

DE BEERS GROUP

DE BEERS PLC
MODERN SLAVERY ACT
STATEMENT

FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2020

DE BEERS PLC MODERN SLAVERY ACT STATEMENT

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“As with so many of the issues facing the world, the Covid-19 pandemic has only increased the risks relating to modern slavery. It is therefore vital that we all redouble our efforts to ensure that we eradicate this exploitation that preys particularly on the most vulnerable in our societies. At De Beers Group we continue to push ourselves to find the best ways to address the risks both in our own business and in the wider industry, and we urge others to do the same.”

Bruce Cleaver
CEO, De Beers Group

INTRODUCTION

This statement¹ is made by De Beers plc, the holding company of De Beers Group, and its relevant subsidiaries and managed joint ventures, pursuant to section 54 of the Modern Slavery Act 2015 (the Act)². In accordance with Government guidance, De Beers Group has produced a group statement that these entities can use to meet section 54 of the Act.

The statement sets out the steps that De Beers Group has undertaken to identify and mitigate potential risks of modern slavery in its business and supply chains during the financial year ending 31 December 2020. It includes an update on progress during 2020 and our commitments for 2021. Our other statements were published annually since 2017 and are available [here](#).

De Beers Group prohibits, and has a zero-tolerance policy in respect of, all forms of modern slavery in its organisation, its supply chains and diamond value chains.

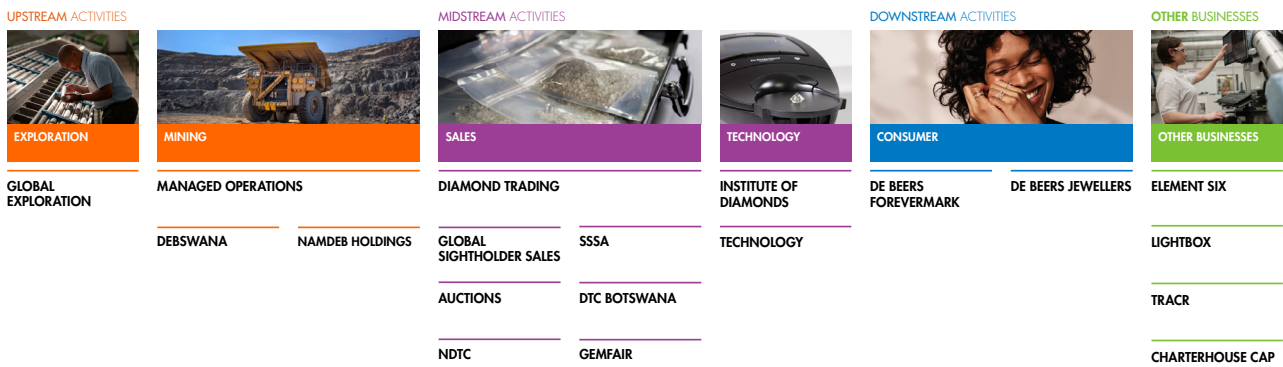
De Beers Group's ultimate parent company is Anglo American plc (Anglo American), which owns 85% of De Beers. A separate statement is being made on behalf of Anglo American pursuant to section 54 of the Act, which can be found [here](#). The remaining 15% shareholding of De Beers Group is held by the Government of the Republic of Botswana.

The following diagram (next page) shows a simplified overview of De Beers Group business units³. The purpose of this diagram is to assist the reader in understanding this statement; it is not intended to be a complete representation of the De Beers Group corporate structure.

¹ For ease of reading, in this statement we use generic language to describe the group. References to “De Beers”, “De Beers Group”, the “group”, “we”, “us”, and “our” are used to refer to either De Beers plc and its subsidiaries and/or those who work for them generally, or where it is not necessary to refer to a particular entity or person. The use of those generic terms in this statement is for convenience only, and is in no way indicative of how De Beers Group or any entity within it is structured, managed or controlled. De Beers Group comprises separate legal entities. “Subsidiaries” are entities over which De Beers Group directly or indirectly is able to exercise control, and entities over which De Beers Group has joint control are referred to as “joint ventures”. “Managed joint ventures” are entities where a member of De Beers Group has management control or an ability to direct day to day activities. This statement covers De Beers plc, its subsidiaries and its managed joint ventures; it does not include independently managed operations or cover non-managed joint ventures. De Beers produces group-wide policies and procedures to ensure best uniform practices and standardisation across De Beers Group, but is not responsible for the day to day implementation of such policies. Such policies and procedures constitute prescribed minimum standards only. Group operating subsidiaries are responsible for adapting those policies and procedures to reflect local conditions (where appropriate) and for implementation, training, oversight and monitoring within their specific businesses, including any applicable local grievance mechanisms.

² The entities that we consider are subject to section 54 of the Act are: De Beers UK Limited, Forevermark UK Limited, De Beers Jewellers Limited and Charterhouse CAP Limited. This statement also encompasses the following additional UK-based entities: Element Six Holdings Limited, Element Six Technologies Limited, Element Six Abrasives Holdings Limited and Element Six (UK) Limited. Each of these entities has approved this statement.

³ De Beers Forevermark™, DE BEERS™, Building Forever™, Tracr™ and Gemfair™ are Trade Marks of De Beers Group. Lightbox™ is a Trade Mark of Lightbox Jewelry Ltd.



The following are the De Beers Group entities which are registered in the UK:
 Element Six, Lightbox, Tracr, De Beers Forevermark (Forevermark), De Beers Jewellers,
 Institute of Diamonds (IIDGR), Gemfair, Technology (De Beers UK), Charterhouse Cap.

KEY DEVELOPMENTS WITHIN OUR BUSINESS IN 2020

Throughout the course of 2020, the Covid-19 pandemic impacted De Beers Group, like many others, and in particular our operations, wholesale rough diamond trading activity and consumer traffic in key markets. Across our Group, we have taken, and continue to take, all necessary precautions and ensure we follow government and public health directives and regulations to prioritise the safety and human rights of our people and the communities where we operate. De Beers Group recognises the importance of its role as a leader to demonstrate full commitment and adherence to human rights in times of challenge and crisis. Some examples of the measures that have been taken across our partner countries include:

- In Botswana, 24 clinics were provided with personal protective equipment (PPE), food parcels were given to vulnerable households and 250,000 face coverings were produced in partnership with local small and medium-size enterprises.
- In Namibia, marine operations implemented measures to enable operational continuity while safeguarding the health and safety of the workforce. Debmarine has partnered with the University of Namibia's School of Medicine to establish a PCR laboratory to conduct Covid-19 testing in the country, supporting the efforts of the Government in the national fight against the pandemic, as well as the company's focus on protecting and testing employees.
- In South Africa, a Covid-19 testing laboratory was set up at the Venetia mine in July 2020, to increase access to tests for colleagues in an effort to limit the spread of the virus, and analyses at least 80 tests per day with a 24-hour turnaround time for results. In addition, three clinical associates were appointed to carry out home visits as part of our WeCare programme, which also helps monitor and manage workers' health should they test positive.
- In Canada, PPE was provided to care homes, 1,000 cases of drinking water and food parcels were distributed to local communities and online learning programmes were supported with the provision of computers and tutoring.
- In May 2020, GemFair donated PPE to frontline healthcare workers at the Kono Hospital, where GemFair's buying office is based. We donated 200 boxes of surgical masks, 4,000 N95 masks, 200 face shields and 100 litres of hand sanitiser, as well as establishing five portable hand-washing stations. GemFair also distributed food parcels and reusable face coverings to participating artisanal and small-scale miners once a month over a ten-month period in 2020, helping to shore up food security in Kono's economically hard-hit artisanal mining communities. This included delivering 4,703 food parcels to 1,715 direct beneficiaries and more than 10,200 indirect beneficiaries.

