benchmark on Corporate Governance.

For the third year, our external assurer, Société Générale de Surveillance (SGS), has verified our Report to Society. Their assurance statement for this report can be found on pages 15–16 of this supplement.

Fig. 2

Our risk matrix approach to reporting

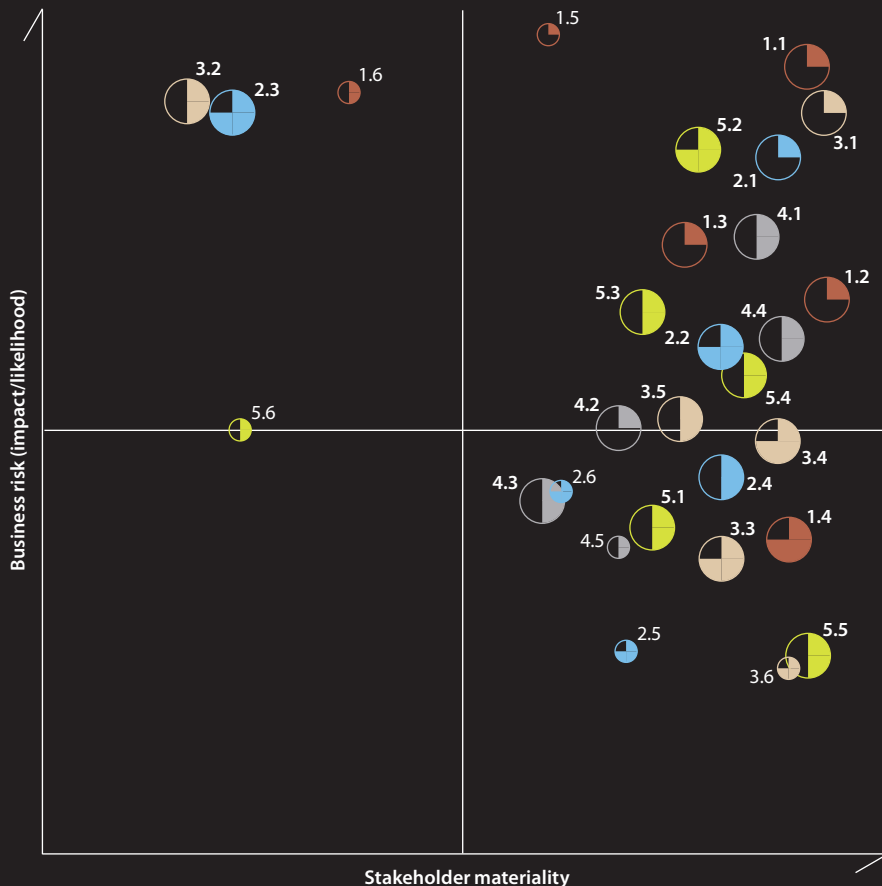


Sustainability risk matrix

The matrix below sets out the sustainability risks identified over the course of 2012. We classify these based on the risk they pose to our business and the degree to which they are material to stakeholders. The risks in bold are reported in this Report to Society.

All risks identified on the matrix have perennial aspects. The duration, or 'term', refers to the time-frame within which a specific aspect of a risk is expected to manifest or impact the business. For example, uncertainty in the global economy is a short-term aspect of the risk of not 'Delivering value to producers'.

● Risks explored in Report to Society 2012 ● Risks identified but not reported



Economics

- 1.1 Delivering value to producers
- 1.2 Governance and revenue transparency
- 1.3 Success of beneficiation
- 1.4 Driving local growth, diversification and capacity building
- 1.5 Driving and maintaining demand
- 1.6 Access to new reserves and sustainable relationships in new territories

Ethics

- 2.1 **Kimberley Process and System of Warranties credibility**
- 2.2 **Anti-corruption**
- 2.3 **Illicit trade and diamond security**
- 2.4 **Maintaining pipeline and sector standards**
- 2.5 Legal compliance, e.g. competition law
- 2.6 Human rights

Employees

- 3.1 Safety performance
- 3.2 Attracting and retaining talent
- 3.3 Occupational health and wellbeing
- 3.4 HIV and tuberculosis
- 3.5 Diversity and inclusion
- 3.6 Compliance with international labour standards

Communities

- 4.1 Effective community relations
- 4.2 Socio-economic benefit
- 4.3 Resettlement
- 4.4 Social impact of closures and transfer of assets
- 4.5 Managing land claims

Environment

- 5.1 **Maintaining environmental standards**
- 5.2 **Water and energy security in a changing climate**
- 5.3 **Lifecycle planning**
- 5.4 **Promotion and maintenance of biodiversity and ecosystems**
- 5.5 **Respect for protected areas, key biodiversity areas or World Heritage Sites**
- 5.6 Management of waste and pollution prevention

● Short term (0-3 years)

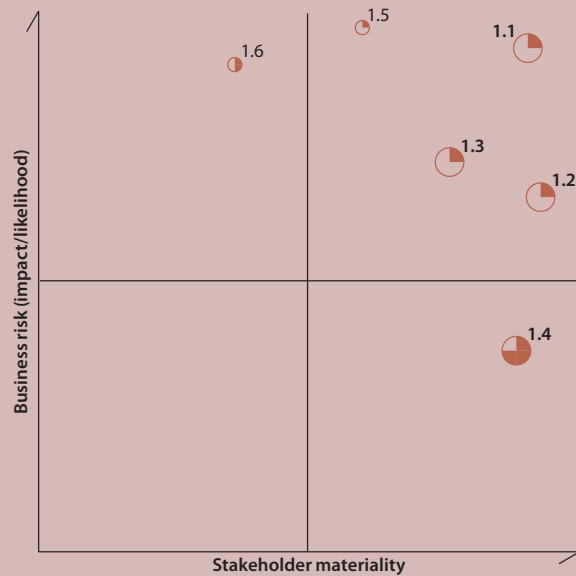
● Medium term (3-10 years)

● Long term (10+ years, or perennial risk)

Economics


Diamonds have contributed significantly to development in producer countries, but as a finite resource the success of diamond mining is ultimately measured by its ability to catalyse sustainable economic and social development that endures beyond the life of a mine.

Economics Risks



KEY:

- Long term ● Medium term ● Short term
- Risks explored in Report to Society 2012 ● Risks

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1.1 Delivering value to producers

Diamonds generate revenue for our producer partners for the life of our mining activities. Used productively, these revenues are a catalyst for sustainable development and longer-term economic value creation. Ongoing economic uncertainty in global markets highlights the need for resources to be managed prudently. In producer countries the clear communication of De Beers' role in creating long-term value from diamond revenues is essential to maintaining our reputation and licence to operate.

1.2 Governance and revenue transparency

Strong governance and transparency underpin the reputation of diamonds, and ensure that diamonds help to drive local development. Weak governance systems undermine the maximisation of diamond resources and the equitable distribution of diamond revenues. The significant role De Beers plays in host country economies means transparency is vital.

1.3 Success of beneficiation

Ongoing economic uncertainty can significantly impact on the success of downstream diamond sorting, cutting and polishing, local procurement and enterprise development schemes in producer countries.

1.4 Driving local growth, diversification and capacity building

Operations that are not managed to maximise their contribution to local growth and capacity building undermine the company's licence to operate and the diversification of the economy that will ensure long-term economic stability and viable post-mining futures.

1.5 Driving and maintaining demand

As a leading participant in the diamond sector, the Group of Companies seeks to maintain consumer confidence and drive demand for diamonds in key markets around the world. This means ensuring that consumers will continue to associate our diamonds with the highest standards of quality and integrity.

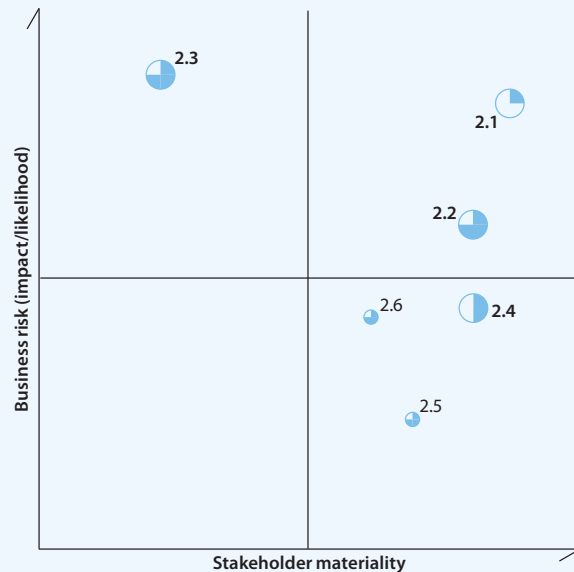
1.6 Access to new reserves and sustainable relationships in new territories

With no new major diamond discoveries in over a decade outside of Zimbabwe, and global demand predicted to outstrip supply, access to new reserves is crucial to the sustainability of the business. Likewise, our ability to build sustainable relationships with future business partners is critical to our security of supply.


Ethics

The ethical integrity of diamonds underpins their financial and emotional value, what we call ‘diamond equity’. We are fully committed to maintaining diamond equity as it protects our reputation, our businesses and the long-term value that diamonds can deliver for development.

Ethics Risks



KEY:
 ● Long term ● Medium term ● Short term
 ● Risks explored in Report to Society 2012 ● Risks

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2.1 Kimberley Process and System of Warranties credibility

Threats to the credibility of the Kimberley Process – a certification scheme to eliminate conflict diamonds from the legitimate diamond supply chain – present a risk to the reputation and sustainability of the industry by calling into question the assurances provided to consumers, governments and regulators in key markets that diamonds are from conflict-free sources.

2.2 Anti-corruption

Corruption poses serious legal, commercial and reputational risks to our business, while the corrosive social, political and economic effects of corruption pose a potential threat to the sustainable development and enduring stability of the environments in which we operate.

2.3 Illicit trade and diamond security

Global illicit trade by criminal networks affects many luxury goods categories, undermining legitimate business, trade and undermining social development. In the diamond industry this is represented by theft from mining, sorting, valuation and sales operations and laundering of stolen goods through established trading and processing facilities.

Product theft at our operations is a multi-faceted risk. The involvement of criminal syndicates exposes our employees to coercion and facilitates the entry of diamonds into the illicit economy, including for potential use in money-laundering activities. Beyond its impact on our reputation and diamond equity more broadly, product theft impairs our financial performance, so reducing the revenues available to our producer governments to maximise the resource for sustainable development.

2.4 Maintaining pipeline and sector standards

Unethical, illegal or harmful practices in the diamond pipeline have the potential to undermine the distinct allure of diamonds. However, the consolidation of ethical codes of conduct across the jewellery industry presents both a risk and opportunity for the company. De Beers, our joint venture partners, contractors and Sightholders subscribe to the Best Practice Principles Assurance Programme (BPPs) – a mandatory code of ethical business conduct – and a foundational element in the pipeline integrity promise of Forevermark, De Beers’ proprietary diamond brand.

