

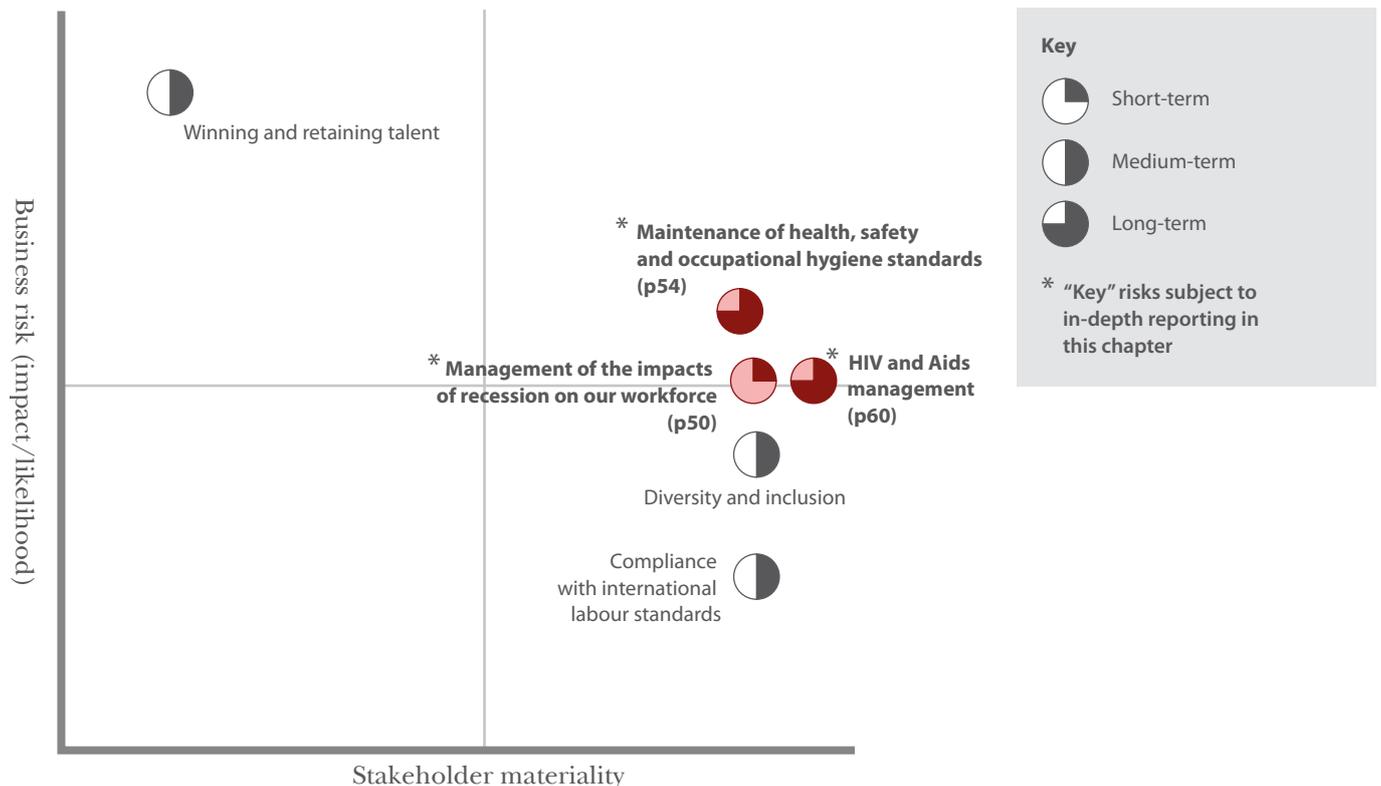
# 4 Employees

Creating a working culture where all employees take a shared responsibility for the delivery of our business goals is a key component of our business model. To achieve this we focus on building local capacity by employing and developing local talent at all levels of the business, a process that in turn helps build a wider skill base wherever we operate. We also continue to engage proactively with priority concerns in our producer countries, including management of the HIV and Aids pandemic, Black Economic Empowerment and gender equity. This ensures the harmonisation of our human resources programmes with national human development goals and encourages our employees to make a more substantial emotional investment in the success of our business.

Ensuring the health, safety and wellbeing of our employees remains our top priority and, in 2009, we took a number of important steps to improve the maturity of our safety management systems, a process that resulted in a significantly improved safety record.

We are also committed to meeting or exceeding all relevant global labour standards in addition to respecting the right of employees to associate freely and bargain collectively. This latter commitment was of particular importance in 2009 as we successfully managed to restructure the business in order to ensure our ability to withstand the impact of the economic crisis.

## Key employee risks



## Risks

### \* Management of the impacts of recession on our workforce (p50)

The downturn has had a profound impact on employees in terms of staffing levels, use of contractors and remuneration. These factors present a range of risks in terms of employee recruitment, retention, motivation and skills – as well as our positioning for recovery.

### \* Maintenance of health, safety and occupational hygiene standards (p54)

The health and safety of our employees and contractors remains our top priority. The effective management of safety risks requires constant vigilance and stringent adherence to international standards and our Principles, as well as a culture of sustained health and safety hazard awareness.

### \* HIV and Aids management (p60)

The majority of our employees live in countries classified as hyper-endemic for HIV. Their exposure to HIV and Aids represents a real threat to their health, their families, the continuity of our business and the long-term development of Africa.

### Diversity and inclusion

De Beers is committed, and in some jurisdictions required, to ensure its workforce is reflective of the diverse societies in which it operates. We continue to support government efforts in southern Africa for the provision of opportunities to previously disadvantaged groups.

### 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.

### Winning and retaining talent

The downturn has had a significant impact on our workforce, and thus on our ability to remain agile and responsive to changing markets. This remains particularly important as we position ourselves as an efficient competitive organisation ready to benefit from economic recovery.

Mervin Mudau and Moses Kgopana at the screening section where ore is separated and graded, Venetia mine, South Africa



## Highlights

- ◆ In 2009, and as a direct result of a significant drop in global diamond sales, the Family of Companies reduced its total workforce by 23%. This represents a total of 3,902 permanent and non-permanent employees (p52)
- ◆ The Family of Companies achieved zero fatalities for the first time in 80 years, reflecting the implementation of numerous targeted safety measures. Our Lost Time Injury Severity Rate improved from 106.89 per 200,000 hours in 2008 to 6.52 in 2009 (p56)
- ◆ The DBCM Occupational Illness Frequency Rate fell significantly from 1.02 cases per million in 2008 to 0.44 cases per million in 2009. This was largely due to the ongoing progress of our hearing conservation programme (p57)
- ◆ The Family of Companies continues to provide Anti-Retroviral Treatment to a total of 1,820 employees and family members in Botswana, Namibia and South Africa (p64)

\* Further information presented in this report

# 4.1 Management of the impacts of recession on our workforce

**Risk:** The downturn has had a profound impact on employees in terms of staffing levels, use of contractors and remuneration. These factors present a range of risks in terms of employee recruitment, retention, motivation and skills – as well as our positioning for recovery.

During 2009, circumstances demanded strong measures in order to weather the impact of the global recession and to prepare our workforce for eventual economic recovery. In this context, the Family of Companies pursued three key objectives: keeping safety as a priority at all times; mitigating the impacts of recession on our employees; and seeking to maintain a motivated, focused and lean workforce into the future.