De Beers Group's strategy is centred around protecting and supporting our people, our partners, and the communities and countries we operate in. Throughout the pandemic, we have continued to do this by buying PCR machines in our four producer countries and providing PPE and hand sanitiser. In April 2020, we also contributed \$5 million across Botswana, Namibia and South Africa to aid the response to the Covid-19 crisis, supporting national relief funds and community and logistical support. As lockdowns begin to ease, our teams continue providing support to aid the recovery of livelihoods and education.

Building Forever™

As the world's leading diamond company, and in partnership with the countries where we operate, De Beers Group recognises the role it can play to improve the lives of people along a diamond's journey and to protect the natural world. This forms the basis for the company's longstanding "Building Forever" sustainability framework, focused on creating a positive and sustainable impact for people and the planet that will endure well beyond the discovery of our last diamond.

In 2020, De Beers Group extended its commitment to Building Forever by announcing 12 ambitious goals that De Beers Group has set to achieve by 2030. These goals concentrate on four clear pillars where we believe De Beers Group can make a meaningful impact. These goals are: Leading Ethical Practices Across Industry, Partnering for Thriving Communities, Accelerating Equal opportunity and Protecting the Natural World. Human rights are a critical foundation underpinning all Building Forever goals, in recognition of the importance De Beers Group places on maintaining its position as a human rights leader across the value chain.

Learn more about the Building Forever goals [here](#).

UPDATE ON PROGRESS

Summary of actions taken during financial year ending 31 December 2020

The following is an update against the commitments we made in our 2019 statement to address the risk of modern slavery within the De Beers Group business, within its supply chain and within its diamond value chain.

WITHIN OUR BUSINESS

ACROSS OUR GROUP

The De Beers Best Practice Principles (BPP) Assurance Programme (BPP Programme) applies to all diamond-related businesses across De Beers Group, from our rough diamond mines and sales entities through to our diamond jewellery retail entities. These are the key updates implemented in 2020:

- In the 2020 BPP cycle, a new section was rolled out as part of the BPP Programme, entitled "Sourcing from Conflict Affected and High-Risk Areas". This followed the annual evaluation of the Programme in 2019, whereby sourcing of diamonds and other minerals was identified as an area for review from a human rights perspective.
 - » These changes are fully aligned to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the OECD Guidance).
 - » This further recognises De Beers Group's commitment to ensuring that both we and our customers demonstrate high ethical standards, including effective management of modern slavery and human rights risks in support of sourcing responsibly.
 - » For De Beers Group, the new section is applicable to all business units sourcing either diamonds or other minerals, which are required to demonstrate the robust human rights due diligence processes they have in place to ensure the diamonds and/or other minerals they source respect human rights and do not contribute to conflict.

- De Beers Group’s priority during the Covid-19 pandemic has been to ensure the safety and human rights of our people are protected, and therefore a review of the BPP Programme was undertaken during 2020 to ensure its requirements were robust and appropriate in managing Covid-19-specific issues, including those relating to human rights. More information on the review and its outcome are provided below in the “Across our Value Chain” section.
 - » Whilst the review of the BPP Programme was ongoing for implementation in 2021, we also took immediate action to ensure the Programme could continue to run safely during the 2020 cycle, as we recognised the potential for increased human rights risks caused by the Covid-19 pandemic. As a result, to ensure the programme could continue safely, all audits were conducted remotely. More information on this is set out in the “KPI” section of this statement.

AT OUR UPSTREAM OPERATIONS

[Social Way 3.0](#), our updated social performance management framework for our mining operations, was launched in January 2020 with the goal to achieve full compliance with its requirements at our land-based mining operations by the end of 2022.

The framework is made up of a number of foundational requirements which are compulsory for all active land-based mining operations. The foundational requirements set standards on topics such as human rights risk and impact analysis, and incident and grievance management, amongst others. These specific requirements will also be rolled out to our marine operations in Namibia throughout 2021.

As well as the foundational requirements, there are certain risk-based requirements compulsory for all active land-based mining operations. This includes full adherence to the Voluntary Principles on Security and Human Rights and contractor social management, amongst others. In addition to this, there are a number of context-specific requirements, for example, topics relating to indigenous peoples and conflict management.

Two of the compulsory requirements outlined above relate specifically to human rights due diligence, and the [Social Way Toolkit](#) provides extensive guidance and templates to support operations with their implementation:

- [Requirement 3C](#). Social & Human Rights Risk and Impact Analysis
- [Requirement 4E](#). Voluntary Principles on Security and Human Rights

Both requirements were assessed by external assurers at the end of 2020 and their findings have been incorporated into the sites’ updated transition plans in Q1 2021.

AT OUR MINING OPERATIONS IN CLOSURE

During 2020, the Voorspoed, Victor, Snap Lake and Namdeb mines developed closure review action plans aligned with the Social Way 3.0 as well as Anglo American’s Mine Closure Toolbox.

Review of the plans was undertaken in Q4 2020 (with the exception of Voorspoed, which occurred in February 2021) and no material issues were identified.

AT OUR MIDSTREAM OPERATIONS

Auctions

The De Beers Group Responsible and Ethical Sourcing Policy for Diamonds (Responsible Sourcing Policy), which is aligned to the OECD Guidance, was established in 2018 in collaboration with other relevant business units within De Beers Group. Throughout 2020, the Responsible Sourcing Policy underwent a significant multi-stakeholder review, and the revised version was [published](#) in Q2 2021. The scope of the review was to ensure the Policy continued to meet De Beers Group’s commitments of only sourcing diamonds responsibly in light of changing commercial models, and that sourcing practices continue to be fully aligned to the OECD Guidance. More information on the Responsible Sourcing Policy is provided below under the “Governance, Policies, Programmes and Assurance for Human Rights” section of this statement.

GemFair™

In 2020, GemFair continued to take steps to address the risk of modern slavery within its operations and the operations of its artisanal diamond mining (ASM) suppliers. These steps have included:

- GemFair further scaled the reach of the programme to include more than 40 additional mine sites.
- In response to the restrictions around gatherings, GemFair quickly pivoted to a digital training programme focusing on material requirements for artisanal miners. The training modules emphasised a respect for human rights, abolition of forced labour and debt bondage, and other forms of modern slavery.
- GemFair distributed tablets with the training modules recorded in the local language, which enabled a greater number of miners and workers to learn about these critical issues.
- In response to a [call to action](#) from 73 civil society organisations about the heightened risks in the ASM sector resulting from the Covid-19 pandemic, GemFair scaled up its visits to active participating mine sites to a monthly frequency. During site visits, GemFair staff would monitor for child labour, human rights and forced labour risks.
- GemFair received a virtual [audit](#) of its management system to assess and address human rights risks in its supply chain, which was carried out in September 2020 by third-party auditor SGS. The audit concluded that GemFair met, and in some respects exceeded, the OECD Guidance.