2.5 Legal compliance, e.g. competition law

De Beers is committed to ensuring compliance with competition and anti-trust laws and regulations in all of the jurisdictions in which we operate. We maintain a ‘zero-tolerance’ stance towards any non-compliance.

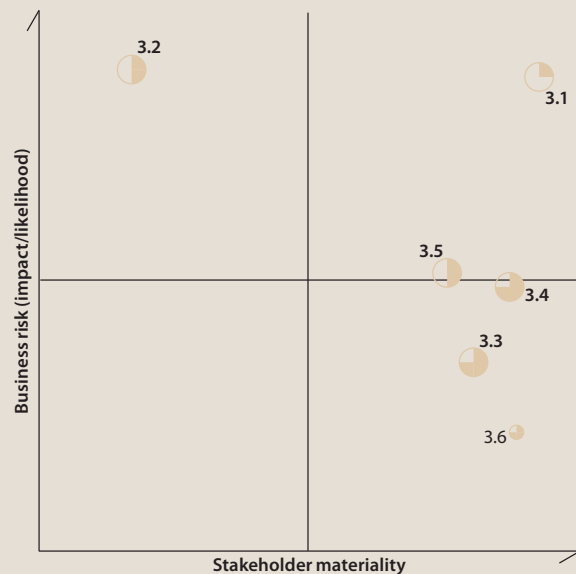
2.6 Human rights

Human rights violations associated with the diamond sector have the potential to undermine consumer confidence in diamonds. De Beers takes its responsibility to respect human rights seriously. Our commitment to respect the human rights of both those in the diamond industry and those affected by it is embodied in a range of policies, processes, and multi-stakeholder initiatives spanning conflict diamonds, ethical business conduct, and resource revenue transparency.

Employees

The ongoing success of our business depends on the talent and passion of our people. We aim to create a working culture where all employees are engaged and supported to take a shared responsibility for the delivery of our business goals.

Employees Risks



KEY:

- Long term ● Medium term ● Short term
- Risks explored in Report to Society 2012 ● Risks

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In 2011, 'Managing organisational change' was reported as a separate risk. Following this year's risk review, it was decided that these issues should be included in the 'Attracting and retaining talent' risk for 2012, and have been reported as such.

3.1 Safety performance

The safety of our employees and contractors remains one of our top priorities. The effective management of hazards protects our people from harm, and ensures our business complies with regulatory and legal standards.

3.2 Attracting and retaining talent

Our ability to remain agile and responsive to changing market conditions is dependent on our ability to attract and retain talent in an increasingly competitive global employment market. Retaining and supporting the development of all our employees is core to delivering on our goals as a business, and those of our producer partner countries. Organisational changes and business developments, such as the integration of De Beers Group into the Anglo American plc group, and the relocation of Sightholder Sales to Botswana, present specific risks and opportunities, in attracting and retaining talent.

3.3 Occupational health and wellbeing

The health of employees has wide-ranging impact both inside and outside the workplace. Occupational diseases reflect past, not current, workplace exposures to health hazards, and may manifest long after employment has ended. Protecting employees from health hazards and maximising their physical and mental wellbeing are the cornerstones of our occupational health focus.

3.4 HIV and tuberculosis

The majority of our employees live in countries classified as hyper-endemic for HIV. Our goal is for all employees to know both their HIV status, and that of other associated health risks, such as tuberculosis. The prevention and management of both conditions are our priorities, for the wellbeing of our employees and their families, the continuity of our business and continued national development.

3.5 Diversity and inclusion

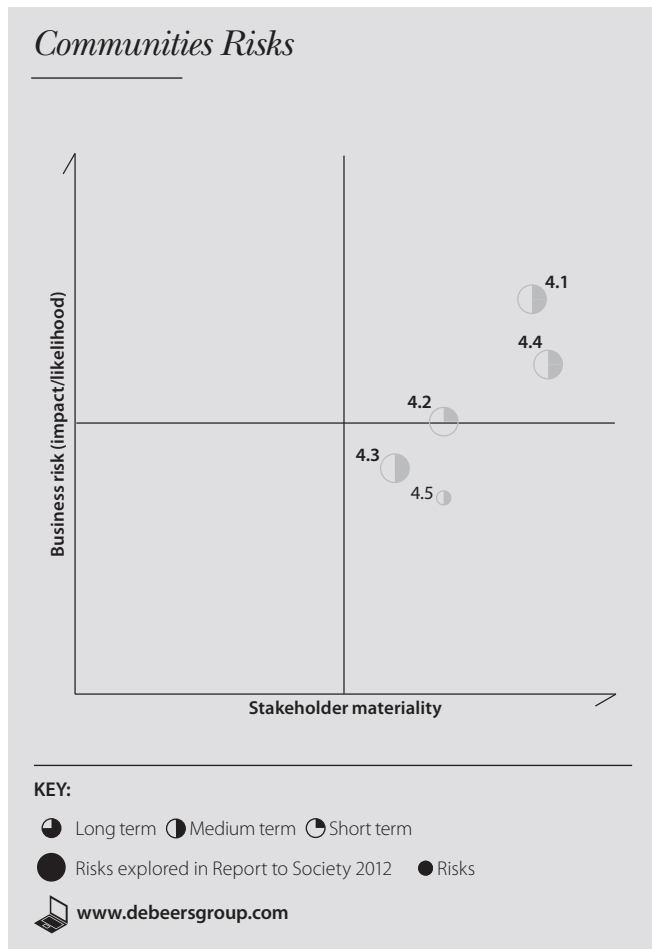
We are committed, and in some jurisdictions required, to ensure our workforce is reflective of the diverse societies in which we operate. Our continued support of government efforts in southern Africa for the provision of opportunities to previously disadvantaged groups strengthens our workforce and the communities in which we operate.

3.6 Compliance with international labour standards

Ensuring a safe, respectful and fair workplace is a priority across all business units. We aim to meet or exceed all relevant global labour standards in addition to respecting the right of employees to associate freely and bargain collectively. Compliance serves as a foundation for employee engagement, and to protect diamond equity.

Communities

Investment in the future of communities beyond the life of our operations is core to receiving our social licence to operate. We strive to create both economic and social capital through all of our activities and programmes.



4.1 Effective community relations

Constructive, frank and stable relationships with local communities and other interested parties are key to maximising the potential local, social and economic benefits of our operations and reducing the risk of operational disruption or reputational damage as a result of conflict with a community. Stable relationships with local communities also underwrite our efforts to generate lasting socio-economic benefits at a local level and to maintain our social licence to operate.

4.2 Socio-economic benefit

Sustainable social investment can help to create a diversified local post-mining economy. Ensuring that this investment benefits the community beyond the life of our operations and is in line with broader regional and national development goals maintains our social licence to operate, supports a positive legacy from mining, and protects against future risks to reputation.

4.3 Resettlement

The resettlement of communities without adequate consultation, conducted on the principles of informed consent and mutual respect, can create unresolvable tensions and reduce the eligibility of the project to secure finance from Equator Principles signatory banks.

4.4 Social impact of closures and transfer of assets

Mine closure and the transfer of assets such as hospitals or company settlements to public administration have multiple socio-economic impacts and risks. The effective management and mitigation of these depends to a large extent on a mining operation's ability to create consistent local value over the life of the mine and to adapt to changing economic conditions. The responsible transfer of assets is an important step in the development of a sustainable post-mining economy.

4.5 Managing land claims

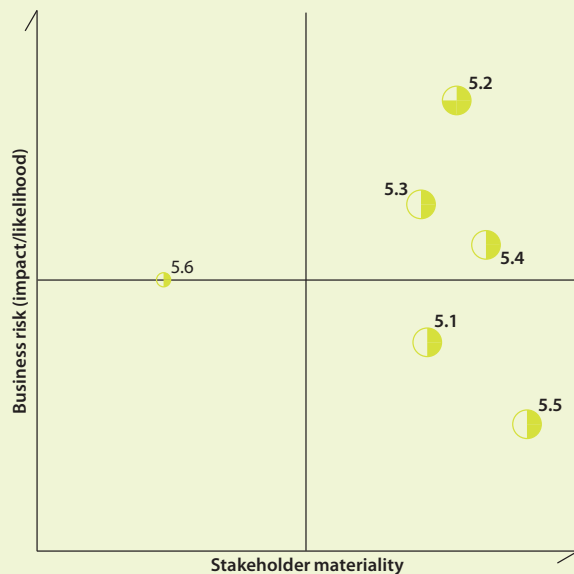
We are committed to ensuring that the legal rights of all

mining-affected communities are upheld at all times, in order to meet international best practice and to minimise our legal and operational exposure. A number of communities in South Africa have made formal land claims to areas in which we operate under the Restitution of Lands Act. Our Community Policy recognises that peoples' interests in land and property may derive from traditional and spiritual association in addition to legal title.

Environment


The sustainable management of the natural environment is vital to the future prosperity of the countries in which we operate. We are committed to proactively managing our impacts on this shared resource.

Environment Risks



KEY:

- Long term ● Medium term ● Short term
- Risks explored in Report to Society 2012 ● Risks

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5.1 Maintaining environmental standards

We are committed to aligning our environmental policies, systems, programmes, resourcing and training approach to those of the world's leading mining companies. This requires long-term commitment and sustained effort.

5.2 Water and energy security in a changing climate

Our mines in Africa are mostly located in water-stressed environments. In southern Africa, shifting rainfall patterns with climate change are expected to present a challenge to water access for our operations and local communities, presenting both operational risks and potentially undermining our social licence to operate. Energy security also presents a challenge. Our mines in Canada are in water abundant areas and pristine natural environments; environments that require particular management approaches, and will be affected differently by climate change. The trade-off between water and energy efficiency, and the associated carbon-footprint, applies in all our operations and projects.

5.3 Lifecycle planning

There are environmental risks associated with all stages of the mining lifecycle. We seek to first avoid, then minimise and finally mitigate the impacts of our activities when planning, designing and carrying out exploration, mining and related activities. We seek to integrate all aspects of closure and associated liabilities into our lifecycle planning processes. This is motivated both by local regulation and our goal to achieve operations and closure to the highest environmental standards.

5.4 Promotion and maintenance of biodiversity and ecosystems

Many of our operations are in sensitive or biologically diverse environments. Managing biodiversity is rarely straightforward and requires that we take a sophisticated, ecosystems-based approach.

5.5 Respect for protected areas, key biodiversity areas or World Heritage Sites

We respect legally designated Protected Areas and World Heritage Sites. We aim to minimise the disturbance of ecosystems through responsible planning and biodiversity stewardship – from exploration through to the post-mining phase – in order to mitigate current and future risks from environmental impacts, litigation and reputational damage.