## 4.1.1 Engagement with government, employees and unions

### 4.1.1.1 Building consensus with government partners

In Botswana and Namibia, where host governments are 50% shareholders in Debswana and Namdeb respectively, frequent and constructive communication between the Family of Companies and senior officials punctuated our handling of the recession in 2009. Dialogue was essential in order to examine and explore the commercial context in which the Family of Companies managed its workforce. In South Africa, the main means of engagement with the government was through the Chamber of Mines and the Department of Mineral Resources.

-  [www.gov.bw](http://www.gov.bw)
-  [www.grnnet.gov.na](http://www.grnnet.gov.na)
-  [www.bullion.org.za](http://www.bullion.org.za)
-  [www.dme.gov.za](http://www.dme.gov.za)

### 4.1.1.2 Employee engagement

Proactive employee engagement played a critical part in the management of recessionary impacts on our workforce. At all points, we sought to maintain meaningful consultation with our employees on, for example, reasons for retrenchment, packages available to employees and the future shape of the business.

Employee engagement was carried out through multiple consultation sessions. All questions were collected and answered, and all reasonable attempts were made to investigate or comply with employee recommendations for business improvement.

In Botswana, a high-level engagement campaign was carried out by Debswana's CEO and External and Corporate Affairs function regarding the likely impacts of recession. Human Resource managers also held a series of meetings at each of the mining operations to explain the likely impacts on employees. An internal survey indicated that approximately 60% of Debswana's employees felt they had received enough pertinent information regarding the economic situation.

### 4.1.1.3 Union engagement

Early and proactive engagement with unions in 2009 proved essential in order to explain the broader economic and commercial challenges facing the Family of Companies.

#### Botswana

Debswana's engagement with the Botswana Mine Workers' Union (BMWU) took place through national-level and mine-level Joint Committees. Debswana and the BMWU were able to find a negotiated outcome with respect to most cost-cutting measures. Negotiations in respect of the annual wage increase from April 2009 to December 2009 were ongoing at the time of writing.

#### South Africa

DBCM's constructive engagement with the National Union of Mineworkers (NUM) took place at both strategic (i.e. national) and operational (i.e. regional) levels.

Although annual wage negotiations with the NUM typically take between two and three months, in 2009 they were concluded in three days. A wage increase of 9% was agreed and the parties renewed their commitment to working together to ensure the sustainability of the operations.

Despite this, the NUM mounted a successful challenge in the Labour Court in relation to some of the legal issues surrounding the retrenchment consultation process. The challenge specifically concerned the timing of termination notices for about 150 employees at the South African operations of the Family of Companies, following the impact of the recession. Three DBCM operations (Finsch, Namaqualand and Kimberley) and DTC South Africa complied with the court order by reissuing new notices of termination. Nonetheless, our South African Exploration unit is pursuing an appeal of the ruling.

 [www.num.org.za](http://www.num.org.za)

#### Namibia

A negotiated agreement between Namdeb and the Mineworkers Union of Namibia was reached in March 2009 on the three month production holiday.



Mining Area No. 1 on the Namibian coast

## Case study: The Diamond Professional Graduate Certificate

This year saw the launch of the Diamond Professional Graduate Certificate programme, an innovative new training programme developed by the Diamond Trading Company (DTC) and the University of Leicester in the United Kingdom. The programme is designed to build a commercial understanding of how value can be created across the entire diamond pipeline. Its objective is to deliver a university accredited qualification, which enhances the ability of our employees to work in different international locations.

The 12 month programme was developed with expert input from the schools of geology and management at the University of Leicester, the DTC Diamond Academies in Gaborone, Kimberley, Windhoek and London, and the broader Family of Companies. Primarily aimed at high potential employees within the DTC, the programme combines:

- Web-based distance learning
- Specialist DTC Diamond Academy training
- International residential courses

Activities include presentations to senior managers, as well as visits to and analysis of our operations in southern Africa.

In 2009, 16 DTC employees successfully graduated from the programme. Of these, three came from the London office, whilst the remainder were from southern Africa. Although the impacts of the global recession saw the suspension or closure of many employee development initiatives in 2009, this programme has been deliberately maintained. This was due to the vital role it plays in helping to enhance diamond skills in southern Africa to the benefit of both the Family of Companies and the countries in which it operates (p29). In 2010, the programme will be expanded to include a further six southern African participants, drawn from the broader Family of Companies.

[www2.le.ac.uk](http://www2.le.ac.uk)  
[www.dtc.com](http://www.dtc.com)

**“DTC are pleased to be partnering with Leicester and its Schools of Geology and Management in the creation of the Diamond Professional Graduate Certificate. It is an important and innovative employee talent development opportunity for the De Beers Group.”**

*Phil Volkofsky, Downstream Human Resources Director*

### 4.1.2 Mitigating impacts of the recession on the workforce

The dramatic fall in Sightholder demand for diamonds in late 2008 and 2009 (p18) necessitated significant and decisive cuts in production. In this context, the Family of Companies implemented a range of “intermediary” measures to avoid the need for the involuntary retrenchment of staff. These included:

- Early retirement
- Voluntary retrenchment (including full retrenchment packages)
- Minimisation of overtime worked
- The suspension of salary increases
- Voluntary special leave with partial pay
- Reduced shifts
- Production holidays with basic pay
- Redeployment within and outside the Family of Companies
- Employment on reduced time (e.g. consulting or part-time employment)

Although some of these measures had an impact on the take home pay of some employees, they did much to safeguard a large number of jobs.

#### 4.1.2.1 Our global response

##### Botswana

- No material involuntary retrenchments were made in 2009. This decision was based on a strategic three year human resources review known as the “People Impact Assessment”. This suggested that, given a likely recovery in demand and strong international competition for skilled mine workers, the benefits of maintaining Debswana’s workforce were likely to outweigh the costs
- Temporary shutdown of all Debswana operations between the end of 2008 to mid-April 2009
- Production suspended from February until the rest of the year at Damtshaa mine and until August at the Orapa No. 2 Plant
- Voluntary retrenchment process resulting in the exit of approximately 400 permanent employees

##### Canada

- 30% of permanent employees were retrenched at Snap Lake in February 2009
- Temporary and contract workers were reduced at both Victor mine and at Snap Lake mine in particular
- Production reduced at the Victor and Snap Lake mines through two production holidays of four and six weeks respectively. While employees were not paid during these periods, the impact of this was mitigated through contributions from national unemployment insurance funds
- By the end of 2009, Snap Lake was recruiting again, with some former staff being reemployed

##### South Africa

- DBCM reduced its workforce by 740 permanent employees. Approximately half of reductions were made through voluntary retrenchments, whilst the remainder were involuntary
- Employee shift patterns were aligned to operational and production requirements, and were reduced in many instances
- At Namaqualand, production was reduced to one shift per day in accordance with an existing closure plan
- At De Beers Marine, about 50 employees were subject to involuntary retrenchment

##### Namibia

- Namdeb implemented a fully paid three month production holiday in 2009 and implemented a voluntary retrenchment process that reduced its workforce by about 400 employees. Owing to land-based operations nearing the end of their productive life, Namdeb also initiated a restructuring exercise that saw the retrenchment of 400–500 employees
- De Beers Marine Namibia reduced its operational fleet from five to three vessels, whilst voluntary retrenchment saw a workforce reduction of about 200 employees

##### Elsewhere

- DTC and its joint venture partners implemented a 22% reduction in its global workforce (approximately 200 employees) as a result of both the recession and pre-existing restructuring plans
- Group Services, which provides a range of corporate functions to the Family of Companies, was reduced from approximately 1,000 employees to approximately 600. The majority of these employees were subject to involuntary retrenchment

#### 4.1.2.2 Training and capacity building

The global economic recession heavily impacted our external discretionary spend on professional development in 2009. Total investment fell to US\$5.8 million from US\$9.3 million in the previous year.