AT OUR DOWNSTREAM DIAMOND OPERATIONS

De Beers Forevermark and De Beers Jewellers

- As articulated in the revised [Responsible Sourcing Policy](#), published in Q2 2021 and of which more information is provided in the “Governance, Policies, Programmes and Assurance for Human Rights” section of this statement, De Beers Group’s downstream brands adhere to a strict set of Fundamental Principles, aligned to the OECD Guidance, when undertaking any sourcing activities.
- The Responsible Sourcing Policy also sets out additional requirements for each brand’s sourcing practices, where their individual commercial needs are accommodated. However, in these instances, any sourcing of diamonds can only be undertaken where our downstream brands can meet the requirements of the OECD Guidance.
- De Beers Forevermark continued to implement its own product integrity initiative on its Forevermark Diamantaires, the Forevermark Pipeline Integrity (PI) Programme. In addition, Forevermark Diamantaires are required to participate and comply with the BPP Programme. During 2020, pilot initiatives were undertaken in the key Forevermark markets of USA and China, which led to these business units directly buying Forevermark-inscribed diamonds from Forevermark Diamantaires. These diamonds have all been sourced in accordance with criteria stipulated by De Beers Forevermark and the Diamantaires underwent third party verification.
- Whilst traditionally the BPP and PI Programmes were managed separately, in 2020 the PI Programme was fully integrated within the BPP SMART System. This sensibly reduced duplication of efforts (including by conducting combined BPP and PI audits) and allowed for a more centralised management of the two Programmes, enabling Forevermark Diamantaires, third party auditors and De Beers Group to manage and oversee the full PI and BPP assessment process from end to end via one single platform.
- De Beers Jewellers continued to implement and evolve its responsible sourcing strategy in ways which ensured it met the requirements of the Responsible Sourcing Policy.

AT OUR OTHER BUSINESSES

Tracr

Tracr continued working with platform participants that are active in various stages of the diamond industry value chain, with De Beers Group currently being the only producer on the platform, and therefore subject to all of the assurance processes in place to identify and respond to human rights risks. Similarly, across the midstream, all Tracr platform participants are De Beers Sightholders, and therefore fall under existing due diligence and assurance processes.

Element Six

In February 2020, the Element Six group implemented Standard Terms and Conditions of Purchase across all its manufacturing locations, to ensure each supplier is aware of the need to have policies and procedures in place equivalent to the Element Six Code of Conduct, which includes the Business Integrity Policy, and to comply with the principles of the same. If a supplier is found to be in breach of these terms or any human rights violations are found within the supplier's business, Element Six reserves the right to terminate the contract with them, recognising the seriousness it places on its suppliers aligning and adhering to Element Six standards.

Lightbox™

Lightbox continued to apply its suite of procedures applicable to its significant contractors and suppliers, both before and after a business relationship is formed. Prior to the relationship being formed, contractors and suppliers must meet minimum due diligence requirements. These checks include ensuring no red flags are identified across risks such as modern slavery or human rights abuses, amongst other ethical social and business practices across the contractors' operations. Once the relationship is formed, suppliers commit to participating in, and being compliant with, an annual third party assurance programme which has robust requirements on business, environmental and ethical standards, and including those which seek to mitigate the risks of modern slavery.

During 2020, Lightbox extended its procedures so that all non-core Lightbox contractors are now screened on an ongoing basis to identify, and address appropriately, any risks relating to modern slavery, human rights.

Institute of Diamonds (IoD)

The IoD provides diamond grading and inscription services for natural and untreated diamonds and diamond testing services, using our own proprietary technology within our own laboratories. These services are offered to diamantaires across the diamond industry, and whilst the IoD does not obtain ownership of any diamonds it receives, the majority of these customers are Sightholders who therefore fall within existing due diligence processes in place, which seek to identify and respond to any modern slavery or human rights risks.

For customers who are not Sightholders, they are still required to provide the IoD with relevant corporate information so that due diligence checks can be conducted. This information is input into third party screening platforms which seek to identify red flags or risks, including those relating to modern slavery and human rights. Only upon these checks being completed will the IoD offer its services to any prospective customer.

BEYOND OUR BUSINESS

Within our Supply Chain:

Further to commitments made in 2019, De Beers Supply Chain has implemented the following in 2020:

- The Responsible Sourcing Standard for Suppliers (the Standard) self-assessment questionnaire was extended to 50 suppliers in 2020. The original target of 80 suppliers was reduced to 50 as a result of the Covid-19 pandemic. The suppliers engaged with since the rollout of the Standard represent 80% of 2020 total addressable spend in South Africa. These supplier self-assessments confirmed that large spend suppliers understand responsible sourcing risk areas and have established practices to manage key risks, including those related to human rights and modern slavery. In addition, key findings showed that none of the suppliers concerned had any investigations for corrupt, illegal, unethical or anti-competitive practices over the last three years.
- Potential impacts of Covid-19 on suppliers, such as their ability to deliver due to national lockdowns and the economic and recession planning impacts, have been mitigated by increasing supplier relationship management and instituting supplier relief efforts, such as payment terms adjustment.

To further mitigate the increased possibility of human rights violations as a result of Covid-19, additional human rights and security checks have been undertaken for supplier onboarding:

- De Beers Group adopted the Anglo American Supplier Life-Cycle standard in its upstream operations, and has implemented trade sanctions and responsible sourcing checks, including child labour and modern slavery checks amongst others, through an independent third party screening verification platform for all new suppliers. This means that all potential new suppliers are screened, and contracts will only be finalised upon the successful completion of these checks.

Within our Value Chain:

- As mentioned above, the new “Sourcing from Conflict Affected and High-Risk Areas” section of the BPP Programme was introduced in the 2020 BPP cycle. As well as being applicable to De Beers Group entities, it also applies to Sightholders, Accredited Buyers and their on-site and/or substantial contractors. With these new requirements being fully aligned to the OECD Guidance, our customers have to demonstrate that their sourcing of diamonds and/or other minerals (where relevant) is done responsibly, and with full adherence to human rights requirements, which we recognise as critical in maintaining consumer confidence.
- As a result of these changes, De Beers Group can demonstrate the efforts being made across the value chain where requirements are in place to undertake robust human rights due diligence not just within De Beers Group, but across our customers’ own business, and into their supply chains, when they source diamonds or other minerals. This new section has thus expanded the scope of human rights risk identification, since it seeks to ensure that human rights and modern slavery risks are identified and protected throughout the sourcing process.
- To allow De Beers Group to undertake a more informed, in-depth review with regards to the policies and measures in place relating to responsible sourcing, an individual section relating to compliance with these requirements has been added in each audit report.
- The annual review of the BPP Programme in 2020 led to an in-depth revision of the BPP requirements for the 2021 cycle and onwards relating to employment, health and safety and human rights specifically in the context of the impact of Covid-19 on diamond operations. This allowed us to embed our learnings of the types of issues presented by Covid-19 and benchmarking our requirements against international best practice, including World Health Organisation (WHO) guidelines and the ISO Standard general guidelines for safe working during the pandemic. Our requirements were strengthened in the following areas:
 - » Management of redundancies and layoffs in unforeseen circumstances.
 - » Pay cut processes respecting payment of minimum wage when workspaces are non-operational due to mandated closures.
 - » Workers’ occupational health and implementing public health measures in accordance with local government guidelines.
 - » Emergency preparedness and risk assessments for contagious diseases in the workplace.
 - » Identification, mitigation and prevention of human rights impacts due to Covid-19 management, including non-discrimination of vulnerable individuals.
- As part of the launch of De Beers’ Building Forever framework, we began working on defining an approach to engage our Sightholders and our value chain within two key thematic areas identified under the framework. These have been selected as a means to further promote the human rights and sustainability impact of the BPPs:
 - » Promoting a ‘Carbon Neutral Value Chain’ through the Protecting the Natural World goal.
 - » ‘Diversity and Inclusion in the Value Chain’, through the Accelerating Equal Opportunity goal.