5.6 Management of waste and pollution prevention

While diamond mining itself does not require the use of hazardous substances as it is mostly a physical process, we are focused on ensuring that all operations and facilities manage effluents, wastes, emissions and hazardous substances to prevent pollution.

Improving our sustainability performance

We engage with stakeholders in a number of formal processes to inform our approach to sustainability reporting.

Engagement on reporting

We engage with stakeholders on our sustainability performance management at a Group level in two formal processes on an annual basis. The insight, recommendations and constructive criticism we receive through the Managers' Perception Survey and the Multi-Stakeholder Forum, shape our sustainability management strategy and practice. In 2012, findings from the two processes particularly informed our approach to reporting (see Table 1, p12), and were used to identify and prioritise issues of concern to stakeholders (see both tables, p12).

Multi-Stakeholder Forum, 2012

We held our fifth Multi-Stakeholder Forum in December 2012, inviting external experts to critique our sustainability reporting and approach, and engage with senior management. Discussions focused on topics such as engaging with unions and employees, use of water and natural resources, governance and transparency, and De Beers' role as an agent for community development in Africa. As with our previous reports, participants in the forum (see box right) presented a series of questions regarding relevant and material issues instead of a formal assurance statement.

Our answers to some of these questions are presented throughout the 2012 Report to Society in the boxes marked as 'Stakeholder questions'.

The Forum was facilitated by Salterbaxter, and attended by senior De Beers' management including the Executive Director of Human Resources, Head of Corporate Affairs, Head of Public Affairs, Head of Government and Industry Relations, Head of Social Performance, and Group Environmental Principal.

Managers' Perception Survey, 2012

Each year we implement a Managers' Perception Survey to learn more about how employees use our Report to Society and whether it covers the appropriate issues. Our 2012 survey was sent to over 100 employees, including those who contributed to the 2011 Report to Society, and all senior leaders across the Group of Companies.

Diamond Dialogues

De Beers has convened an ongoing series of 'Diamond Dialogues' since 2007, drawing together industry, civil society and policy actors to discuss key sustainability issues relevant to mining, development and Africa. Fourteen dialogues have been held to date in Brussels, London, and Washington. In 2012, one dialogue was held in London focused on natural resources management and national development. Issues of concern raised by stakeholders in this session also informed the material issues reported in the 2012 Report to Society that this Supplement accompanies (see Table 2, p12).

Participants in the 2012 Multi-Stakeholder Forum included representatives from:

Government

- UK Government's Foreign and Commonwealth Office

NGO sector

- CDP Water Disclosure
- Christian Aid
- WaterAid
- Transparency International

Sustainability service providers

- PricewaterhouseCoopers
- Lifeworth Consulting Services
- SGS UK

Academia

- Middlesex University

Table 1

Stakeholder feedback on our reporting approach, 2012

	Managers' Perception Survey	Multi-Stakeholder Forum
Aspects of the Report considered most useful/favourable		
Performance reporting	Presentation of performance data for reference; good coverage of all key topics and material issues.	Breadth and detail of information provided. Information on revenue and transparency.
Management approach	Information on management practices, policies, and position.	Clarity and detail on approach, frank tone. Clarity on business case for action on each issue.
Compliance and assurance	Adherence to global best practice standards, and third party assurance.	Independent third-party assurance by SGS.
Design and layout	A shorter printed Review and 'Issue Briefs'.	Engaging, easy to read.
Reporting recommendations		
Tone		Focus on opportunities as well as risks; future looking – discuss horizon scanning.
Content	Refresher information on philanthropic activities. Tailored content for different audiences.	Bring out "diamonds for development" story more strongly. Clarify risk identification process, and definition of duration of risks. Provide more context for the data within the report.
Format and distribution	Provide short 8/10 page summary report, outlining key highlights of each chapter. Develop online portal further to provide easy access to specific sets of information collected by the user.	Employ the advantages of technology to provide detailed information, and illustrate visually, the correlation of risks/opportunities.
Performance reporting	Consider online data management portal.	Set and communicate performance targets and Key Performance Indicators.
Management approach		Provide information on the overall sustainability strategy and vision. Show the linkages between management of sustainability issues (i.e. water as a social and environmental issue).

Key

MSF: Multi-Stakeholder Forum
MPS: Managers' Perception Survey
DD: Diamond Dialogue

Table 2

Relevant and material issues identified through formal, Group-level engagement with stakeholders, 2012

	MPS	DD	MSF	Page in Report
Economics				
The role of De Beers in contributing to social and economic development, specifically in southern Africa.		✓	✓	17-23
Natural resources management and national development.		✓	✓	20-21
Political lobbying and the use of political leverage for diamond revenue transparency/EITI support.			✓	21
Ethics				
Corruption risk measurement and management.		✓	✓	30-31
Human rights management.			✓	48
Conflict diamonds and the Kimberley Process.			✓	28-29
Employees				
Safety.			✓	38-39
Engaging with employees.	✓		✓	40-41
Communities				
Community engagement strategy and performance.			✓	48-53
Closure planning and management in relation to communities.			✓	53
Environment				
Environmental rehabilitation activities and monitoring of the environmental impacts of seabed mining.				62
Water use and climate change policy.		✓		60-61
No net loss to biodiversity.				62-63

First-party assurance on internal audit and risk management

Statement from De Beers Internal Audit on selected material issues including internal auditing, the Best Practice Principles, the Kimberley Process, anti-money laundering and integrated reporting.

Internal Audit statement

De Beers Internal Audit (DBIA) is an independent, objective assurance and consulting activity designed to add value and improve the operations of the De Beers Group of Companies. DBIA has been mandated by the Board Audit Committee, a sub-committee of the Board of De Beers Société Anonyme (DBsa), to ensure that the major risks facing the Group of Companies are identified and given appropriate audit focus. Risk management, internal control and governance processes are systematically reviewed to assist the Group of Companies accomplish its objectives. DBIA submits an annual report to the Board Audit Committee on the status of governance, internal control and the appropriateness of risk management.

All DBIA reviews are performed in accordance with the International Standards for the Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors (IIA). Our Quality Assurance and Improvement Programme (introduced in accordance with IIA Standard 1300) found DBIA to be 'generally compliant' with the IIA Standards, the highest rating on the degree of conformity scale.

Risk-based internal auditing

DBIA follows a prescriptive, documented risk-based audit methodology that culminates in its annual report on risk management, the internal control environment and governance to the Audit Committee. The audit plan is derived from the De Beers Enterprise Risk Management system. The Group Risk Champion consults on and assists with the facilitating risk management workshops at all levels to ensure a complete and appropriate risk management system. The risk management process collates information from value centres and offices globally to business units and ultimately to enterprise level.

Audit work includes a thorough review of internal systems, procedures and programmes of work for each business function and area of major business risk. DBIA also collates reports from managers on the integrity of internal controls, the safeguarding of assets and risk management, as well as ethical, social and environmental matters. It also considers reports produced by external assurance providers.

The DBIA annual report to the DBsa Audit Committee, which was submitted in February 2013, included the following opinion: "I can confirm that in my opinion the internal controls are adequate to ensure that the financial records may be relied on for preparing the reports to directors and shareholders, and for maintaining accountability for assets and liabilities. In my opinion, in all material instances, assets are adequately protected and used as intended with appropriate authorisation and all significant business risks have been identified and appropriate mitigating strategies are in place.

No matters have come to my attention during the year ended 31 December 2012 that indicate any breakdown of such magnitude has occurred in the functioning of these internal controls, procedures and system of the Group, which in my opinion, would affect the fairness of presentation of such reporting, and therefore financial decisions based thereon."

Kimberley Process Compliance

The Kimberley Process is a joint government, diamond industry and civil society initiative that requires participants to certify diamond shipments are conflict free. Compliance with the Kimberley Process is a legal requirement for participating countries. A review of the fact-finding reports, issued by independent auditors, confirms that relevant business units comply with the requirements for De Beers to have its compliance with the Kimberley Process externally assessed.

These reviews sought to assess De Beers' compliance with respect to the Kimberley Process Certification Scheme (KPCS) on the international trade in rough diamonds, in accordance with European Council Regulation (EC) No 1574/2005. The assessments related to the period commencing 1 January 2012 and ending 31 December 2012. The major Kimberley Process compliance criteria are also reviewed as part of the third-party verified BPP Assurance Programme. No material breaches or non-compliance with the Kimberley Process were identified in the 2012 BPP assurance cycle.

Implementation of the Anti-Money Laundering Policy

In 2006, De Beers developed and communicated a policy on Anti-Money Laundering and Combating the Financing of Terrorism. The policy reflects the deep-seated commitment of the Group of Companies to maintaining the continued confidence of its stakeholders and the integrity of its product. DBIA's 2012 review of the implementation and progress of the policy highlighted that all business units and applicable group functions have implemented the policy.

Integrated reporting

In November 2010, the DBsa Audit Committee updated its Terms of Reference to include a role for the Audit Committee in providing oversight of integrated reporting by DBsa. This was in response to the King Code of Governance for South Africa, otherwise known as the King III Report. This reflects a broader drive for the integrated reporting of financial and non-financial performance, to embed sustainability considerations into commercial practice, including commissioning third-party assurance.



Brian Cleak
Group Manager: Internal Audit
De Beers Corporate Headquarters
Johannesburg, South Africa, 22 April 2013

Independent Assurance of the Report to Society 2012

We commissioned SGS United Kingdom Ltd (SGS) to conduct an independent assurance of the 2012 Report to Society. SGS evaluated the content of the report according to the Global Reporting Initiative principles provided in the GRI G3 (2006) and AA1000AS (2008). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the text, and 2012 data in accompanying tables, contained in the Report to Society.

The full assurance statement is provided on p66-67 of the 2012 Report to Society, available for download from www.debeersgroup.com/sustainability. In their statement, SGS provide the following verification/assurance opinion:

“On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within the 2012 Report to Society verified is accurate, reliable and provides a fair and balanced representation of De Beers’ sustainability activities in 2012.”

The assurance team is of the opinion that the 2012 Report to Society can be used by the reporting organisation’s stakeholders. We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.”

Third-party assurance on the BPP Assurance Programme

Statement from SGS on the De Beers Group 2012 cycle of the De Beers Best Practice Principles Assurance Programme (BPPs), including scope, work undertaken, the BPP programme, verification methodology, key findings and recommendations.



Role of SGS in the BPP Programme

Appointment of SGS

Following a tender process beginning in April 2003, SGS was invited to present their proposal and following responses to additional information were advised of their selection as the verification partner in July 2003.