Nonetheless, training in high priority operational and legally required areas such as safety and mining technology was maintained (p56). Furthermore, we continued to focus on the internal development of employees through:

- Internal training courses
- The broadening of employment roles
- Mentoring and coaching
- e-learning

At DBCM, our focus on skills development is supported by legislation such as the South African Employment Equity Act 1998, the Broad-Based Black Economic Empowerment Act 2003 and our Social Labour Plans (p71). DBCM's well-established bursary scheme, focusing on engineering, geology and metallurgy disciplines, continued to thrive through the recession.

At Debswana, safety training increased in 2009 in order to make constructive use of production holidays and to maintain safety standards. Debswana also maintained technical training for its artisans at the Debswana Training Centre at Orapa in order to ensure operations were ready to respond to a recovery in global diamond demand. In addition, the company employed 19 students from its ongoing scholarship programme. This programme places graduate level employees and potential employees at a number of international academic institutions.

De Beers Canada initiated a partnership with the Mine Training Society, Aurora College and the Northwest Territories Department of Education, Culture and Employment to advance and enhance its current underground mine training programme. This marks an important step in fulfilling De Beers Canada's commitment to the development of a skilled local workforce and to increase the proportion of employees from the Northwest Territories.

#### 4.1.3 Managing retrenchments

In 2009, and as a direct result of a significant drop in global diamond sales, the Family of Companies reduced its total workforce by 23%. A significant proportion of this reduction was as a result of retrenchment. The retrenchment of any employee has a significant impact on individuals and, in many cases, on extended families. This reality served as a crucial guide over the course of the retrenchment process.

In line with our aspiration to be an employer of choice in the countries in which we operate, the Family of Companies paid competitive severance packages that typically exceeded local legal requirements.

##### 4.1.3.1 Advice and counselling

The year 2009 was a traumatic one for many of our employees, not only for those subject to retrenchment, but also those who have been subject to a high degree of uncertainty. Our health personnel (and supporting organisations) saw a significant increase in demand for advice and counselling, whilst support was also provided via each business unit's Employee Assistance Programme.

##### 4.1.3.2 Professional support

Active measures were also taken to help ex-employees find alternative employment, and all employees to manage their personal finances in a period of uncertainty. These included:

- One week "fairs" in which external financial and employment experts were invited to engage with employees at Debswana
- Training programmes to provide accredited courses for the reskilling of retrenched employees
- The sale of certain assets by operations in Namaqualand to ex-employees for alternative income generating activities
- The placement of retrenched employees within our shareholder Anglo American (45%)

**"Circumstances dictate that we will, regretfully, be losing many good people. People that have spent their lives in service to De Beers, and many other companies across the industry. We must ensure that, whether they are leaving us or staying, they are treated with dignity and the respect they deserve."**

*Nicky Oppenheimer, Chairman of De Beers*

#### 4.1.4 The impact of recovery

The post-recession environment will demand a fundamental realignment of our approach to employees in 2010 and beyond. Downsizing and delayering exercises implemented in late 2008 and 2009 were permanent. As such we do not foresee staff numbers rising in the future to replace those employees retrenched.

Figure 4-1: Average hours of training by employee category, 2009

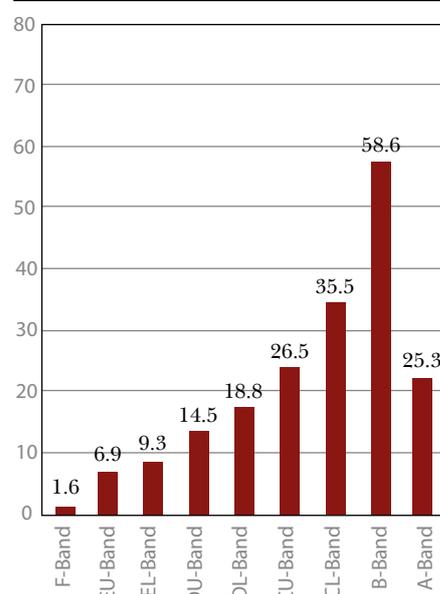
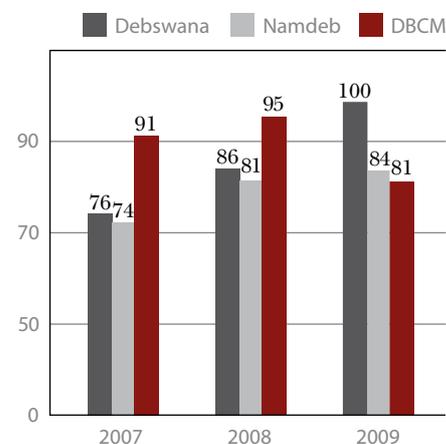


Figure 4-2: Union membership at our major operations (semi-skilled worker, %)



## Case study: Careways – offering support to retrenched DBCM employees

The Family of Companies provides Employee Assistance Programmes, which provide a range of psychosocial support to employees and their dependants. In South Africa, this service is delivered by Careways through a network of providers. This proved to be of great value at a time when DBCM reduced its workforce by 740 permanent employees, sometimes through voluntary and involuntary retrenchment. In this context, it was of utmost importance to offer employees support with respect to financial planning and debt management. This support was extended through formal workshop sessions at mines prior to the departure of staff, as well as one-on-one counselling through Careway’s network of service providers. During 2009, this support was provided for a further month after staff ended their employment at DBCM.

[www.healthfirst.co.za](http://www.healthfirst.co.za)



Employee counselling in Namaqualand, South Africa

### 4.1.4.1 Winning and retaining talent

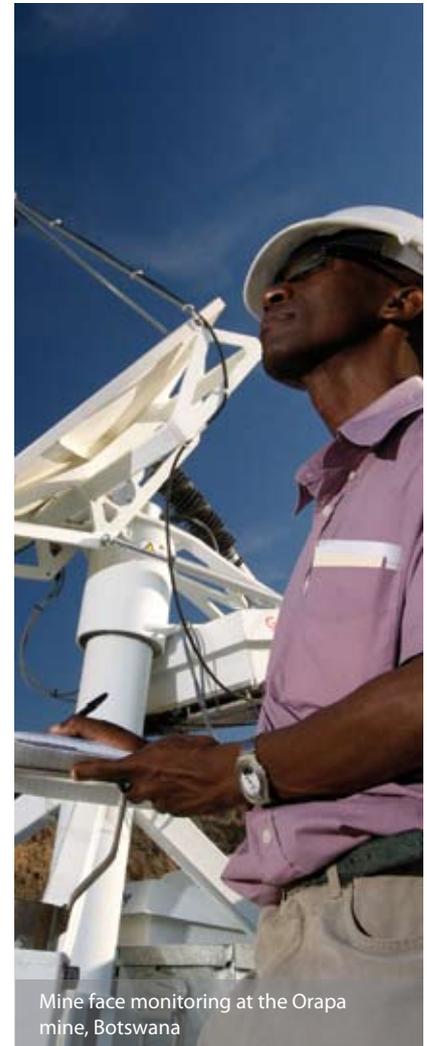
Our ability to remain responsive to market change and to shape the long-term sustainability of the business is of critical focus as we emerge from recession. We are committed to retaining talented employees through offering a clear and competitive employee value proposition, whether through competitive salaries, supportive workplace environments, valuable professional experience or otherwise.