In doing so, we have embedded these areas in the Corporate Social Investment and Business Impact Section of the BPP Programme, by including additional questions focused on Sightholders’ commitments and measurement approaches to initiatives relating to diversity and inclusion and carbon neutrality, in recognition of them being important areas to demonstrate human rights and environmental compliance respectively.

OVERVIEW OF DE BEERS GROUP AND OUR SUPPLY & VALUE CHAINS

OUR BUSINESS

De Beers Group is the world's leading diamond company with expertise in the exploration, mining, sales and marketing of diamonds, as well as the manufacture of synthetic diamond and supermaterials. Our principal activities are noted below:

Exploration

De Beers Group has diamond prospecting activities in Botswana, Canada, Namibia and South Africa.

Production

Through wholly-owned and joint venture operations, De Beers Group mines for rough diamonds in Botswana, Canada, Namibia and South Africa.

Sales

The vast majority of De Beers Group's rough diamond production mined from Botswana, Canada, Namibia and South Africa is aggregated by De Beers Global Sightholder Sales (GSS) in Botswana and sold primarily by way of term contract by GSS. A proportion of aggregated production is sold by way of auction by Auctions in Singapore.

GemFair

GemFair offers a secure and transparent route to market for ethically sourced ASM diamonds through implementing a digital solution for mine sites that meet demonstrable ethical standards.

Ignite

De Beers Ignite has operations in South Africa and the UK, researching and developing varying technologies that impact mine life expansion, identifying new methods for verifying and sorting diamonds and producing technology that ensures all synthetic (laboratory-grown) diamonds and treatments (enhancements to diamonds) can be detected.

Institute of Diamonds

De Beers Group Institute of Diamonds (IoD) offers polished diamond grading services and uses proprietary equipment for the identification of synthetic (laboratory-grown) diamonds. Services are offered through laboratories in Antwerp in Belgium, Surat in India and Maidenhead in the UK.

Brands

De Beers Group has two diamond brands: De Beers Forevermark (which includes Libert'aire by Forevermark) and De Beers Jewellers™ (DBJ).

DBJ is a global diamond jewellery retailer, with 29 stores in 13 consumer markets around the world. De Beers Forevermark offers an inscription, grading and branding service to diamantaires and retailers for eligible polished diamonds across 30 countries.

Synthetic Diamonds and Supermaterials

Element Six is a global leader in the design, development and production of synthetic diamonds and tungsten carbide material (or 'supermaterials') used for industrial purposes. It is made up of two businesses: Technologies (wholly-owned by De Beers Group); and Abrasives (approximately 60% owned by De Beers Group, with Umicore, a major materials group, owning the remaining share). Element Six has manufacturing facilities in China, Germany, Ireland, South Africa, the UK, and the USA.

Lightbox

A wholly-owned De Beers Group business selling laboratory-grown diamond jewellery wholesale and online to consumers.

Tracr

Tracr is an innovative Connected Value Chain platform initiated by De Beers Group. Using advanced technology including the internet of things, artificial intelligence, blockchain and state-of-the-art security and privacy, it connects the diamond industry's entire value chain and ensures provenance, traceability and authenticity of natural diamonds.

Internal Function - De Beers Group Supply Chain

De Beers Group supply chain function is responsible for the procurement of ancillary goods and services to support the Group's upstream activities.

For more information on De Beers, please visit: www.debeersgroup.com.

For more information on Element Six, please visit: www.e6.com.

For more information on GemFair, please visit: www.gemfair.com.

For more information on Tracr, please visit: www.tracr.com.

For more information on Lightbox, please visit: www.lightboxjewelry.com.

OUR SUPPLY CHAIN

Supply Chain activities at De Beers Group include the provision of goods, labour and services to support the exploration, mining, transportation, aggregation, processing and technology development required for our business.

De Beers Group is committed to working with suppliers who comply with applicable laws, while striving for 'zero harm' to people, society and the environment. This commitment ensures that we work with responsible suppliers. We remain committed to support suppliers to identify and manage sustainability issues such as those relating to safety, human rights, modern slavery and workplace conditions.

Our supplier-base is wide and diverse, comprising a growing number of small and medium-sized localised suppliers in the countries in which we have operations. Procurement of goods, labour and services available in our countries of operation is of strategic importance to De Beers Group because it plays a key role in developing thriving and healthy host communities. Spend behaviour supports inclusive procurement, which decreased to 64% in 2020 from 65% of total addressable spend during 2019. This decrease is attributable to reduced volumes due to national lockdowns as a result of the Covid-19 pandemic.

Sourcing diamonds from ASM sources for GemFair continues to be conducted and governed through the GemFair Responsible ASM Assurance Programme, which requires artisanal miner participants to abide by our standards that assure mining and business practices are carried out in an ethical manner, in alignment with the [OECD Guidance](#).

GOVERNANCE, POLICIES, PROGRAMMES AND ASSURANCE FOR HUMAN RIGHTS

Our long-term success depends on a strong ethical foundation, which is why we took a proactive, zero tolerance approach to forced labour and modern slavery prior to the entry into force of the Modern Slavery Act. This approach continues and has never been stronger.

Key Human Rights International Frameworks and/or Standards

As a member of the United Nations Global Compact through Anglo American, we are committed to the United Nations Guiding Principles on Business and Human Rights by holding ourselves and those we work with accountable to honouring industry-leading requirements set out by the Social Way (our standard for inclusive engagement and social impact assessment and management), the Kimberley Process, the Voluntary Principles on Security and Human Rights (VPSHR) and our BPP Programme.

BPP Programme

We work in close partnership with our Sightholders, Accredited Buyers and their contractors engaged in diamond cutting, polishing and jewellery manufacturing and diamond jewellery retail, to build trust and confidence throughout the diamond pipeline, which is supported by third party auditing to verify compliance with our requirements through their participation in the BPP Programme.

Responsible Sourcing

All diamonds sourced by De Beers Group business units must meet our robust responsible sourcing practices, which require human rights due diligence to be undertaken on suppliers. This is to ensure and give confidence that the diamonds have not been sourced in ways which give rise to concerns of human rights impacts, conflict and modern slavery.