SGS is the world's leading independent verification and certification organisation and has no commercial interests. SGS continues to maintain a vigilant system to ensure that conflicts of interest do not arise through the provision of additional services to Sightholders or the De Beers Family. This has been supplemented by further safeguards since SGS gained accreditation as a Certification Body for the Responsible Jewellery Council who also has interests in this regard.

Scope of work and evolution of programme

For the 2012 cycle, the effective dates were moved to 01 April 2012 to 31 March 2013 in order to match the Supplier of Choice cycles. The BPP programme was fully aligned with the Responsible Jewellery Council (RJC) Principles and Code of Practice in 2011, maintaining the BPP requirements where these were already at a higher level and this has continued to be the baseline for the programme.

This year, De Beers decided to opt in to the Responsible Jewellery Council Code of Practice. The on-site verification visits were undertaken at arm's length by a separate team within SGS in order to meet the no conflict of interests requirement of the RJC, with the results uploaded to the SMART system and used in evaluating performance against BPPs.

Sightholders were again given the opportunity of integrating RJC certification visits into their BPP programme in order to provide an efficient approach and to leverage the areas of commonality, while those who were certified in 2011 were able to upload this certification to the system and respond to a limited number of questions for the first party assessments, while the third-party verification visits continued to assess compliance on a broader level.

The scope of work undertaken by SGS as the BPP verifier for the 2012 cycle comprised the following:

- Desktop review of a sample of the workbooks submitted by Sightholders for their owned operations and contractor (Tier B) sites and by the De Beers Group of Companies. This process verifies that all required workbooks have been submitted; that all questions have been answered; that the responses to the questions support the compliance status declared in each case and to test the conclusions by requesting supporting evidence on a random number of questions.
- Verification visits on up to 10% of the declared facilities to check that the original first party assessments have been undertaken thoroughly both by discussing this with the assessor and by seeking first-hand evidence of compliance with the issues concerned.
- Visit to a non-substantial contractor who qualified by virtue of the fact that they work for a number of Sightholders.
- Provision of information relating to the compliance status of Sightholders' and De Beers' facilities and details of any significant issues. This information is provided in accordance with the confidentiality requirements imposed by the Supplier of Choice Ombudsman.
- Ongoing support in explaining local legislative requirements and improving the BPP processes.

Work undertaken on De Beers Group facilities

69 workbooks were submitted across all eligible De Beers facilities including 7 for contractors.

23 reviews were conducted and completed during the cycle. 6 verification visits were also completed as part of the RJC certification and the results from these were incorporated into the BPP results on the SMART system.

The BPP programme

The evaluation points of the Best Practice Principles have been fully aligned to the RJC Principles and Code while the ratings continue to take a more flexible approach, taking account of the common practices and endemic issues in the industry and countries covered. This is in line with the wider body of programmes covering business partner evaluation.

For the De Beers Group, the requirement for the submission of self-evaluations was completed to the agreed deadlines. These have been rated according to the RJC certification requirements and are being actively followed up. This has included working with their contractors to ensure that they also meet the BPP requirements.

Verification methodology

The verification process is undertaken in 3 stages:

- In the country of operation, workbooks are reviewed by a qualified auditor. For Sightholders this is a Social Auditor, cross-trained in Environmental Management and briefed on the requirements of the Best Practice Principles. For De Beers this is an RJC accredited auditor.
- Local reviews are then submitted to a central review point where these are crosschecked to ensure consistency by country and key points.

- An average sample of 10% of facilities is selected centrally for onsite verification to check the effectiveness of the 1st party assessments and to evaluate at first hand the situation on the ground. For the De Beers Group these visits were undertaken by RJC accredited auditors who had not previously been involved in the BPP programme in order to satisfy the independence requirements set by the RJC.

Key findings

Workbooks were all received within the required timescales and the reviews were undertaken by the SGS team that looks after the BPP programme.

The facilities to visit were selected by the team managing the RJC certification based on a risk assessment approach as required for that programme and the visits were conducted in accordance with that programme.

The majority of infringements in the De Beers facilities found in the course of previous cycles have been rectified with evidence of implementation verified either on site or through the workbooks. However, a small number of issues from previous cycles remain open and discussions are continuing to ensure the evidence is uploaded as required.

In the 2012 cycle, no Major Infringements were identified which allowed a 3-year certification recommendation to be made to the RJC. Some Minor Infringements were noted and corrective actions have been submitted for these.

Overall summary

Policies and procedures are now generally embedded into normal operations for De Beers' facilities and there is a commitment to continuing to meet and exceed both the BPP and RJC requirements.

No Material Breaches or Major Infringements were identified during first or third party assessments and the De Beers Group achieved full 3-year certification to the RJC Code of Practice. The few Minor Infringements raised are being tackled and communication is ongoing to obtain evidence of corrective actions.

Recommendations for future development

A general recommendation has been made to improve the level of detail in the first party assessments and this will be a focus area for 2013.

Sightholders who are certified to the RJC will be able to present this as part of their evidence of compliance to the BPPs which will reduce the scope of the first party assessments required. Those who are members of the Responsible Jewellery Council but have not yet undergone certification will continue to have the opportunity to undergo a combined BPP/RJC verification with the possibility of this leading to a Recommendation for Certification against that programme.

De Beers Group facilities will continue to submit full first party certifications based on their general risk assessment without taking account of the RJC certification so as to ensure that the local teams remain focussed on meeting and exceeding compliance requirements.



Effie Marinos
SGS United Kingdom Ltd
18 April 2013
www.uk.sgs.com

Table 3

SGS review and findings from the 2012 BPP cycle for the De Beers Group of Companies

Business unit	Workbooks		Site visits	Status
	Submitted	Reviewed		
De Beers Canada	8	3	1	Compliant
De Beers Consolidated Mines	7	2	0	Compliant
De Beers Global Mining	6	2	1	Compliant
De Beers Group Services	4	1	0	Compliant
Forevermark	7	2	0	Compliant
De Beers SA	2	1	0	Compliant
Debswana	4	2	1	Compliant
Diamdel	5	2	1	Compliant
De Beers UK Ltd	6	2	1	Compliant
Exploration	9	3	1	Compliant
Namdeb	11	3	0	Compliant
TOTAL	69	23	6	

GRI Compliance Table

De Beers Group of Companies 2012 Report to Society

This table sets out how the Global Reporting Initiative (GRI) Reporting Framework has been applied in our sustainability reporting, and how our reporting links to the UN Global Compact and UN Millennium Development Goals. It primarily covers the De Beers Group of Companies 2012 Report to Society (RtS) and makes reference to the 2012 Operating and Financial Review (OFR). We have prepared the table in order to help stakeholders quickly find the information they are seeking.

Application of the GRI Reporting Framework forms a key part of our commitment to continuous improvement and to achieving the highest levels of sustainability performance. It is our belief, and the independent assessment of SGS, and our assurance provider, that we have applied the GRI Reporting Framework to the highest A+ standard.



2012 Report to
Society



2012 Operating
and Financial
Review

Indicator shading











'core indicators'














'additional indicators'








Extent of reporting Partially reported Fully reported**UN mechanisms**





1 UN Global Compact Principles

1 UN Millennium Development Goals








Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Profile					
1. Strategy and Analysis					
1.1	Statement from the most senior decision maker of the organisation about the relevance of sustainability to the organisation and its strategy.	2-5			
1.2	Description of key impacts, risks, and opportunities.	10-15, 17, 27, 37, 47, 57			
2. Organisational Profile					
2.1	Name of the organisation.	Back cover			
2.2	Primary brands, products, and/or services.	Inside front cover (IFC), inside back cover (IBC); Operating and Financial Review (OFR) PDF 2-3			
2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	IFC; OFR PDF 2-3			
2.4	Location of organisation's headquarters.	IBC			De Beers Société Anonyme is headquartered in Luxembourg.
2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	IFC			
2.6	Nature of ownership and legal form.	IFC; OFR PDF 2-3			
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	IFC, 18-21, 22; OFR PDF 2-3, 6-7, 18-22			
2.8	Scale of the reporting organisation, including: <ul style="list-style-type: none"> • Number of employees; • Net sales (for private sector organisations) or net revenues (for public sector organisations); • Total capitalisation broken down in terms of debt and equity (for private sector organisations); and • Quantity of products or services provided. 	IFC, 8-9, 40; OFR PDF 2-3, 5, 19-20, 23			











Indicator	Description	Page reference	Extent	UN mechanisms	Notes
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	2-5, 11, 20-21, 22, 53, 62; OFR PDF 4, 5			
2.10	Awards received in the reporting period.	14; OFR PDF 18, 26			
3. Report Parameters					
Report profile					
3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	Contents page			Information provided in the Report to Society 2012, and Operating and Financial Review 2012, refer to the calendar year (1 January to 31 December 2012).
3.2	Date of most recent previous report (if any).	Contents page			
3.3	Reporting cycle (annual, biennial, etc).	Contents page			
3.4	Contact point for questions regarding the report or its contents.	Back cover			
Report Scope and Boundary					
3.5	Process for defining report content: <ul style="list-style-type: none"> • Determining materiality; • Prioritising topics within the report; and • Identifying stakeholders the organisation expects to use the report. 	14-15, 12-13			
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	Contents page			
3.7	State any specific limitations on the scope or boundary of the report.	Contents page			
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	Contents page			
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	11, 40, 51, 58, 61, 63			
3.10	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	–			No restatements of information provided in previous reports.
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	GRI table			No significant changes were made to scope, boundary or measurement methods other than described elsewhere in the Report to Society 2012.








Indicator	Description	Page reference	Extent	UN mechanisms	Notes
GRI Content Index					
3.12	Table identifying the location of the Standard Disclosures in the report.	GRI table			
Assurance					
3.13	Policy and current practice with regard to seeking external assurance for the report.	10, 14, 28, 32-33, 48, 66-67; Sustainability Risk and Compliance Supplement			This Sustainability Risk and Compliance Supplement supports the Report to Society 2012 and contains our first party assurance statement from De Beers Internal Audit; third party assurance summary of the 2012 Report to Society by SGS; and the third party assurance statement on the BPP Assurance Programme.
4. Governance, Commitments, and Engagement					
Governance					
4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	10, 12; OFR PDF 24-25; 27-29		10	
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	OFR PDF 24-25, 27-29		10	
4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	OFR PDF 24-25, 27-29		10	
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	OFR PDF 24-25, 27-29			
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	GRI table		10	The Remuneration Committee consists of the non-executive chairman of De Beers and two others seconded to the committee from Anglo American, the major shareholder. It approves remuneration for executive directors on the Board and other senior managers including those on the Executive Committee. The Remuneration Committee ensures that rewards are linked to both group and individual performance and are commensurate with market rates. Both group and individual performance include non-financial performance metrics such as social and environmental criteria, which include adherence to effective risk management and compliance. The exact remuneration structures of senior managers and other employees at subsidiaries and investments is informed by group policy and performance, but determined separately by the respective boards, committees and finance and human resource functions of each company.