### 4.1.4.2 Employment prospects

While the Family of Companies will not seek to replace those positions retrenched in 2009, two key projects are likely to provide new employment opportunities:

- The Jwaneng “Cut-8” mine expansion project will employ in excess of 1,500 mine workers over its project lifecycle in planning and design, construction and mining phases. Following project completion, Jwaneng’s expanded operations are likely to require an additional 700 workers by 2016
- The ramp-up of Snap Lake is expected to create 175 new positions by the time it reaches full production in 2012. The resumption of construction at the mine is likely to employ 30 workers in 2010

Although Debswana made no involuntary retrenchments in 2009, its employees were issued with a notice under Section 25 of the Employment Act giving notice of potential job losses in 2010. This exercise is part of Debswana’s Operational Review, which was launched in 2008 and is focused on the strategic restructuring of the company. The Operational Review is not connected to short-term recessionary impacts.



Mine face monitoring at the Orapa mine, Botswana

Figure 4-3: Labour turnover

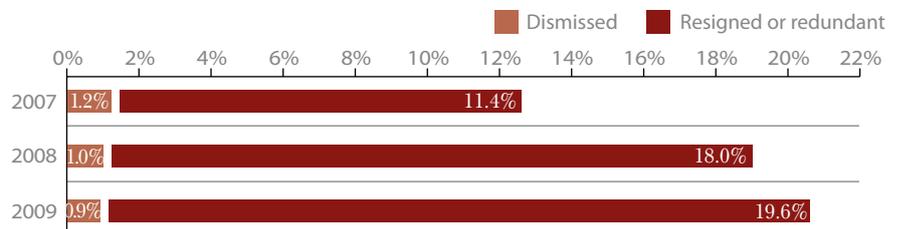
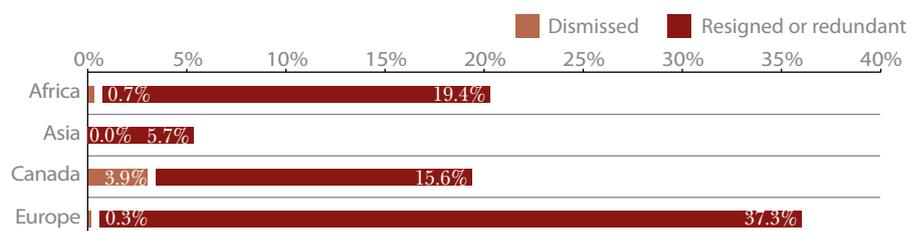


Figure 4-4: Labour turnover by region



## 4.2 Maintenance of health, safety and occupational hygiene standards

**Risk:** The health and safety of our employees and contractors remains our top priority. The effective management of safety risks requires constant vigilance and stringent adherence to international standards and our Principles, as well as a culture of sustained health and safety hazard awareness.

### 4.2.1 Maintaining strong standards during a period of change

During periods of operational and organisational disruption, it becomes imperative to ensure that safety standards are not only maintained but are reinforced. This view was prioritised in 2009 by the leadership of the Family of Companies and also by our shareholders. Although 2009 saw reductions in the resources available to many of our Environment, Community, Occupational Hygiene, Health and Safety (ECOHS) teams, the safety discipline was effectively ring-fenced.

In 2009, our health services saw a higher degree of disruption due to organisation change. As a result, the focus for the Health Peer Group was on “doing more with less” by prioritising and mitigating employee health risks (p56).



“As 45% shareholders of De Beers, we steadfastly

hold the view that the continuous improvement of employee safety cannot, at any point, be compromised, irrespective of other pressures on the business.”

*Cynthia Carroll, CEO of Anglo American*

#### 4.2.1.1 Worker wellbeing

The safety performance, wellbeing and productivity of our employees can be significantly impacted by a number of factors. In times of organisational change and financial disruption, stress levels are known to increase.

Our health and human resources teams prioritised financial counselling for employees who have been under the threat of retrenchment, have been retrenched or whose real incomes have been reduced by intermediary cost-cutting measures (p51). In addition, our Health Peer Group developed Stress Management Guidelines and associated measurement tools, as well as performance standards for illness-related absenteeism.

### 4.2.2 OHSAS 18001

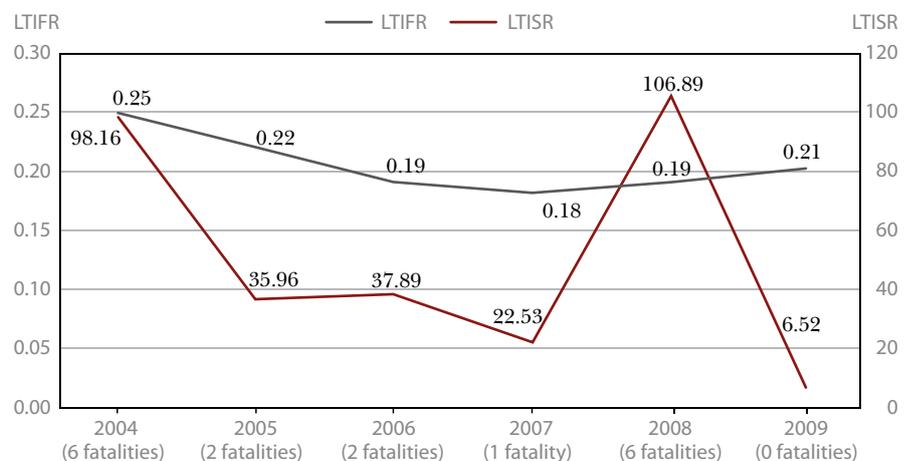
#### 4.2.2.1 Implementation

All of our diamond mining operations (except for the Snap Lake and Victor mines in Canada) are third party certified to the Occupational Health and Safety Assessment Series (OHSAS) 18001 standard. We expect to achieve full certification across the Family of Companies in 2010, with OHSAS 18001 in effect becoming the minimum standard for every one of our mines. In 2009, we carried out a general review of the process and assessment criteria applied by certification bodies in order to ensure the highest standards of assessment. The results of this review are being used to develop a set of guidelines on the appointment and evaluation of external certification providers.

#### 4.2.2.2 Audit tool

In addition to OHSAS 18001, we also apply our Best Practice Principles (BPPs) and BPP Assurance Programme. These provide additional third party verification of our “system” integrity (p104-105). The 2009 audit cycle found no significant health and safety infringements at any of our operations.