These practices are governed by our [Responsible Sourcing Policy](#), which remains fully aligned to the OECD Guidance. Throughout 2020, the Policy underwent a comprehensive and holistic review, and the revised version was published in Q2 2021. The Policy is designed to ensure that risk-based due diligence is undertaken for all sourcing activities to identify, mitigate and address key risks, including on human rights as they have been identified in OECD Guidance. The Policy sets out a number of Fundamental Principles, which are applicable to all sourcing business units. These include, but are not limited to, De Beers Group's position that it will not tolerate any form of torture, cruel, inhuman and degrading treatment, compulsory or forced labour, including child labour, and gross human rights violations in the sourcing of its diamonds. The full list of Fundamental Principles, and additional information in the policy can be found [here](#).

In addition to publishing the Responsible Sourcing Policy, De Beers Group is further committed to transparency efforts which help to ensure, and evidence, confidence in its diamond sourcing across the diamond and jewellery value chains. Therefore, we published our progress on the implementation of the Responsible Sourcing Policy across the relevant parts of the Group in the 2020 Sustainability Report. This Report reflects on our 2020 approach to ethical sourcing and demonstrates how we have promoted responsible business practices both in our own business and the wider value chain.

Building Forever Framework

As an industry leader in human rights compliance, in 2020 we announced 12 ambitious [goals](#) as part of our comprehensive Building Forever sustainability framework, which is our commitment to creating a positive, lasting legacy that will endure well beyond the recovery of our last diamond. As mentioned above, we are determined to achieve these goals by 2030. These are concentrated on four clear pillars where we believe we can make a meaningful impact – Leading Ethical Practices Across the Industry, Partnering for Thriving Communities, Protecting the Natural World and Accelerating Equal Opportunity. Respect for human rights and ethical integrity are critical foundations to the Building Forever Framework, and at the heart of our operating model of seeking to drive best practice across the diamond value chain.

Governance

Accountability for sustainability at De Beers Group rests with the Board of Directors of De Beers plc, supported by the Sustainability Committee (which is chaired by the CEO, Bruce Cleaver), as well as several other sub committees and working groups.

As part of our commitment to continuous improvement, our Human Rights Working Group seeks to better understand the human rights risks posed by our business, our supply chain and our value chain (both directly and indirectly) and, in turn, to review and enhance the ways in which we manage those risks.

A summary of De Beers' governance approach in 2020 is shown in diagram 1.



Governance at De Beers diagram 1

Policies, Procedures, Standards and/or Programmes

In 2020, the following policies and standards underpinned our approach to managing modern slavery risk:

- [The De Beers Best Practice Principles and Assurance Programme](#)
- [De Beers](#) and [Element Six](#) Codes of Conduct
- [De Beers Responsible and Ethical Sourcing Policy for Diamonds](#)
- GemFair Responsible [ASM Assurance Programme Standard Requirements](#), [Manual and assessment surveys](#)
- GemFair [Policy for Sourcing from Conflict-Affected and High-Risk Areas](#)
- GemFair [Whistleblowing Policy and Procedures](#)
- [Anglo American Business Integrity Policy](#)
- Employee Human Rights Policy
- [Element Six Human Rights Policy](#)
- [Element Six Policy on Responsible Global Supply Chain of Minerals and Metals from Conflict-Affected and High Risk Areas](#)
- Lightbox Business Integrity Standards
- Lightbox Minimum Requirements for Supplier Engagement
- [Security Forces and Human Rights Policy](#)
- [Social Performance Policy](#)
- [Anglo American Social Way 3.0](#)
- De Beers Consolidated Mines Contractor Compliance Benchmark Standard
- [Anglo American Responsible Sourcing Standard for Suppliers](#)
- [Forevermark Pipeline Integrity Programme](#)

PROGRAMMES TO SUPPORT RISK ASSESSMENT AND DUE DILIGENCE

De Beers Group takes a risk-based approach to ensure that high standards of business integrity are upheld. De Beers Group has a number of programmes that support its ability to identify and mitigate risks in its own businesses and supply chains, as well as in the value chain, including the risks of modern slavery.

THE BEST PRACTICE PRINCIPLES (BPP) ASSURANCE PROGRAMME

The BPP Programme consists of a set of mandatory environmental, social (including human rights) and ethical standards that we apply to all our own operations⁴, as well as to our Sightholders (the businesses that purchase the vast majority of De Beers Group rough diamonds), Accredited Buyers and their relevant diamond contractors. This includes undertaking Know Your Counterparty (KYC) due diligence processes prior to becoming a Sightholder, encompassing enquiries relating to forced labour and human trafficking violations.

The use of child labour or forced labour and the abuse of human rights are a material breach of the BPPs. If serious human rights abuses, including modern slavery, are identified in our business or in our supply or value chains, De Beers Group takes measures to ensure they are eradicated in a rights-compatible manner, takes appropriate commercial actions and potentially imposes sanctions in parallel until corrective actions are implemented.

The BPP Programme requires that each relevant entity has policies and procedures in place to help ensure respect for human rights and to prevent modern slavery. Where relevant, due diligence, risk assessments and training are required to implement these policies and procedures.

All entities in De Beers Group and all De Beers' on-site and substantial⁵ contractors are required to participate in the BPP Programme. The BPP Programme consists of an annual, three-step assessment process:

1. All relevant entities are required to complete a self-assessment workbook, recording their level of compliance against each BPP requirement.
2. An independent third party verifier, SGS, is employed to conduct on-site verification visits. SGS annually visits up to 10% of all entities in scope per organisation.
3. One third of all self-assessment workbooks are assessed through a desktop audit.

During the 2020 BPP cycle, which ran from 1 January 2020 to 31 December 2020, the BPP Programme covered 349,955 employees in 2,644 entities across 78 countries⁶. 113 verification visits took place, and 186 desktop reviews were conducted by SGS at De Beers Group, Sightholder and Accredited Buyer entities and their relevant contractors. Due to Covid-19, all verification assessments took place remotely (more information is provided below).

The results of the assessment process are reported on an annual basis in our "Building Forever: Our Journey" report, found [here](#). Further information on the BPP Programme can be found [here](#).

GEMFAIR RESPONSIBLE ASM ASSURANCE PROGRAMME

GemFair, which sources rough diamonds from pre-approved artisanal and small-scale miners who commit to the programme's operating and working standards, continues to use its own GemFair Responsible ASM Assurance Programme for responsible sourcing, which draws its structure, scope and intent predominantly from the:

- OECD Guidance
- De Beers BPP Programme
- Alliance for Responsible Mining and RESOLVE's CRAFT Code, and
- Diamond Development Initiative's (DDI) Maendeleo Diamond Standards™

⁴ Participation in the BPP Programme excludes the Tracr™ and Element Six businesses.

⁵ Substantial contractors are defined as those contractors that derive more than 75% of their diamond-related revenue (in value or volume) from a De Beers Group business.

⁶ 2020 data from the De Beers Building Forever Report: Our Journey.

The GemFair Responsible ASM Assurance Programme enables GemFair to work constructively with artisanal miners through an iterative process of training, monitoring progress and providing remedial training, which seeks to support miners' continuous improvement against its Core Requirements, including those related to safety, environment, and working standards.