Indicator	Description	Page reference	Extent	UN mechanisms	Notes
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	GRI table		10	A number of structures exist to ensure conflict of interest is avoided in line with external best practice standards. These include the Best Practice Principles Assurance Programme (BPPs) and the Directors Conflict of Interest Policy. Existing statements in our Code of Conduct and Business Ethics also require all personnel to act in the best interests of De Beers and its shareholders. The Code also prohibits involvement in business interests that conflict with the Principles and policies of the Group of Companies or that might compromise independence in decision-making.
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	GRI table		1-10 1-8	<p>The appointment of independent directors to the Board is based primarily on the extent to which they represent the interests of the shareholders and are able to provide strategic guidance on the direction, values and performance of the Company. This includes with respect to the Principles, ECOHS policies and related sustainability and reputational risk management. The term of office for each director is limited by law and the constitutional documents of the Company to six years, but directors are eligible for re-election by the shareholders. The terms of office of those directors appointed by the majority consent of shareholders has been limited to periods of three years, with the opportunity for re-election by shareholders. Shareholders also have the ability to terminate appointments, if necessary, prior to the completion of the appointed term of office. Board continuity is fundamental to the sustained success of the De Beers Group.</p> <p>This requires an ongoing resource and skills identification to be performed by the Board in consultation with shareholders. Board members are able to supplement their own expertise on issues pending decision by obtaining independent professional advice. The Company Secretary coordinates the provision of professional advice to ensure that advisors are appropriately briefed, provided with relevant information and paid on completion of the assignment. The results of any advisory engagement are also made available to other members of the Board.</p>
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	10, 30, 32-33, 58-62, 68		1-10 1-8	
4.9	Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	12-13; OFR PDF 24-25, 26		1-10 1.8	






Indicator	Description	Page reference	Extent	UN mechanisms	Notes
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	12-13; OFR PDF 24-25, 26		1-10 1-8	
Commitments to External Initiatives					
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	10, 12-13, 30, 32-33, 38-39, 42, 47-49, 52, 53, 57-63		7	
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	13, 21, 28, 33, 60		1, 2, 4, 5, 10 1, 4-8	
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations.	13, 21, 33			Membership of the World Economic Forum's Partnering Against Corruption Initiative (PACI).
4.14	List of stakeholder groups engaged by the organisation.	12-13; 2012 Sustainability Risk and Compliance Supplement 23			
4.15	Basis for identification and selection of stakeholders with whom to engage.	12-13			
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	12-13, 14, 41; 2012 Sustainability Risk and Compliance Supplement 23			
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.			1-10 1-8	
5. Management Approach and Performance Indicators					
Economic Performance Indicators					
Aspect: Economic Performance					
DMA	Management Approach disclosures.	8-9, 17-23; OFR PDF 4-7			
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	6-7, 8-9, 18-21, 22, 23; OFR PDF 5-7, 23		1-8	
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	60-61		8 7	




Indicator	Description	Page reference	Extent	UN mechanisms	Notes
EC3	Coverage of the organisation's defined benefit plan obligations.	GRI table			Employee benefits differ between De Beers' operations but in most instances some form of retirement benefit is provided as normal practice. At this time only De Beers UK maintains an accruing Defined Benefit pension scheme (closed to new entrants). All other locations provide a Defined Contribution arrangement. In South Africa a legacy Defined Benefit arrangement is managed by the De Beers Pension Fund which also provides a Defined Contribution scheme for current employees. Due to the transient nature of their employment, some De Beers exploration employees are not provided with a pension. However, these employees are appropriately compensated in order to make their own arrangements. Other welfare benefits such as medical aid, holiday leave, sick leave, maternity/paternity leave, life insurance and compensation for injuries or disease at work are also usually provided as part of standard terms and conditions.
EC4	Significant financial assistance received from government.	GRI table			No significant financial assistance was received from government in 2012.
Aspect: Market Presence					
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation. (Additional indicator).	GRI table			De Beers pays more than the local minimum wage in all of the countries in which it operates.
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	6-7, 23; GRI table			See Figures 3a and 3b.
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	GRI table			At DBCM, a total of 79.5 percent of our permanent workforce is made up of Historically Disadvantaged South Africans (HDSAs) (excluding white females). HDSAs also make up 40.2 percent of managers at DBCM. At Debswana, a total of 96.6 percent of the workforce is made up of local citizens. Local citizens also make up 87.3 percent of managers at Debswana. At Namdeb, a total of 88 percent of our permanent workforce is made up of Historically Disadvantaged Namibians (HDNs). HDNs also make up 57.8 percent of managers at Namdeb. (see also figure 9).
Aspect: Indirect Economic Impacts Core					
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in kind, or pro bono engagement.	20-21, 50-51		1-8	
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts. (Additional indicator).	17, 18-21, 22, 23, 47, 48-51			





Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Environmental Performance Indicators					
DMA	Management Approach disclosures.	57, 58, 60-61, 62, 63			
Aspect: Materials					
EN1	Materials used by weight or volume.	GRI table		8 7	The processes used within exploration laboratories and ore treatment plants do in some cases require hazardous materials. Replacing, minimising and eliminating the use of these hazardous substances forms the basis of our hazardous materials and waste strategy. The actual mining process does not require the use of hazardous substances. See Figure 4.
EN2	Percentage of materials used that are recycled input materials.	GRI table		8 7	Water is a key input into the processing stages of ore for diamond extraction. We recycle 41 percent of water for our process at our southern African operations (see EN10).
Aspect: Energy					
EN3	Direct energy consumption by primary energy source.	61		8 7	
EN4	Indirect energy consumption by primary source.	61		8 7	
EN5	Energy saved due to conservation and efficiency improvements. (Additional indicator).	61		8 7	We are embarking on a programme in line with Anglo American requirements to evaluate and quantify energy savings and carbon emission reductions due to reduced energy use.
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives. (Additional indicator).	61		8 7	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved. (Additional indicator).	61		8 7	
Aspect: Water					
EN8	Total water withdrawal by source.	6-7, 60-61		8 7	Water use – as opposed to withdrawal – (by category of water type e.g. potable and non-potable water) is reported. For example at Venetia Mine, water is withdrawn and stored, and the use thereof is reported. In addition, we track the water withdrawn from the pit at Victor Mine and not used by the operation (37.5 million m ³ in 2011 and 42.5 million m ³ in 2012).
EN9	Water sources significantly affected by withdrawal of water. (Additional indicator).	58, 63		8 7	

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
EN10	Percentage and total volume of water recycled and reused. (Additional indicator).	6-7, 60		8 7	
Aspect: Biodiversity					
EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	62-63, 6-7		8 7	
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	62-63		8 7	
EN13	Habitats protected or restored. (Additional indicator).	62-63		8 7	
EN14	Strategies, current actions, and future plans for managing impacts on biodiversity. (Additional indicator).	62-63		8 7	
EN15	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. (Additional indicator).	GRI table		8 7	These data are collected for Environmental Impact Assessments (EIA) and associated specialist studies for every operation. Where relevant, mitigating actions are taken and included in our Environmental Management Plans (EMP). The numbers of species summarised from across the Group of Companies are not currently included in this report, nor the species at local and regional level that have conservation importance.
Aspect: Emissions, Effluents, and Waste					
EN16	Total direct and indirect greenhouse gas emissions by weight.	6-7, 61		8 7	
EN17	Other relevant indirect greenhouse gas emissions by weight.	61		8 7	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved. (Additional indicator).	61		8 7	We are embarking on a programme in line with Anglo American plc group requirements to evaluate and quantify energy savings and carbon emission reductions due to reduced energy use.
EN19	Emissions of ozone-depleting substances by weight.	n/a	n/a	8 7	Ozone-depleting substances in any remaining air conditioners, refrigerators and freezers that use these substances have not been quantified as this is not considered a material risk. Replacement plans for phasing out such equipment containing ozone-depleting substances is in line with Montreal Protocol timelines.





Indicator	Description	Page reference	Extent	UN mechanisms	Notes
EN20	NO _x , SO _x , and other significant air emissions by type and weight.	GRI table		8 7	Our sulphur emissions relate almost exclusively to energy use and changes in emission levels are directly linked to our energy consumption. SO ₂ (sulphur dioxide) emissions from liquid fuels use amounted to 696 tonnes in 2012 (2011 618 tonnes). Marine gas oil, which contains higher concentrations of sulphur than most other liquid fuels, contributed 75 percent of SO ₂ emissions in 2012, (2011: 75 percent).
EN21	Total water discharge by quality and destination.	GRI table		8 7	Water discharge data is not currently captured for our southern Africa operations because water in these countries is typically reused and recycled. Water discharge from our Canadian operations amounted to 42.5 million m ³ in 2012 (37.5 million m ³ in 2011). Discharged water is the excess water from dewatering that is not used in operational processes. The environmental impact of these discharges is managed to strict requirements.
EN22	Total weight of waste by type and disposal method.	GRI table		8 7	Waste is separated into categories at source to ensure appropriate disposal and recycling. Hazardous waste produced during the mining process is either responsibly stored onsite for future management or disposed of through certified hazardous waste sites. Waste from our Botswana and Namibian operations is generally disposed of through facilities in South Africa. See Figure 5.
EN23	Total number and volume of significant spills.	58		8 7	Volumes of spills has not been included because of the differing type of spills and their location which has differing impacts e.g. hydraulic oil spilled into sea versus fine residue spill onto ground. However, the extent of the volume of the spill in the context of the receiving environment is taken into account in determining the severity rating of each incident.
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. (Additional indicator).	GRI table		8 7	Any movement of hazardous waste is conducted in full compliance with the Basel Convention for controlling trans-boundary movements of applicable hazardous wastes, e.g. between Botswana and South Africa because no hazardous waste site exists in Botswana.
EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff. (Additional indicator).	n/a	n/a	8 7	Snap Lake, the receiving water body at the Snap Lake Mine, is 200 hectares in area and has a limited absorption capacity because of its size and low flow rate. The water aspects hence require careful management.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Aspect: Products and Services					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	n/a	n/a	8 7	The latent environmental impacts of diamonds as products are non-existent.
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	n/a	n/a	8 7	The nature of diamonds means they are rarely knowingly disposed of. Packaging is negligible.
Aspect: Compliance					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	GRI table		8 7	The incidents at Snap Lake during 2011/2012 may result in a fine, but it is expected that the process may take one to two years to finalise, before it is known whether a fine will be levied.
Aspect: Transport					
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce. (Additional indicator).	n/a	n/a	8 7	The environmental impacts of transporting diamonds and other goods and materials (other than as described elsewhere in the 2012 Report to Society) are negligible.
Aspect: Overall					
EN30	Total environmental protection expenditures and investments by type. (Additional indicator).	GRI table		8 7	Accounting procedures, spending classifications and the structure of the Group of Companies mean this information is not available.
Labour Practices and Decent Work Performance Indicators					
DMA	Management Approach disclosures.	37-43			
Aspect: Employment					
LA1	Total workforce by employment type, employment contract, and region.	6-7, 40			
LA2	Total number and rate of employee turnover by age group, gender, and region.	40			
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations. (Additional indicator).	GRI table		3	Different operations offer various pensions and medical aid benefits for full-time employees (see EC3). In South Africa, for example, the company subsidises medical aid benefits to permanent employees and their families.
Aspect: Labour/Management Relations					
LA4	Percentage of employees covered by collective bargaining agreements.	GRI table		3	Figure 6 shows union representation at our main operations in Africa. Our operations in Canada are not unionised.