Figure 4-5: LTIFR and LTISR



### 4.2.3 Safety

In 2009, our Lost Time Injury Frequency Rate (LTIFR) rose marginally from 0.19 in 2008 to 0.21 per 200,000 hours (Figure 4-5). This result was broadly inevitable due to production slowdowns (Figure 2-11) and holidays. Namaqualand, Morupule and De Beers Marine Namibia showed a particularly strong performance, with each registering an LTIFR of 0.00. Our Lost Time Injury Severity Rate (LTISR) decreased sharply from 106.89 per 200,000 hours to 6.52, reflecting the absence of fatalities in 2009. LTISR fell significantly at almost all of our operations, with the exceptions being Namdeb, Group Exploration and De Beers Marine. There were no statutory fines imposed on the Family of Companies in 2009.

These figures compare to a general industry trend that often sees a considerable worsening in safety performance after significant operational restructuring.

De Beers Marine Namibia won first place in the Namibian Chamber of Mines "Inter-Mines A Division Safety Competition". In addition, the exploration team at De Beers Canada was awarded the "Safe Day Everyday" Gold Award for the highest number of days worked without an Lost Time Injury (LTI). The award was presented by the Prospectors and Developers Association of Canada and the Association for Mineral Exploration British Columbia.

-  [www.chamberofmines.org.na](http://www.chamberofmines.org.na)
-  [www.pdac.ca](http://www.pdac.ca)
-  [www.amebc.ca](http://www.amebc.ca)

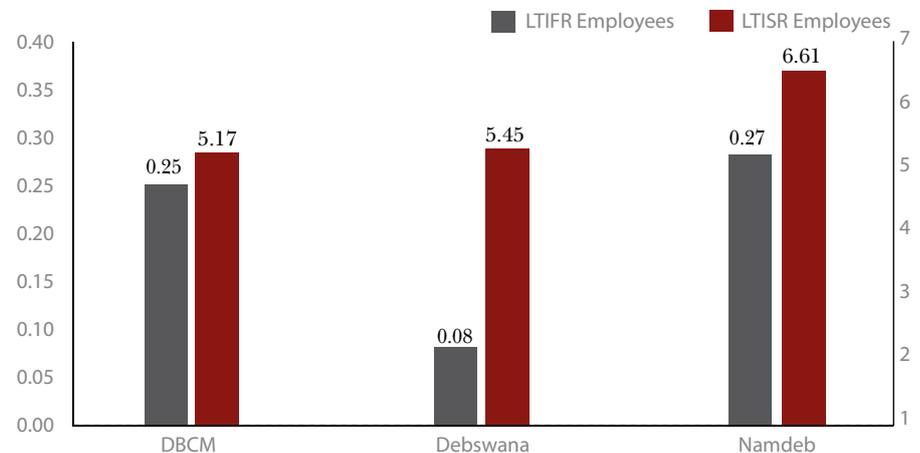
#### 4.2.3.1 Safety activities in 2009

In 2008, the De Beers Family of Companies mourned the loss of six lives amongst our contractor workforce. This unacceptable performance necessitated a large-scale review of the management of employees and contractors at our mines. In 2009, our learnings were translated into the development and review of our Contractor Outcome Standard and Good Practice Guideline, which are planned for roll-out in 2010.

Other key safety activities in 2009 include the following:

- Close cooperation and information sharing with safety personnel at Anglo American, including review of our Fatal Risk Control Guidelines
- Effective and comprehensive information sharing between all business units, as well as the implementation of universal representation in the Safety & Hygiene Peer Group

Figure 4-6: LTIFR and LTISR by location, 2009



- More advanced safety measurement to include, for example, non-Lost Time Injuries (LTIs), first aid cases and "near hits"
- Ongoing development of our "Visible Felt Leadership Guidelines" to maintain and promote a culture of safety awareness
- Promotion of the Safety Risk Management Programme (SRMP) to move the Family of Companies from safety "compliance" to safety "proaction" (p56)
- Self-auditing and assessment of the implementation of our Fatal Risk Control Guidelines (FRCGs)
- Promotion of the BHP Billiton Incident Cause Analysis Methodology (ICAM) by Debswana. ICAM focuses not only on incident investigation, but also on the potential outcome of incidents. In addition, it places emphasis on high-potential incidents rather than LTIs
- Enhanced integration by Debswana of health and safety into line management responsibilities, internal audit, monitoring and measurement

Both the Safety & Hygiene Peer Group and the Hydrofluoric Acid working group were mandated in 2009. This reflected the incorporation of occupational hygiene into the safety discipline, as well as recognition of the need for a more homogenous approach to the management of hydrofluoric acid within the Family of Companies.

In 2010, we are planning to finalise our Risk Assessment Guidance document, which is based on the Anglo American Risk Assessment Matrix. The Risk Assessment Guidance is also being reviewed to ensure its alignment with Anglo American's Safety Risk Management Programme.

-  [www.angloamerican.co.za](http://www.angloamerican.co.za)

Figure 4-7: Safety Risk Management System "DNA" model



#### 4.2.3.2 Safety Risk Management Programme

The SRMP was developed by Anglo American and the University of Queensland to educate employees and contractors at all levels to better identify hazards and to assess and manage risks using a standard set of tools and methods. Mining operations across the Family of Companies currently operate at different application levels of the SRMP (Basic, Reactive, Compliant, Proactive and Resilient). The system is at its most advanced level of implementation at DBCM and at our Jwaneng mine.

The SRMP is based on the concept of a complete leadership-led intellectual shift. In 2009, extensive management level "A3/A4" training was implemented across the Family of Companies.

Our DBCM operations are "cascading" learnings from the SRMP to mine employees through our existing Project Vika ("protect yourself"). This aims to move workers away from being passive observers of safety regulations to becoming active participants.

#### 4.2.3.3 Engaging employees and contractors

All new employees, contractors and site visitors are required to attend a health and safety induction before being allowed on site at our operations. During 2009, our operations also provided safety inductions to workers impacted by production holidays. Contractors are legally required to adhere to the same standards and monitoring practices as our own employees. Our Contractor Management Standards and Guidelines are expected to be completed in 2010.

At Debswana, innovative use was made of the new Safety Value Conversations model at the Jwaneng mine. This three day event was aimed at promoting free discussion about safety issues at work and at home. It was run along traditional, consultative lines and was conducted in the national language of Setswana. In addition, Debswana developed a comprehensive "Site Rules and Regulations" document for contractors.



**"I would like to congratulate the Family of Companies for the exceptional achievement of having reported zero fatalities during 2009. That the first fatality free year in 80 years was achieved under particularly difficult circumstances makes it all the more impressive. The achievement should be widely communicated and celebrated."**

*Nicky Oppenheimer, Chairman of De Beers*

#### 4.2.3.4 Fatalities

In 2009, we had no work-related fatalities within the Family of Companies. This was due to:

- Improved and more uniform implementation of our Fatal Risk Control Guidelines (FRCGs), including monitoring and reporting
- A significant reduction in operational activity due to the impacts of the global recession (p23)
- The continued "engineering-out" of risk exposure from machinery and the amendment of procedures
- More rigorous contractor management, including better training and induction programmes, as well as increased emphasis on our fatal risk control requirements
- Embedment of long-term contractors into our own safety systems in order to ensure the maintenance of common standards

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% 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.

## 4.2.4 Health and wellbeing

Our approach to employee health and wellbeing is informed by our Occupational Health and Occupational Hygiene Policies, which are supported by a suite of standards and guidelines. Health risks vary across the diamond pipeline depending on the country and type of operation. In exploration and mining operations, inherent occupational health risks include infectious diseases, noise induced hearing loss and airborne pollutants.