GemFair's Responsible ASM Assurance Programme is a group of policies, procedures, standards and training fulfilling the OECD Guidance requirements for responsible sourcing in mineral supply chains. These include, but are not limited to, undertaking risk assessments for forced labour, human trafficking, human rights violations and child labour. Any observation or verified reports of the above material issues would lead to GemFair's disengagement from the individual or business. GemFair also undertakes KYC due diligence on potential and existing substantial suppliers (as determined by value). GemFair's assessment process with artisanal miners includes:

- Baseline risk assessment at their site and of GemFair's records to assess for any material risks.
- Corrective action where required, including remedial training and action plans.
- Third party audit of GemFair's due diligence management systems, as well as a sample of mine sites selling to GemFair. The first audit took place in 2019 and a subsequent audit took place in 2020.

In addition to the Responsible ASM Assurance Programme, GemFair:

- Distributes a policy to miners which includes a section on forced labour and human trafficking and delivers training on these topics.
- Requires each of its suppliers to sign a self-declaration to adhere to GemFair's Core Requirements, which include human rights and forced labour standards.
- Has developed a policy on Sourcing from Conflict-Affected and High-Risk Areas to demonstrate its commitment to following the five-step framework as articulated in the OECD Guidance. The policy details how GemFair addresses supply chain risks (including modern slavery risks) related to sourcing ASM diamonds from either a conflict-affected or high-risk area.

SOCIAL WAY

The Social Way is our social performance management framework for our mining operations. It sets out the key activities and requirements each mining site needs to implement on an ongoing basis to identify and address social performance impacts and issues. The Social Way explicitly links effective social performance with respect for human rights. This is embedded into its requirements (specifically those related to social and human rights risks and impact assessment, stakeholder engagement, understanding and addressing concerns of vulnerable groups, addressing grievances) and in our work with contractors, including regarding our approach to security. Mining operations are assessed annually to determine compliance with, and identify gaps in respect of, the requirements of the Social Way. During 2020, the Venetia, Gahcho Kué, Jwaneng and Orapa, Letlhakane and Damtshaa mines were guided by transition plans with a target of full compliance by the end of 2022 (an extension of one year across all Anglo American operations due to the impact of Covid-19).

SUPPLY CHAIN MANAGEMENT

The products and services that are used to support our global rough diamond mining operations are predominantly sourced in Botswana, Canada, Namibia and South Africa, in recognition of the importance we place on developing and maintaining thriving and healthy host communities.

De Beers Supply Chain actively supports the Anglo American Supply Chain function's journey to "Innovate Supply, Responsibly" by 2021. This will be delivered through outcomes which focus on safety, people, sustainability, value delivery and digitisation. Underpinning the delivery of these outcomes are our supplier partnerships: in 2020, we procured circa \$1.8 billion of goods and services from more than 5,700 suppliers, of which 3,181 are South African and Canadian suppliers part of the Responsible Sourcing Standard. Fundamental to this approach is the prioritisation of ethical decision-making when purchasing goods and services. This prioritisation is embedded within the Anglo American Responsible Sourcing Standard for Suppliers alongside five key expectations for suppliers:

- Protect safety and health
- Protect the environment
- Respect labour and human rights
- Increase social accountability, and
- Conduct business fairly and with integrity.

The top suppliers by spend are the focus of the Responsible Sourcing Standard, and whilst the programme was implemented first across South African suppliers, the programme was rolled out to Canadian businesses in 2020.

The requirements contained in the Anglo American Responsible Sourcing Standard for Suppliers are non-negotiable, as part of Anglo American and De Beers Group commitment to ensure fair and transparent business practices and to use our influence with suppliers to effectively manage those risks.

VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS (VPSHR)

We continued to strengthen our human rights due diligence processes and to further standardise core aspects of the implementation of the VPSHR in 2020. The main focus was to promote awareness of the VPSHR through cross-functional training and conduct robust risk assessments to identify and address security-related human rights risks at all the operations across the business.

OTHER INITIATIVES

In addition to the above, for the purposes of the Group's other businesses, the following complementary initiatives continued to be in place during 2020:

- **De Beers Forevermark and Pipeline Integrity Requirements** include an obligation on Authorised Forevermark Diamantaires to participate in the BPP Programme, set out what is expected of participants in the Forevermark Programme including from a responsible business practices perspective. In order for a polished diamond to be eligible for Forevermark inscription, it must be from an approved rough diamond source. This includes supplier due diligence relating to modern slavery risks. During the 2020 BPP cycle, the PI Programme has been fully integrated within the BPP SMART System, enabling Forevermark Diamantaires, third party auditors and De Beers Group to manage and oversee the full PI and BPP assessment processes from end to end via one single platforming, in turn, reducing duplication of efforts.
- **Auctions** continues with its sourcing of third party rough diamonds from approved producers, in line with the De Beers Group [Responsible Sourcing Policy](#) referred to above. Verification against the implementation of this Policy and its supporting processes is undertaken through independent third party BPP audits. All procedures relating to third party diamond procurement are clearly defined in a Third Party Supply Operating Model and training on the same to relevant employees is provided.
- **DBJ** sources its diamonds in accordance with the De Beers Group [Responsible Sourcing Policy](#) referred to above. All DBJ's core diamond suppliers (which are determined by value) are compliant with the requirements of the BPP Programme and/or are certified members of the RJC. Both the BPP and RJC requirements include independent third party audits as well as requirements relating to the identification, mitigation and prevention of human rights abuses, including modern slavery, in the participant's business and supply chain. The majority of DBJ's main jewellery manufacturers are RJC certified members. Exceptional diamonds are only sourced from approved suppliers who must meet a series of strict requirements, and comply with the Fundamental Principles, as outlined in the Policy.
- The **Element Six** business sources tungsten carbide for some of its products and manufacturing processes. To ensure it maintains responsible sourcing of required materials in compliance with its legal obligations, Element Six has a supplier register that is audited annually to ensure responsible sourcing of tungsten carbide.

EFFECTIVENESS AND KEY PERFORMANCE INDICATORS (KPIs)

The procedures adopted by De Beers Group that are associated with mitigation of modern slavery risks have internal performance measures. In relation to our own employment practices, supply chain and diamond value chain, we monitor and review as follows:

SOCIAL WAY RESULTS

The implementation of the Venetia, Gahcho Kué, Jwaneng and Orapa mines' Social Way transition plans was impacted by the emergence of Covid-19 in 2020. Throughout the majority of 2020, the operations' Social Performance teams primarily focused their activities on supporting their host communities to deal with the consequences of the pandemic. As a result of Covid-19, the 2020 year-end Social Way assessments only required the five foundational requirements of the Social Way 3.0 to be reviewed. The operations were assessed as having achieved all targets set for these requirements and as being on track with their plan to achieve compliance with Social Way 3.0.

Reviews of the closure action plans were undertaken at Victor, Snap Lake and Namdeb mines in Q4 2020 and at Voorspoed in February 2021 and no material issues were identified.

OUTCOME OF BPP PROGRAMME VISITS WITHIN OUR BUSINESS AND WITHIN OUR VALUE CHAIN

In 2020, the BPP Programme reverted to its usual twelve-month cycle (1 January to 31 December 2020), following a nine-month cycle in 2019 which was reduced to align to GSS' Intention to Offer (ITO) selling period. Despite the challenges of the Covid-19 pandemic, our primary focus was to ensure that the BPP Programme could continue safely, in recognition of the importance of demonstrating adherence to human rights and responsible business practices even during times of crisis. This was achieved successfully as all deliverables of the Programme were met and achieved on time, whilst the health and safety of all participants and auditors were prioritised. This was attained by conducting the same number of audits as mandated in our governance documentation but accommodating them to take place remotely using tele and video conferencing tools. As far as possible, the remote assessments replicated on-site audits and included document review, virtual site tours and interviews with subject matter experts. Worker interviews were only held where their confidentiality could be guaranteed, recognising the importance of privacy as a human right.