Indicator	Description	Page reference	Extent	UN mechanisms	Notes
LA5	Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	GRI table		3	Employees at our Namibian operations are subject to a one month minimum notice period regarding operational changes. For employees at DBCM, De Beers Group Services (South Africa) and De Beers Marine (South Africa), a two month consultation process in addition to the one month notice period is applied where changes to our operational requirements are contemplated. At Debswana the notice period is either three months (for more junior grades) or six months (for more senior grades).
Aspect: Occupational Health and Safety					
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes. (Additional indicator).	GRI table		1	Employees and contractors are represented in joint committees and daily briefings with managers to monitor and advise on health and safety programmes. In South Africa, for example, the law requires that joint safety committees have 50 percent employee representation. At Debswana, a Safety and Health Agreement is in place with relevant unions covering health and safety committee meetings, as well as the roles and responsibilities of safety representatives.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work related fatalities by region.	6-7, 38-39, 42		1	<p>Despite notable safety performance improvements across the Group, we sadly lost three colleagues in loss of life incidents in 2012 (2011:seven). Our overall Lost Time Injury Frequency Rate (LTIFR) improved in 2012 to 0.13 (2011: 0.15). This is a 46 percent improvement compared to our LTIFR of 0.24 in 2010.</p> <p>The Group of Companies has an outcome standard to maintain an occupational illness frequency rate (OIFR) of less than five cases per million hours worked. Definitions of occupational diseases and statutory reporting requirements differ between operating units. In 2012, across the Group of Companies, 12 cases of occupational disease were diagnosed and reported in employees; four cases of noise-induced hearing loss; four cases of occupational malaria; three cases of carpal tunnel syndrome; and one case of loss of vision associated with chemical exposure. In 2012, the OIFR for diseases reported by the Group of Companies was 0.4 cases per million person hours worked and thus well within the De Beers OIFR standard of <5 cases per million person hours worked.</p>






Indicator	Description	Page reference	Extent	UN mechanisms	Notes
LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	42, 6-7; 2012 Sustainability Risk and Compliance Supplement		1	<p>Sub-Saharan Africa accounts for 69 percent¹ of all global HIV infections and most of our workforce is in the hyper-endemic countries where exposure to HIV is a real threat to our employees' health, their families and the continuity of our business. Our holistic strategy for managing HIV risk includes prevention, treatment, care and support. We run awareness-raising sessions and we provide confidential HIV counselling and testing to all employees, spouses, life partners and contractors. Anti-Retroviral Treatment (ART) is available free to HIV-infected employees and their spouses or life partners where it can be provided in a responsible and sustainable manner. Where it is not available through public health systems, we continue to provide lifelong ART upon retirement or retrenchment.</p> <p>In addition to ART, our Disease Management Programme provides employees with access to programmes that address physical and psycho-social wellbeing related to HIV infection and treatment. Tuberculosis is an important endemic disease and health indicator in southern African countries that are hyper-endemic for HIV infection. The estimated national incidence rate of tuberculosis in South Africa is 993 cases per 100,000 population. This compares to an incidence rate among DBCM permanent employees in 2012 of 50 per 100,000. The HIV programmes and active workplace screening for tuberculosis have contributed to lowering the risk for contracting tuberculosis. Similarly, education, screening and management of non-communicable diseases reduce the personal health risks of the workforce.</p>
LA9	Health and safety topics covered in formal agreements with trade unions. (Additional indicator).	GRI table		1	At Debswana, a Safety and Health Agreement is in place with relevant unions covering health and safety committee meetings, as well as the roles and responsibilities of safety representatives.
Aspect: Training and Education					
LA10	Average hours of training per year per employee, by employee category.	GRI table			See Figure 7.
LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. (Additional indicator).	40			



¹ http://www.unaids.org/en/media/unaids/contentassets/documents/epidemiology/2012/gr2012/20121120_UNAIDS_Global_Report_2012_en.pdf









Indicator	Description	Page reference	Extent	UN mechanisms	Notes
LA12	Percentage of employees receiving regular performance and career development reviews. (Additional indicator).	GRI table			Our Talent Management Policy supports the recruitment, development, succession and retention of employees across the Group of Companies. It mandates the appointment of the best qualified internal or external candidates in line with job requirements and national legislation relating to employment equity. It also ensures employee performance is gauged against a defined set of key performance indicators, through regular dialogue and feedback. See Figure 8. (Please note that blank entries may indicate either a lack of employees at a relevant grade, or a lack of performance or career development review).
Aspect: Diversity and Equal Opportunity					
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	OFR PDF 27-29; GRI table		6 3	<p>The Group of Companies is committed to ensuring its workforce is reflective of the societies in which we operate and to support government efforts to offer opportunities to previously disadvantaged groups. The Group of Companies ensures designated groups have representation in decision-making positions that reasonably reflects the demographics of the country's economically active population. A number of structures including our Employment Equity Committee have been established in order to monitor our performance in this respect. They include management representatives, union representatives and functional personnel.</p> <p>The Group of Companies is actively supporting efforts to increase the proportion of women achieving senior management positions. In South Africa, this includes our support of the 'Women in Mining' programme, which is facilitated by the Department of Minerals and Energy through the Da Vinci Institute of Technology. We also support the establishment of mentoring schemes within our operations. These schemes encourage women in senior positions to share their experience and to motivate women in more junior positions to achieve their full professional potential.</p> <p>See Figures 9 and 10.</p>
LA14	Ratio of basic salary of men to women by employee category.	GRI table		6 3	See Figures 11 and 12.
Human Rights Performance Indicators					
DMA	Management Approach disclosures.	27-33			


Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Aspect: Investment and Procurement Practices					
HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	GRI table		1, 2	All investments over US\$20 million are considered by the DBsa Investment Committee. No significant investment agreements with the potential to directly affect human rights took place in 2012.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	32-33		1, 2	In the De Beers Group of Companies value-chain, the ethical, social and environmental practices of our customers present a higher risk than those of our suppliers. The Best Practice Principles Assurance Programme includes human rights screening, and applies to Sightholders, and to Significant Contractors that provide goods or services to both De Beers and Sightholders.
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. (Additional indicator).	GRI table		1, 2	According to submitted figures, 72,669 hours were spent on human rights training. A total of 3,283 employees participated in this process, representing 23.5 percent of the permanent workforce.
Aspect: Non-discrimination					
HR4	Total number of incidents of discrimination and actions taken.	GRI table		1, 2, 6	No incidents of alleged discrimination were reported within the Group of Companies in 2012.
Aspect: Freedom of Association and Collective Bargaining					
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	GRI table		1-3	Trade union and employee associations have a strong presence and operate freely at all of our mining operations.
Aspect: Child Labour					
HR6	Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	GRI table		1, 2, 5	No operations have been identified as presenting a significant risk for child labour.
Aspect: Forced and Compulsory Labour					
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	GRI table		1, 2, 4	No operations have been identified as presenting a significant risk for forced or compulsory labour.
Aspect: Security Practices					
HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations. (Additional indicator).	GRI table		1, 2	De Beers has a group-level Security and Human Rights Policy that is brought to the attention of security personnel as appropriate.
Aspect: Indigenous Rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	GRI table		1, 2	No incidents of violations involving rights of indigenous people were recorded in 2012.







Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Society Performance Indicators					
DMA	Management Approach disclosures.	10, 17-21, 22, 23, 30, 47-50, 52, 53			
Aspect: Community					
S01	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	17, 21, 22, 23, 47-50, 53, 62		1, 2	
Aspect: Corruption					
S02	Percentage and total number of business units analysed for risks related to corruption.	30			
S03	Percentage of employees trained in organisation's anti-corruption policies and procedures.	GRI table			Training is available for employees most at risk of exposure to corruption. The percentage of employees trained in anti-corruption policies and procedures was around 1 percent.
S04	Actions taken in response to incidents of corruption.	30			
Aspect: Public Policy					
S05	Public policy positions and participation in public policy development and lobbying.	GRI table			Public policy engagement ranges from direct engagement with governments on regulation or mining policy, to contributing knowledge and experience to debates on sustainability issues. We prioritise public policy engagement on issues that could impact the diamond industry, and influence economic growth and sustainable development – particularly in Africa. We generally restrict our involvement in policy development to formal participation in relevant forums and organisations, such as the national Chamber of Mines, or partnership initiatives with NGOs.
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country. (Additional indicator).	21			
Aspect: Anti-Competitive Behaviour					
S07	Total number of legal actions for anticompetitive behaviour, anti-trust, and monopoly practices and their outcomes. (Additional indicator).	GRI table			The Group of Companies works hard to ensure continued compliance with competition and anti-trust laws and regulations in all jurisdictions in which we operate. Employees are requested to report any breaches of this policy through our whistleblowing hotlines. De Beers will not tolerate violations of competition law, or mistakes resulting from carelessness or inattention to legal compliance by its employees. In 2012, over 690 individuals were nominated to take part in online competition compliance training. The average completion and pass rates across the Group of Companies were 98 percent and 98 percent respectively.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Aspect: Compliance Core					
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	GRI table			Other than described in the report, the Group of Companies was not subject to any significant fines or non-monetary sanctions for non-compliance with laws and regulations in 2012.
Product Responsibility Performance Indicators					
DMA	Management Approach disclosures.	27-33			
Aspect: Customer Health and Safety					
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	n/a	n/a		Diamonds do not present any latent health and safety risks.
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes. (Additional indicator).	n/a	n/a		Diamonds do not present any latent health and safety risks.
Aspect: Product and Service Labelling					
PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements.	28, 32-33			
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes. (Additional indicator).	6-7, 28, 32-33			
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction. (Additional indicator).	GRI table			The DTC undertakes frequent surveys of Sightholder satisfaction with the services they provide. Corporate Affairs also undertakes surveys regarding Sightholder satisfaction with aspects of the Best Practice Principles Assurance Programme (BPPs). Forevermark undertakes frequent consumer-focused surveys.
Aspect: Marketing Communications					
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	GRI table			Corporate Affairs and Forevermark – De Beers' marketing arm – seeks to ensure all materials produced on behalf of De Beers are not misleading and are in compliance with applicable advertising rules and legislation. They also seek to ensure such materials do not violate the intellectual property rights of third parties.
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	GRI table			No incidents of non-compliance with regulations and voluntary codes concerning marketing communications were recorded in 2012.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Aspect: Customer Privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data. (Additional indicator).	GRI table			No substantiated complaints regarding breaches of customer privacy and losses of customer data were recorded in 2012.
Aspect: Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	GRI table			No significant fines for non-compliance with laws and regulations concerning the provision and use of products and services were recorded in 2012.
Performance indicators – Mining and Metals Sector Supplement (2012)					
MM1	Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated.	62-63		8 7	
MM2	The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.	62-63		8 7	
MM3	Total amounts of overburden, rock, tailings, and sludges and their associated risks.	63		8 7	
MM4	Number of strikes and lock-outs exceeding one week's duration, by country.				There were no incidents to report on in 2012.
MM5	Total number of operations taking place in or adjacent to Indigenous Peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous Peoples' communities.	48-51; 52; GRI table			The only operations that took place in or adjacent to Indigenous Peoples' territories were the Snap Lake and Victor Mines in Canada territories. In total, seven formal agreements have been entered into with Indigenous Peoples' Communities in relation to these operations.
MM6	Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples.	50; GRI table			Our materiality process (p5) indicates that land claims is a lower-level risk and is therefore only reported on in brief. The structure and form of grievance mechanisms vary across the Group of Companies. In 2011 an assessment and benchmarking of existing grievance mechanisms commenced, to be completed in 2012.
MM7	The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes.	51-52			
MM8	Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site; the associated risks and the actions taken to manage and mitigate these risks.	GRI table			The materiality process for our 2010 and 2011 Reports to Society indicated that artisanal mining was a lower-level risk for the Group of Companies and it was removed from the materiality matrix. In 2012, our materiality process (p5) again indicated artisanal mining as a lower-level risk and this issue is not reported in the 2012 Report to Society.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
MM9	Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process.	52; GRI table			During the course of 2011 a small community of 72 persons, in 16 households, was resettled in the Lunda Norte region of Angola, in order for safe exploratory drilling to occur. The resettlement process was undertaken in line with the IFC Performance Standards, and externally assured. In addition to compensation agreed through extensive consultation with the community, ongoing agricultural projects supported by De Beers will continue to focus on livelihood restoration.
MM10	Number and percentage of operations with closure plans.	53, 62			All mining operations have closure plans. These are at varying degrees of resolution dependent on the remaining life of mine. Exploration operations have EMP that cover closure of the exploration sites.
MM11	Programmes and progress relating to materials stewardship.	58; GRI table		8 7	See also figures 2 and 3.
Performance indicators – Reporting Guidance on HIV/Aids					
Good governance					
Indicator 1	Describe the organisation's HIV/Aids policy.	43		4-6	
Indicator 2	Describe the overall strategy for managing the HIV/Aids risk.	42		4-6	Our approach to preventing HIV infection, both within our workforce and more broadly, is built on awareness-raising, testing and research. Awareness and training interventions are oriented towards preventing and managing HIV and Aids, as well as related risks such as tuberculosis.
Indicator 3	Describe preparedness and contingency planning in anticipation of expected impacts.	GRI table		4-6	Given that the Group of Companies operates in hyper-endemic countries such as Botswana, Namibia and South Africa, the impacts of HIV and Aids are current rather than anticipated. The Group of Companies has a long standing and comprehensive HIV and Aids management in place in order to address the impacts of the disease.
Indicator 4	Describe how your organisation monitors its progress and reports in terms of Indicators.	GRI table		4-6	The Group of Companies conducts operational and 'in-field' research projects to improve the effectiveness of our existing HIV and Aids risk management.
Indicator 5	Describe how the organisation involves stakeholders in the formulation of policy, strategy and implementation.	12-13, 42		4-6	Our HIV and Aids principals engage actively with external organisations at local, regional and international levels. Our Anti-Retroviral Treatment (ART) programmes in Botswana, Namibia and South Africa are coordinated externally by Aid for AIDS. We engage in research partnerships, for example, a longitudinal study with the Health Economics and HIV/AIDS Research Division (HEARD) at the University of KwaZulu Natal on the factors that challenge adherence to HIV treatment services.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Measurement, monitoring and evaluation					
Indicator 6	Indicate current and projected future HIV/Aids prevalence and incidence rates among relevant populations (workforce, service providers, communities, target consumers, direct suppliers).	GRI table			<p>According to UNAIDS, there are 34 million adults and children living with HIV. Taken from their 2012 report on the global AIDS epidemic, the 2011 estimated HIV prevalence adults (15-49 years) in our countries of operation are as follows:</p> <ul style="list-style-type: none"> • Angola: 2.1 percent. • Canada: 0.3 percent. • China: 0.1 percent. • Belgium: 0.3 percent. • Botswana: 23.4 percent. • DRC: no estimate. • India: no estimate. • Israel: 0.2 percent. • Japan: <0.1 percent. • Luxembourg: 0.3 percent. • Namibia: 13.4 percent. • South Africa: 17.3 percent. • United Kingdom: 0.3 percent. • United States of America: 0.6 percent. <p>www.unaids.org</p>
Indicator 7	Report current HIV/Aids-associated costs and losses to the organisation.	–	X		
Indicator 8	Indicate total assumed future HIV/Aids-associated costs/losses.	–	x		

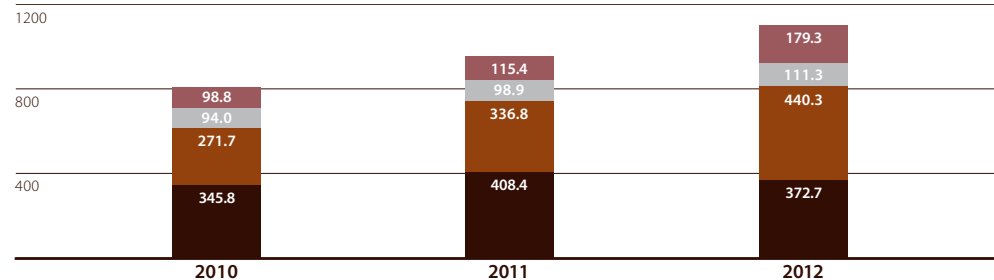
Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Workplace conditions and HIV/Aids management					
Indicator 9	Describe the workplace and workplace-related HIV/Aids programmes and interventions and the extent to which they maintain a workplace environment respectful of human and legal rights.	42		4-6	<p>Routine HIV Counselling and Testing (HCT) through Provider Initiated Counselling and Testing (PICT) facilitates HIV testing of employees during medical consultations at mine clinics, either during occupational medical examinations or primary care consultations. HIV tests are available to all employees, spouses, life partners and contractors. Private-public partnerships also help to make testing available in communities near our operations.</p> <p>Anti-Retroviral Treatment (ART) is available free to HIV-infected employees and their spouses or life partners where it can be provided in a responsible and sustainable manner. Our ART programmes in Botswana, Namibia and South Africa continued to be coordinated externally by Aid for AIDS as our principal Disease Management Service Provider. Our goal is to encourage all HIV positive employees and spouses or life partners to join a disease management programme as early as possible and to maintain 100 percent accessibility of treatment in the countries affected by HIV and Aids.</p>
Indicator 10	Indicate total allocated budget dedicated to HIV/Aids programmes per annum.	GRI table		4-6	Approximately 0.03 percent of total Community Social Investment spend was allocated to HIV/Aids programmes in 2012. This is in addition to the employee-focused programmes and spending on general health care programmes (39.3 percent).
Depth, quality and sustainability of programmes					
Indicator 11	Detail the organisation's Voluntary Counselling and Testing (VCT) programme.	42, GRI table		4-6	See Indicator 9.
Indicator 12	Describe other support and counselling programmes and measures.	GRI table		4-6	See Indicator 15.
Indicator 13	Describe the organisation's HIV/Aids education and training programmes.	42, GRI table		4-6	See Indicator 9.
Indicator 14	Describe the organisation's condom and femidom distribution programme.	GRI table		4-6	Condoms and femidoms are available free of charge to employees through on-site medical centres, clinics, restrooms and offices.

Indicator	Description	Page reference	Extent	UN mechanisms	Notes
Indicator 15	Describe the organisation's general health care and wellness provision for employees (and/or ex-employees) and their families with specific mention of STD-treatment for those Aids sick.	42		4-6	<p>In addition to ART, our Disease Management Programme provides employees with access to programmes that address physical and psycho-social wellbeing related to HIV infection and treatment. This includes:</p> <ul style="list-style-type: none"> • Post-exposure prophylaxis; • Medication to prevent opportunistic infections; • Pathology; • Counselling and support; • Wellness advice; and • Nutritional supplements.
Indicator 16	Describe additional benefits and support for employees sick, dying or deceased from Aids-related conditions.	–	x	4-6	

Fig. 3a

EC6 – Preferential procurement spend, 2010–2012 (US\$ million)

■ Namibia* (Namibian suppliers) ■ Canada (Aboriginal spend) ■ South Africa (HDSA owned, empowered, influenced)
■ Botswana (citizen spend, local spend)



Data note: * Preferential procurement spend in Namibia has been restated for 2010 to reflect spending with Namibian suppliers. Previously, reported spending in Namibia was based on proposed preferential procurement categories due to be passed into Namibian law. This legislation has not been passed and preferential procurement has been restated to reflect local (in-country) spending.

Fig. 3b

Preferential procurement spend as a proportion of total procurement spend, 2012 (US\$ million)

Country	Total spend (US\$ million)	Preferential procurement 100%
Botswana	606.2	61.5
South Africa	723.0	60.9
Canada	301.5	36.9
Namibia	307.4	58.3

Fig. 4

EN1 – Materials used by weight or volume

Materials	2010	2011	2012
Ferrosilicon (tonnes)	13,111	11,938	9,192
Oils and hydraulic fluid (litres)	4,438,632	4,066,709	4,711,606
Grease (kilogrammes)	287,964	403,307	181,337
Hydrochloric acid (litres)	197,984	112,959	356,018
Sulphuric acid (litres)	21,705	25,202	388,201
Hydrofluoric acid (litres)	69,931	63,945	82,139
Nitric acid (litres)	35,438	38,321	171,161
Sodium hydroxide (litres)	5,832	9,484	10,616
Calcium carbonate (kilogrammes)	51,300	36,106	39,685
Sodium hydroxide (kilogrammes)	91,540	154,564	89,299
Bromoform (litres)*	–	–	10

* Bromoform is used by Element Six. Data for Element Six is being reported for the first time in 2012.