#### 4.2.4.1 Doing more with less

In 2009, circumstances demanded a scenario-based review of our health services, as well as the development of a new model for operating resilient health services with restricted resources. Key aspects of this new model included:

- A reduction in central coordinating health staff
- Increased reliance on our peer group network
- Increased emphasis on cross-discipline collaboration
- Expansion of Health Peer Group membership to include a broader range of internal health stakeholders

The strength of this approach was demonstrated in the proactive steps taken to address the H1N1 influenza pandemic. Our Pandemic Influenza Policy was immediately updated, whilst peer group members collaborated closely to put action plans in place at all business units before the appearance of "community acquired" H1N1 cases at DBCM, Debswana, DBMN, Namdeb and De Beers UK Ltd.

Despite a significant reduction in resources and increased workload relating to exit medicals and employee stress (p52), the overall quality of our occupational medical services was maintained, and in certain cases consolidated over the course of 2009. For example, we implemented audiometry (hearing monitoring) at all of our global mining operations and developed new guidelines on stress and pregnancy at work.

While health service training was generally reduced in 2009, essential and legally required training was maintained. This includes courses in audiometry, spirometry (measuring lung function) and emergency life support training. In addition, two doctors at Namdeb qualified as occupational medical practitioners.

#### 4.2.4.2 Implementation of health standards

OHSAS 18001 certification (p54) was complemented by our audit tool for occupational health and emergency medical care. The emergency medical services at all of our underground and surface mining operations received an audit performance rating of more than 90% compliance with our standards. Likewise, all underground and surface mining operations with existing OHSAS 18001 certification received an occupational medical service audit performance rating of more than 90% (Figure 4-9).

In addition, Jwaneng Hospital became the first hospital to be accredited in Botswana by the Council for Health Services Accreditation of Southern Africa, achieving a score of 97% (p73).

#### 4.2.4.3 Awareness raising

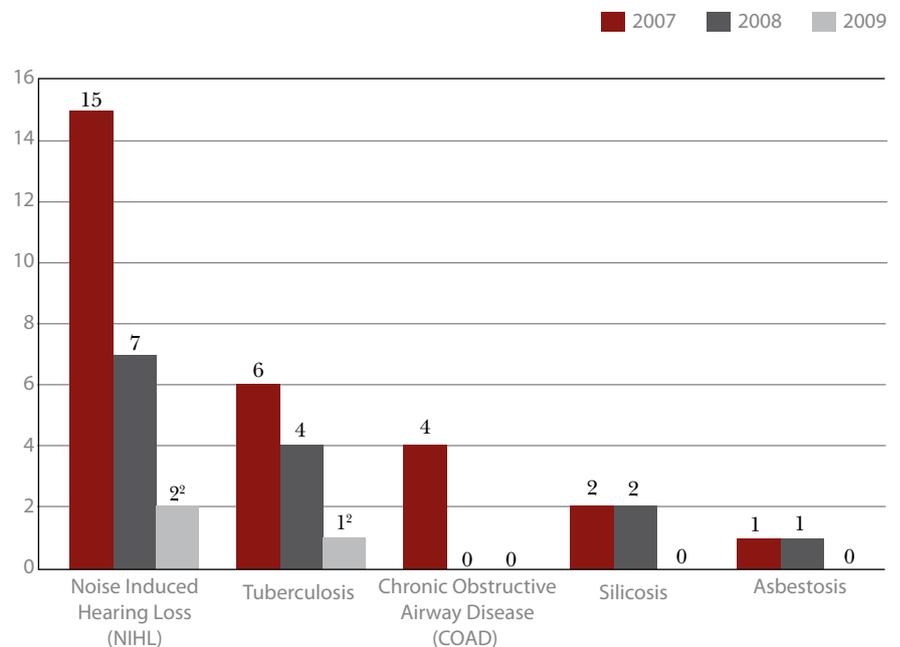
Health issues are discussed with employees through health and safety representatives or during interactions with health professionals. We have collaborated with a variety of internal and external stakeholders including unions, management and the National Institute for Occupational Health in the piloting and development of educational material for the prevention of occupational diseases.

#### 4.2.4.4 Health performance

Our DBCM Occupational Illness Frequency Rate (OIFR) fell significantly to 0.44 cases per million person hours worked (2008: 1.02, 2007: 2.01). This translates to an incidence of 0.1 cases per 100 person years (2008: 0.22, 2007: 0.50). This achievement is largely due to the considerable progress made in 2009 with respect to our hearing conservation programme and the monitoring of those with hearing loss to prevent further deterioration. Debswana and Namdeb completed hearing baselining in 2009 and the retrenchment process contributed to a fuller picture of employee health due to our mandatory exit medical assessments.

A survey of our morbidity and mortality data across the Family of Companies identified more than 60 non-work related ill health retirements and deaths in service in 2009. The common known causes of premature death were HIV and Aids, cardiovascular disease and motor vehicle accidents. Each of these is to be targeted in our ongoing wellbeing initiatives, which include development of wellbeing and chronic disease indicators.

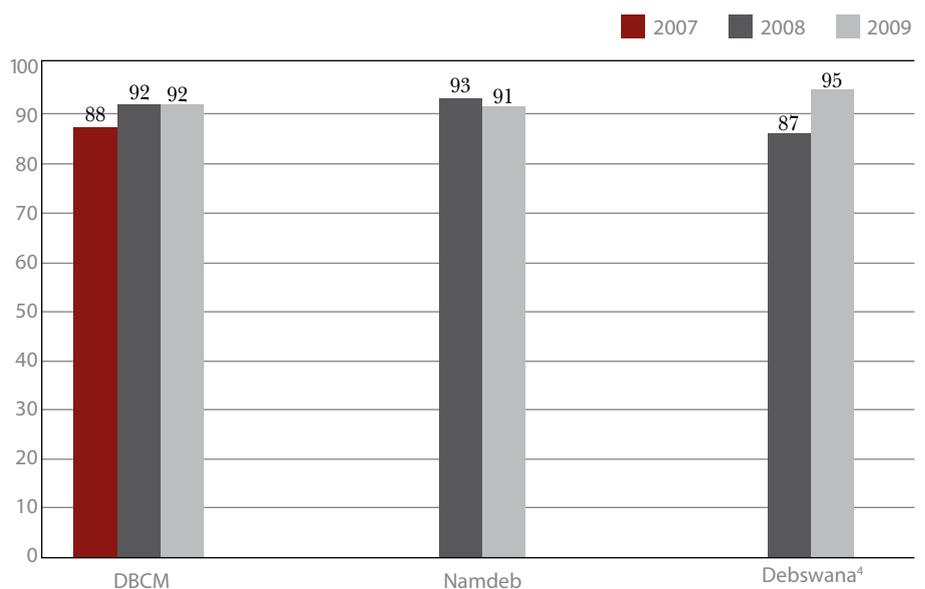
Figure 4-8: Incidence of occupational disease for DBCM<sup>1</sup>



<sup>1</sup> Equivalent data are not available for Debswana and Namdeb. This is due to the lack of national reporting systems or definitions on "occupational" disease

<sup>2</sup> Cases submitted in 2009 are not yet certified

Figure 4-9: Occupational medical audit results (% performance rating)<sup>3</sup>



<sup>3</sup> DBCM, Namdeb and Debswana have been included as they represent the business units with the largest workforces within the Family of Companies

<sup>4</sup> Derived from simple average of results from Jwaneng and Orapa

## Case study: Emergency Medical Response at Namaqualand

The updating of emergency and trauma management skills was a key priority for all health staff in 2009. DBCM organised three International Trauma Life Support (ITLS) training courses for on-mine professional nurses and doctors as well as medical personnel from supporting private and state services. All 20 participants completed the basic ITLS accreditation, with 65% successfully completing more advanced level accreditations.