In addition, the desktop review process was utilised to ask all Corporate Headquarters (CHQ) of every BPP participant group a series of Covid-19-specific questions requiring them to provide comprehensive information on their management of Covid-19 and how they had protected workers' human rights through appropriate health and safety and employment practices. During all remote assessments, auditors also sought to verify that Covid-19 practices and procedures ensured protection of workers' human rights, employment rights and health and safety at all times.

Within our business

A total of 51 self-assessment workbooks were submitted across De Beers Group and 11 workbook reviews were conducted during the 2020 BPP cycle. These have been rated in accordance with the BPP Programme requirements and resulted in one Minor Infringement being identified, which did not relate to human rights (including modern slavery) impacts, and for which a Corrective Action Plan has been developed and is currently underway. Three Improvement Opportunities were self-declared across a number of topics in the Business Practices and Health and Safety sections, of which none related to human rights requirements.

In 2020, GemFair continued to participate in the BPP Programme to demonstrate its compliance with the BPP requirements. Additionally, SGS carried out an assessment of the GemFair programme's management system and its compliance with the BPP requirements on responsible sourcing. The assessment found that GemFair's management system was fully aligned to the BPPs and to the OECD Guidance.

Within our value chain

All entities that are owned or are under the management control of Sightholders and Accredited Buyers are required to participate in full in the BPP Programme. In addition, substantial contractors (those that derive more than 75% of their revenue from a Sightholder or Accredited Buyer) are required to participate in the Contractor

BPP Programme, and all non-substantial contractors⁷ must be disclosed on the BPP SMART System.

In addition, Sightholders and Accredited Buyers are required to declare that all owned entities and contractors that manufacture melee⁸ diamonds must enable reviews to be undertaken to cover the new BPP Melee Assurance Protocol requirements.

During the 2020 cycle, 175 workbooks were reviewed and rated in accordance with the BPP Programme requirements. In addition, 103 on-site verification visits were completed based on the sampling requirements defined above. This included audits undertaken at the non-substantial contractor sites involved in manufacturing melee diamonds.

Non-compliance with the BPP Programme requirements within our value chain (Sightholders, Accredited Buyers and relevant contractors) relating to human rights, of which modern slavery and human trafficking are key elements, are listed below:

Human Rights Indicators	2020	2019	2018	2017
Total number of Improvement Opportunities identified under Child Labour/Forced Labour/Human Rights (including Responsible Sourcing)	11	27	36	4
Total number of Minor Infringements identified under Child Labour/Forced Labour/Human Rights (including Responsible Sourcing)	5	13	5	3
Total number of Minor Infringements identified under Child Labour/Forced Labour/Human Rights (including Responsible Sourcing)	3	5	1	0

2020 showed a significant decrease in the number of identified Improvement Opportunities and Minor Infringements relating to the sections covering broader human rights in our value chain. This was largely expected due to the limitations caused by Covid-19, which led to adapting our usual approach in light of the challenges and risks presented by the pandemic.

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

As well as the use of remote assessments articulated above, lower-risk requirements were removed or reduced within the scope of third party assessments. Instead, self-assessments were used to demonstrate compliance. However, if evidence of a compliance issue within these areas came to light during an audit or review of the self-assessments, the independent third party verifiers would raise them as infringements requiring corrective action.

Although the remote assessments sought to replicate on-site audits as far as possible, core aspects such as interviews with employees were cancelled to help ensure their privacy and confidentiality. In their place, group interviews with employees took place which covered topics which would not impact the confidentiality of workers. However, recognising their important role in the BPP Programme, we intend that the 2021 BPP cycle will involve on-site audits where it is safe to do so.

⁷ Contractors deriving less than 75% of their revenue from a Sightholder or Accredited Buyer.

⁸ For the purposes of the BPP Programme, melee diamonds are diamonds that are 0.01ct or less.

Overall number of Major and Minor Infringements (consolidated) identified at client operations	2020	2019	2018	2017
Business Responsibilities	61	64	31	39
Social Responsibilities	95	149	128	138
Environmental Responsibilities	0	7	3	10

Lightbox Contractor Participation:

Lightbox' relevant contractors (cutting and polishing contractors and jewellery manufacturing contractors) continued to be assessed against a number of ethical business, social and environmental practices, which include human rights and human trafficking requirements.

Lightbox' jewellery manufacturing contractor has been assessed against these requirements since 2019. However, in 2020 it received its first third party audit by SGS. The audit identified one Major Infringement relating to our social requirements, however evidence from the audit demonstrated that this did not impact workers' rights, including their human rights. Currently, both De Beers Group and Lightbox are working together with the contractor to ensure appropriate corrective action is taken, which will be reviewed by SGS.

The second contractor, who cuts and polishes the lab-grown diamonds, continued to be assessed against business, social and environmental practices for a second year. This contractor did not receive a third party audit during 2020 in accordance with the rules governing their participation as a De Beers Group contractor. However, it was assessed through self-assessment which requires the contractor to demonstrate and provide evidence of its compliance against applicable requirements.

Both De Beers Group and Lightbox take a robust approach to the implementation of the requirements placed on their contractors, and the Major Infringement identified at the jewellery manufacturing contractor is demonstrative of the seriousness we place on leading ethical practices across industry, and supporting our contractors on their journey of continuous improvement towards best practice.

GEMFAIR MINE SITE ASSESSMENTS

In 2020, GemFair conducted 211 mine sites assessments in Koidu, Sierra Leone. Through observations and interviews carried out by GemFair staff, GemFair concluded that there were no reported or observed human rights abuses, including forced labour and child labour, on all the mine sites assessed or on transport routes. GemFair also visited all active participating mine sites to deliver food parcels as part of its comprehensive Covid-19 community response. These visits took place once a month starting in Q2 2020 and ending in February 2021, totalling 790 visits.

Also in 2020, SGS audited GemFair's management system as a whole, together with a review of a sample of GemFair's mine sites assessments against the GemFair ASM Standard. The audit did not make any recommendations impacting GemFair's approach to identifying and responding to human rights risks. However, GemFair has implemented and responded to the auditor's other recommended programme enhancements, which were identified as improvement opportunities and not infringements.