Fig. 5

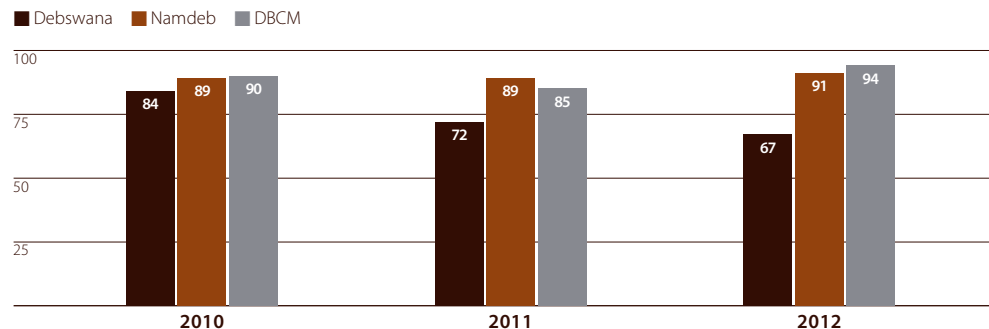
EN22 – Total weight of waste by type and disposal method

Waste type	2010	2011	2012
Non-Hazardous Waste to Landfill (cubic metres)	152,904	59,509	67,818
Solid Hazardous Waste (cubic metres)	2,327	210,868	203,975
Liquid Hazardous Waste (litres)	516,467	376,143	3,071,710*
Waste Incinerated (cubic metres)	47,236	30,244	110,415
Cardboard/Paper Sent for Recycling (tonnes)	8,879	1,602	5,115
Scrap Metal Sent for Recycling (tonnes)	52,155	25,041	14,101
Cans Sent for Recycling (tonnes)	7	19	46
Earthmoving Tyres Sent for Recycling (number)	33	76	69
Light Vehicles Tyres Sent for Recycling (number)	111	686	175
Conveyor Belting Sent for Recycling (tonnes)	215	139	167
Drums Sent for Recycling / Re-use (number)	1,450	2,331	1,635
Lead Acid Batteries Sent for Recycling / Re-use (number)	3,619	1,333	1,450
Plastic Sent for Recycling / Re-use (tonnes)	165	82	2,148
Toner / Ink Cartridges Sent for Recycling / Re-use (number)	1,104	5,599	2,022
Electrical and Electronic Items Sent for Recycling / Re-use (kilogrammes)	37,104	10,871	16,534
Used Oil / Grease Sent for Recycling / Re-use (litres)	2,244,201	2,709,501	2,932,231
Re-used Oil / Grease (litres)	988,549	568,164	658,155
Contaminated Water (litres)	1,112,670	1,176,389	5,005,122*
Glass Sent for Recycling (tonnes)	15	60	71

* Increase due to reporting Element Six data for the first time in 2012.

Fig. 6

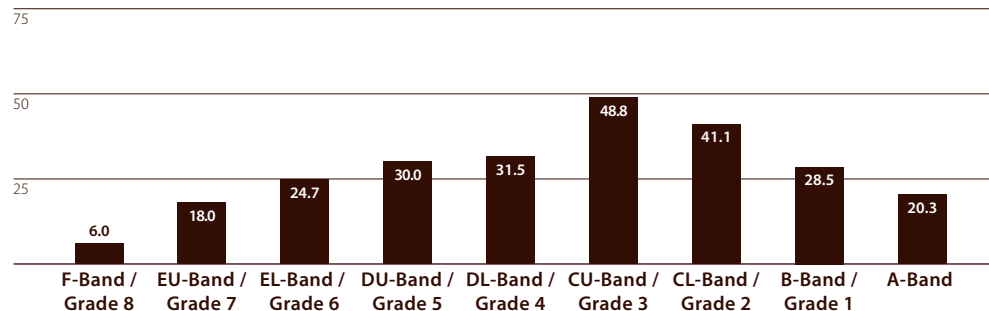
LA4 – Union membership of semi-skilled workers at African operations, 2010–2012 (%)



Data note: Our operations in Canada are not unionised.

Fig. 7

LA10 – Average hours of training by employee category, 2012



Data note: Our operations in Canada are not unionised.

Fig. 8

LA12 – Percentage of employees receiving regular performance and career development reviews

Job Band/Grade	De Beers Canada	De Beers Consolidated Mines	Debswana	Namdeb
F-Band/Grade 8	n/a	100%	100%	100%
EU-Band/Grade 7	100%	100%	100%	100%
EL-Band/Grade 6	100%	100%	100%	100%
DU-Band/Grade 5	100%	95%	100%	100%
DL-Band/Grade 4	100%	91%	100%	100%
CU-Band/Grade 3	100%	77%	100%	100%
CL-Band/Grade 2	100%	68%	2	3
B-Band/Grade 1	100%	1	2	3
A-Band	n/a	1	2	3

¹ A and B band employees in DBCM are part of the Bargaining Unit and therefore not subject to annual performance appraisals.
² Debswana A-C band employees were not formally appraised in 2012 as there was no PMS agreement in place with the Botswana Mine Workers Union in 2012.
³ For Namdeb A-C band employees a Development Matrix is in place for each discipline, which is used to ensure transparency regarding options for career advancement.

Fig. 9

LA13 – Workforce and management diversity: Historically Disadvantaged South Africans (HDSAs), Historically Disadvantaged Namibians (HDNs) and local Botswana citizens, 2012 (%)

	DBCM (HDSA)	Namdeb (HDN)	Debswana (local citizens)
Workforce	100%	88.0	96.6
Management	40.2%	57.8	87.3

Data note (Fig. 6, Fig. 7, Fig. 8): Data includes permanent and fixed-term employees from our joint ventures, with the exception of De Beers Diamond Jewellers.

Fig. 10

LA13 – Workforce and management diversity 2012: Women (%)

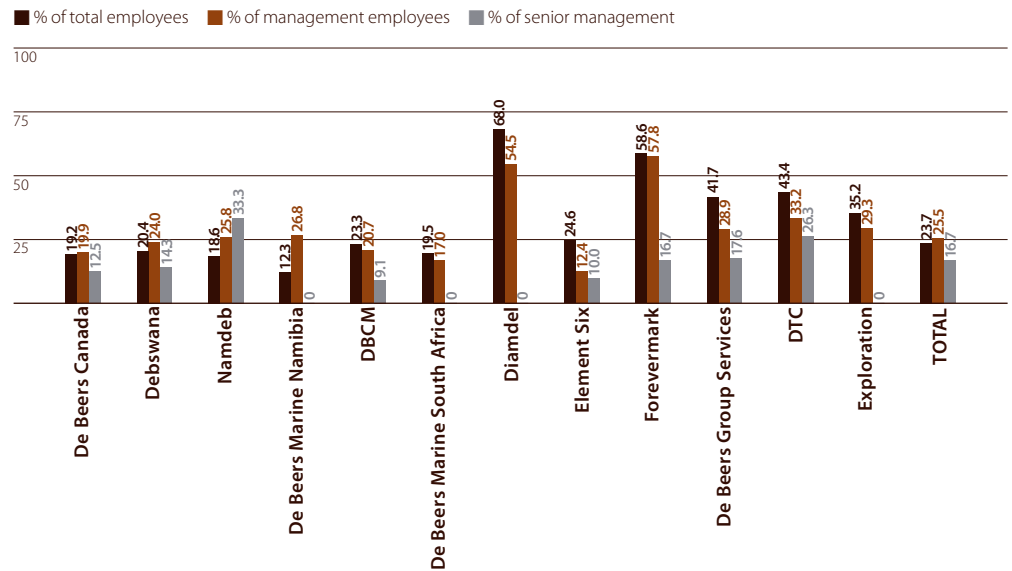


Fig. 11

LA14 – Male:Female salary ratio, 2012 (by operation)

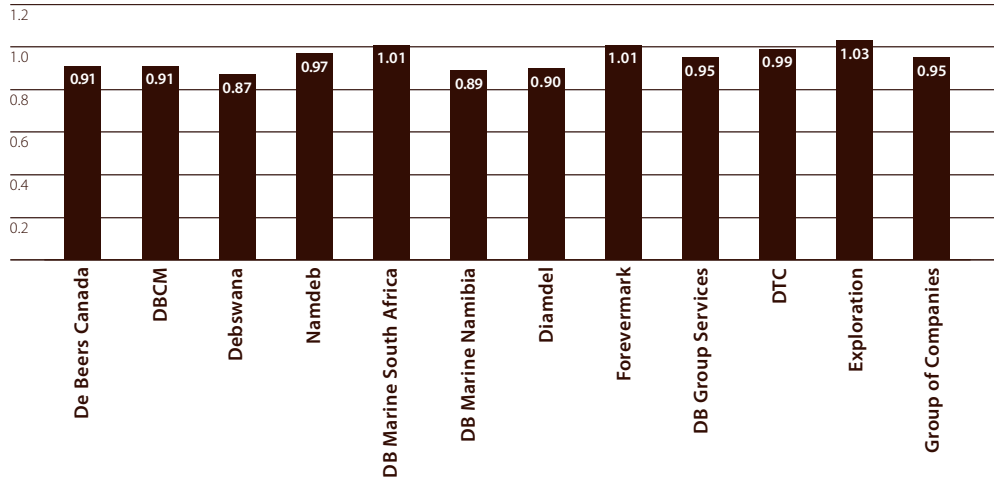
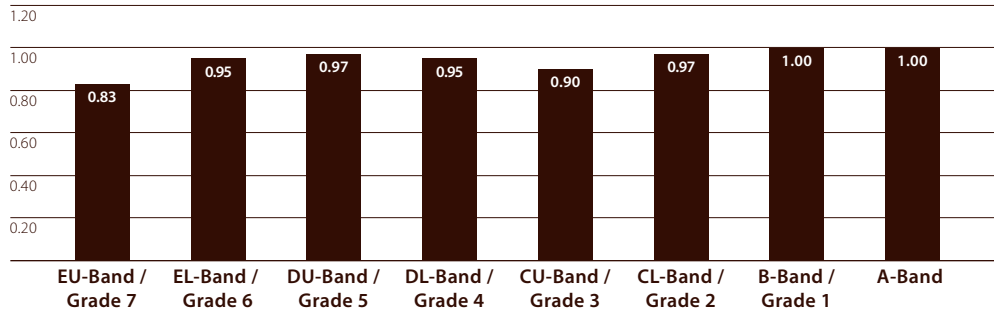


Fig. 12

LA14 – Male:Female salary ratios, 2012 (by grade)



Data note (Fig. 10, Fig. 11, Fig. 12): Data includes permanent and fixed-term employees from our joint ventures, with the exception of De Beers Diamond Jewellers.