In October 2009, the Namaqualand mines carried out a further unannounced disaster training exercise to test the mine's emergency response systems and medical preparedness. This included a simulated disaster of five individuals "injured" as a result of collapsed scaffolding. The mine's medical staff that responded were initially unaware of the simulation and responded as normal by administering emergency care, immobilising victims using stretchers, head restraints and spider harnesses prior to transportation to the mine hospital by ambulance. Nurses that responded to the disaster scene said the ITLS course had equipped them with the skills and confidence to assess the "injured" persons and to provide the emergency care required.

 [www.itrauma.org](http://www.itrauma.org)



### 4.2.5 Health hazards

Noise exposure remains the most significant occupational health hazard for our employees. In 2009, Noise Induced Hearing Loss (NIHL) accounted for the majority of occupational disease cases. Proactive plans to reduce this risk are to resume in 2010 following the disruption caused in 2009 by the economic crisis. These include the "engineering-out" of noise from machinery, promoting the use of protective equipment and monitoring exposure levels.

A baseline dust risk assessment conducted in 2009 at the Snap Lake mine in Canada indicated potential exposure of employees to respirable crystalline silica. The mine is implementing an occupational hygiene programme to monitor and mitigate the hazard.

Dust measurements at Finsch indicate that since the commissioning of the wet scrubber for the crusher, there have been no excursions in dust exposure over the occupational exposure limit. Dust exposure monitoring at other operations is ongoing, with results obtained remaining below occupational exposure limit levels.

Diesel particulates are a recognised carcinogen for which exposure limits have, or are in the process of being set, in producer countries. In 2009, DBCM collaborated with Anglo American's Technical Division to investigate current exposures at underground and surface operations to inform the limit being introduced in South Africa.

#### 4.2.5.1 Endemic diseases

Tuberculosis is a significant endemic disease in southern African countries with a high prevalence of HIV. In South Africa, all cases of tuberculosis in underground miners exposed to respirable crystalline silica are considered to be occupational illnesses. The national incidence rate is 948 per 100,000 population. This compares to an incidence rate among DBCM permanent employees in 2009 of 137 per 100,000.

Malaria remains a significant occupational health challenge at exploration sites in Angola, as well as a significant health issue for local employees. A number of improvements are being made to reduce the impact of malaria on our exploration teams. Our Exploration unit has implemented a new anti-malaria plan based on World Health Organization (WHO) guidance. This includes:

- Long-lasting insecticide treated bed-nets
- Indoor residual spraying
- Prevention and rapid treatment with effective medicines

## Case study: Holistic health screening

De Beers corporate headquarters in Johannesburg continued health and wellness screenings through its health services during 2009. This included on-site mammography, which represented a first in South Africa and for De Beers.

Cause Marketing Fundraisers, an NGO focused on breast cancer advocacy, launched its mobile mammography unit in August 2009 as part of its "Pink Drive" campaign. Pink Drive has two mobile mammography units working in Gauteng Province, serving an estimated 1.6 million women.

De Beers secured Pink Drive services in September 2009 (ahead of "breast cancer month" in October) in order to offer on-site screening for all of its employees and contractors at its Johannesburg campus. To complement this, our on-site clinic also provided Papanicolaou tests (or Pap smears) and prostate screening. This helped ensure we were able to offer comprehensive reproductive health screening for all. The continued focus of our health services on gender equity has helped ensure that sexual and reproductive health is an integral part of our holistic approach to health.

 [www.pinkdrive.co.za](http://www.pinkdrive.co.za)



Medical facilities at the Jwaneng mine, Botswana

Other measures against endemic disease, particularly for exploration teams, include education on transmission and immunisation for diseases such as Poliomyelitis, Meningococcal Meningitis, Yellow Fever and Hepatitis as part of our comprehensive endemic disease prevention programme.

 [www.who.int](http://www.who.int)

### 4.2.5.2 Emergency preparedness

The reduction in our emergency medical care capacity has been mitigated by enhanced emergency training and performance among staff. This has contributed significantly to our functional resilience (p58).

In 2010, the new Hydrofluoric Acid working group (p55) will develop a common standard for the transportation, use and disposal of hydrofluoric acid. This is expected to ensure a homogenous approach across the Family of Companies.

**“I am particularly proud of the exemplary management of the DBMN on-board case of H1N1 influenza, in which Namdeb health services played a supportive role; it again displayed the benefits of the Health Peer Group collaboration and preparations.”**

*Inge Zaamwani-Kamwi, Namdeb CEO*

### 4.2.6 Emerging health risks

With an increasing number of women in the workforce, the likelihood of pregnancy and the potential for associated health complications has risen, particularly at mining operations. At one operation, 10% of the female workforce was pregnant in 2009. The Health Peer Group has produced evidence-based guidelines on the risk assessment and management of pregnant and post-partum workers.

Additional health risks identified in 2009 include occupational dermatitis and musculoskeletal disorders. These are likely to become increasingly important as occupational exposures are identified as being causative. Ergonomic exposures, from manual handling to computer operation, are also an emerging hazard. There will be increased focus on these issues, as well as non-occupational chronic diseases. For example, our Safety Peer Group is in the process of assessing risks involved in manual handling and introducing guidelines to prevent injury and musculoskeletal disorders.

## 4.3 HIV and Aids management

**Risk:** The majority of our employees live in countries classified as hyper-endemic for HIV. Their exposure to HIV and Aids represents a real threat to their health, their families, the continuity of our business and the long-term development of Africa.

Sub-Saharan Africa remains the most HIV and Aids burdened region in the world with 67% of all infections. Almost 60 million people have been infected with HIV and 25 million have died since the beginning of the epidemic.

The majority of our employees (91%) are based in southern African countries classified as hyper-endemic for HIV. The exposure of our employees in these countries to HIV and Aids is a real threat to their health, to their families, to the continuity of our business and to continued development in Africa.

Managing this risk is a complex social and developmental challenge requiring an integrated and systems-based approach that makes HIV and Aids a central part of our ongoing operational health risk management programme in the Family of Companies.

According to UNAIDS, the latest prevalence rates (2007) for HIV amongst adults (15-49 years) in our southern African countries of operation are as follows:

- Botswana: 23.9%
- Namibia: 15.3%
- South Africa: 18.1%

 [www.unaids.org](http://www.unaids.org)

### 4.3.1 An unchanging and long-term commitment

Our vision and strategy for the management of the HIV and Aids risk continues in the areas of prevention, treatment, care and support. The focus of our HIV and Aids risk management strategy has been on workplace treatment programmes, with prevention being integrated into our health services through Provider Initiated Counselling and Testing (PICT). Our ultimate goal is the integration of our HIV and Aids programmes with the public health systems of each of our countries of operation.