TRAINING

Whenever possible, we aim to improve our performance through training and capacity building initiatives. Current initiatives available to our employees, contractors and relevant customers in the diamond and (where relevant) synthetic diamond and supermaterials value chains relating to the management of modern slavery risks, are as follows:

- **Human Rights Training:** Overall, the number of training hours devoted to human rights in 2020 was 2,428 and the number of people trained in human rights was 2,332.
- **Best Practice Principles Training on OECD Guidance:** Online training was offered to BPP participants (Sightholders, Accredited Buyers, their relevant contractors and relevant De Beers Group contractors) to provide them with comprehensive guidance on how to implement new requirements in the BPP Programme on "Sourcing from Conflict Affected and High Risk Areas" which are fully aligned with the OECD Guidance. Four training sessions were offered to a total of 85 group companies and their representatives.
- **Training on Voluntary Principles on Security and Human Rights:** In 2020, a total of 755 (623 in 2019) employees, privately contracted security personnel and members of police services received training (conducted both in-class and e-learning) across all of our operations.
- **GemFair Training for ASM Miners:** GemFair rolled out seven training sessions on responsible business and mine site business conduct. Training for ASM miners was conducted at both mine-sites and in classrooms and included breakaway sessions and extensive solution-oriented workshops. In particular, the training focused on GemFair's Core Requirements, which include no human rights violations, forced or child labour at any mine site or in business practices. Miners also had the ongoing opportunity to engage with GemFair staff on these topics during regular mine site visits. During the height of the pandemic in Sierra Leone, GemFair suspended in-person trainings, and instead distributed video trainings on tablets to miners.

Please see our annual [Building Forever publication](#) for further information.

PLANS TO STRENGTHEN OUR APPROACH IN THE FUTURE

Over the next 12 months we will look to raise awareness about modern slavery risks in the diamond industry through the BPP Programme. In addition, we intend to take the following actions to further strengthen our approach to managing human rights risks in the group, including modern slavery:

ACROSS OUR GROUP

- Starting in 2021 and into 2022, we will be supported by a leading centre of expertise on the UN Guiding Principles on Business and Human Rights in undertaking a wholesale review of the quality of the human rights due diligence undertaken across through De Beers Group. This will enable us to identify areas for improvement to enhance our approaches to human rights due diligence, as this remains a critical foundation of the Building Forever framework.
- Continue our analysis of Covid-19-related challenges identified during 2020. This will be based on the analysis already undertaken during the 2020 BPP Cycle and the strengthening of the BPP Employment, Health and Safety and Human Rights requirements, which were rolled out to all BPP participants for the 2021 cycle.
- Report publicly on our 2020 progress and implementation of our diamond sourcing practices, in accordance with the Responsible Sourcing Policy and the OECD Guidance.
- Undergo the third RJC Code of Practices re-certification for De Beers Group and its business units during the 2021 cycle. De Beers Group has already successfully achieved a full three-year re-certification in 2012, 2015 and 2018 by demonstrating full conformance levels with the RJC Code of Practices requirements.
- Throughout 2021, we will continue to enhance our responsible sourcing workstreams, as part of the specific Responsible Sourcing goal within the Building Forever framework. We will work closely with all

business units sourcing diamonds, to ensure their commercial practices are implemented in accordance with the Responsible Sourcing Policy, and of which progress will be reported in the 2022 Sustainability Report.

- In addition, a Responsible and Ethical Sourcing Policy for other minerals being sourced across De Beers Group will be published to further strengthen our position on responsible sourcing.

AT OUR UPSTREAM OPERATIONS

- All mining operations to achieve full compliance against the requirements of Social Way 3.0 by the end of 2022.

AT OUR MIDSTREAM OPERATIONS

GemFair to:

- Continue to streamline its due diligence management system to make it more risk-based and responsive to any emerging material issues.
- Scale up its ASM Assurance Programme to further sites in Sierra Leone, providing crucial information to artisanal miners on how to be vigilant for the risks of forced labour and debt bondage in the ASM context.

AT OUR OTHER BUSINESSES

Element Six

Whilst Element Six maintains its current standards and procedures to ensure suppliers comply with its Code of Conduct, it is always looking for ways to improve transparency within supply chains. This discussion occurs formally several times a year as a reoccurring agenda item at its Values Committee meetings, as well as quarterly working group meetings.

Lightbox

Lightbox to:

- Strengthen Lightbox contractors' compliance with applicable ethical business and social requirements by formalising the process in place to manage any corrective actions identified by the third party auditor.
- Continue strengthening its policies and procedures in place for its significant suppliers and to form part of the De Beers Group Responsible Sourcing and Ethical Policy for other minerals in relation to the component products they use in their jewellery.

BEYOND OUR BUSINESS

Upstream Supply Chain

In addition to continuing our current efforts, we will undertake the following activities in 2021:

- In conjunction with Anglo American, facilitate and enable the delivery of the Responsible Sourcing Standard for Suppliers targets in the 2023 Building Forever 5-year plans for Venetia and Gahcho Kué mines.
- Extend participation to the Anglo American Responsible Sourcing Standard for Suppliers programme, with priority on human rights risks, to an additional top 190 South African suppliers and 23 Canadian suppliers by spend, calculated annually, including:
 - » Providing a progressive roll-out of our responsible sourcing programme by identifying suppliers who pose potential for risk, and engaging them to complete self-assessment questionnaires.
- Third party desktop supplier assessments will be undertaken (on a sample basis) to assess their compliance with the Responsible Sourcing Standard for Suppliers. This was not progressed during 2020 as a result of the Covid-19 pandemic, but will be progressed as appropriate in 2021.

- Continue to raise awareness and build capacity. While we expect all suppliers to commit to responsible sourcing as part of their engagement with Anglo American, we recognise the need to support suppliers to identify and manage sustainability risk. To this end, a range of (non-mandatory) virtual training programmes, have been developed and run by Anglo American for small, medium, micro enterprises (SMME) including foundation, technical courses and advanced/specific courses. The topics covered in these courses include issues such as human rights, modern slavery and human trafficking, amongst other social and business requirements.
- Continue to train members of our supply chain teams and relevant business unit stakeholders on responsible sourcing.
- Through appropriate technology digitisation and master data, to support the business to deliver on commitments and imperatives by implementation of Informed365 as the preferred platform for supplier self-assessment submission and analysis.
- Continue engagement with our Supply Chain leaders in our operations in Botswana and Namibia regarding the work currently ongoing relating to the Responsible Sourcing Standard for Suppliers.

For further information on the Responsible Sourcing Standard for Suppliers, the Anglo American Social Way and the 2020 Anglo American Modern Slavery Statement, please visit www.angloamerican.com.

WITHIN OUR DIAMOND VALUE CHAIN

- A key focus of the BPP Programme during the 2021 cycle will be to assess Sightholders' entities against the new requirements based on respecting workers' employment rights, health and safety and human rights during unforeseen circumstances, including the Covid-19 pandemic, to ensure all counterparties in our value chain are demonstrating the required levels of compliance.
- Another focus will be to use the 2021 BPP cycle as a baseline to align the BPP Programme to the Building Forever 2030 goals through the rolling out of the revised Corporate Social Investment and Business Impact Section, by gathering data on Sightholders' commitments and measurement approaches to initiatives relating to the advancement of human rights and protection of the environment.

COVID-19

At the time of writing, the coronavirus outbreak continues to represent one of the greatest challenges ever faced on a global scale. Although some of our commitments over the last year have been adapted to ensure we prioritised the safety of our people and communities, we have continued to demonstrate that respect to human rights is fundamental to every decision we take. As the challenges of the pandemic continue, we remain committed to demonstrating the importance of leading through a crisis and operating in line with best practice and respect to human rights. Therefore, although we endeavour to meet the commitments for 2021 in full, any adaptations required because of the realities of the pandemic will be accommodated in ways which continue to place human rights at the heart of our approach.



Bruce Cleaver
CEO, De Beers Group

21 July 2021

This statement was approved by the Board of De Beers plc on 21 July 2021.