### 4.3.2 Prevention

Our approach to preventing HIV infection, both within our workforce and more broadly, is built on awareness raising, testing and research.

#### 4.3.2.1 Awareness raising

The Family of Companies continues to provide awareness and training interventions to prevent and manage HIV and Aids, as well as related risks including tuberculosis. Confidential HIV testing and the provision of male and female condoms are available free of charge to employees through on-site medical centres, clinics and in restrooms at our operations and offices.

Debswana places particular emphasis on behaviour change and communication in order to ensure that relatively high levels of awareness are properly translated into the "right" behaviour and practices. These include, for example, innovative use of participative drama activities.

Furthermore, our HIV and Aids principal has been active in engaging external organisations. Examples include:

- Ongoing engagement with the Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria (GBC) (including support for a toolkit to help small businesses address HIV and Aids)
- Regular presentations to the South African Business Coalition on HIV/AIDS (including an update on the impact of the recession on the private sector response to HIV and Aids)
- Representation on behalf of the business sector on the Resource Mobilisation Committee for the South Africa National Aids Council, which provides South Africa's Country Coordinating Mechanism with the Global Fund to Fight AIDS, Tuberculosis and Malaria

 [www.gbcpact.org](http://www.gbcpact.org)  
 [www.sabcoha.org](http://www.sabcoha.org)  
 [www.sanac.org.za](http://www.sanac.org.za)  
 [www.theglobalfund.org](http://www.theglobalfund.org)

**“The down turn in the economy this year has seen budget cuts among our members, with new initiatives in companies being put on hold for 2009. However, some companies have not moved their focus and have been striving to get as much value out of what they have, such as De Beers. For the GBC this has meant a greater demand on valuable services to our members. A heightened desire for collaborations and partnerships from business with governments, the Global Fund and other multilaterals. The GBC facilitates these partnerships and this area of work has been a priority for the GBC.”**

*Adjo Mfodwo, Vice President & Regional Director (Southern Africa), Global Business Coalition on HIV/AIDS, Tuberculosis and Malaria*

#### 4.3.2.2 Testing

Confidential HIV testing has been provided to all staff in southern Africa since the inception of our respective country-specific treatment programmes. Confidential testing and access to treatment is essential to encourage employees to know their HIV status. Whilst we had a target to ensure 90% of all South African employees know their HIV status by 2009, we have not yet been able to achieve this. Uptake has declined over time from a peak of 77% in 2006 to 64% in 2008.

Our move from Voluntary Counselling and Testing (VCT) campaigns as the predominant mechanism of testing to PICT was accelerated with the loss of HIV coordinators in DBCM in 2009. PICT provides more control of provision and data recording of each test. If maintained at a high level, PICT provides better health data and potential incidence rates than VCT due to our enhanced ability to monitor repeat testing. Our Voorspoed mine in South Africa, which started operations in 2008 and has only ever used PICT, saw an 89% employee uptake in 2009.

## Case study: Human Rights Dilemmas Forum case study on HIV and Aids

In 2009, the Family of Companies took part in an innovative new project funded by the GE Foundation and hosted by the United Nations Global Compact. The Human Rights Dilemmas Forum aims to enhance the business community's collective understanding of human rights and labour standards themes. It also aims to identify good practice that responsible business can implement when challenged by real-world dilemmas.

As part of this project, the Family of Companies contributed an extensive and frank case study to illustrate the dilemmas faced when implementing effective and responsible HIV and Aids management programmes. The case study analyses a number of challenges, including the need to:

- Balance the role of the state as a provider of essential public services and that of the state as a shareholder
- Set appropriate boundaries in terms of who is included in HIV and Aids management
- Balance the requirements of strong HIV and Aids management against individual rights

It also sets out examples of good practice that can be followed by multinational corporations in order to address these challenges. These include many of the actions described in this report, including:

- Eliminating stigma and promoting participation in extensive and confidential Voluntary Counselling and Testing (VCT)
- Extending the provision of Anti-Retroviral Treatment to members of employees' families
- Improving employee quality of life and productivity through physical and psycho-emotional care and support

The Forum includes an online discussion forum through which companies, international organisations, NGOs and other stakeholders can comment on, and contribute to, good practice.

[www.human-rights.unglobalcompact.org](http://www.human-rights.unglobalcompact.org)

Routine HIV testing enables the provision of testing during medical consultations at mine clinics, either through occupational medical examinations or primary care consultations. HIV tests are available to all employees, spouses, life partners and contractors. Private-public partnerships help make testing available in communities (p74).

Despite our maintenance of a strong HIV and Aids risk management programme, some aspects have been affected by recessionary impacts. For example, the loss of our dedicated HIV and Aids coordinator roles in South Africa has:

- Reduced our ability to carry out proactive campaign testing
- Increased the difficulty of collating and analysing HIV and Aids data (as have fluctuations in workforce numbers that undermine comparability and traceability)

Furthermore, the significant increase in exit medicals in 2009 has impacted on the ability of our health services to maximise HIV and Aids testing amongst employees.

### 4.3.2.3 Research

The Family of Companies conducts operational and "in-field" research projects to improve the effectiveness of our existing HIV and Aids risk management programmes.

This includes, for example, our partnership with the Health Economics and HIV/AIDS Research Division (HEARD). This partnership examines factors influencing challenges to adherence to HIV treatment services. Early results have identified a number of issues, including logistics, a perceived lack of confidentiality, fear of being seen to take medication in the workplace and other related factors (p62-63).

DBCM is providing funding for research in 2010 on the occupational health, social and cultural aspects of HIV and Aids at our Voorspoed mine in South Africa and the local community. The research is being carried out through the Health Sociology programme at the University of the Witwatersrand. It will maintain its focus on social and personal aspects, as well as the "softer" societal frameworks and beliefs about health and HIV and Aids that, if better understood, could inform our ability to enhance prevention of the disease.

## 4.3.3 Treatment

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. This includes our South African operations and joint ventures in Botswana and Namibia. In 2009, our ART programmes were externally coordinated by Aid for AIDS via a network of accredited service providers. Our goal is to encourage all HIV positive employees and their spouse or life partner to join a disease management programme as early as possible and to maintain 100% accessibility in the countries affected by HIV and Aids.

In South Africa, ART continues to be provided to employees upon retirement or retrenchment. This differs in Botswana and Namibia where, on cessation of employment with the respective De Beers companies, the retired or retrenched employee is seamlessly migrated from company to government programmes. Our ongoing experience with a dedicated HIV treatment programme in South Africa and experience with integrated programmes in Namibia and Botswana continues to highlight the need for closer alignment with primary and occupational healthcare to provide improved patient care. This includes holistic wellbeing programmes.

In addition to ART, the Family of Companies Disease Management Programme provides employees with access to comprehensive health programmes that address physical and psycho-social wellbeing. This includes post-exposure prophylaxis, medication to prevent opportunistic infections, pathology, counselling and support, wellness advice and nutritional supplements.

# Continuity of Anti-Retroviral Treatment for Employees in South Africa

Since July 2003, De Beers has provided free Anti-Retroviral Treatment (ART) to HIV-infected employees and their spouses or life partners in South Africa. There are currently 455 participants, representing 78% of all people who ever registered. Of these, 260 are connected to those still working with current or previously owned De Beers operations and the remainder are connected to pensioners or retrenched employees.

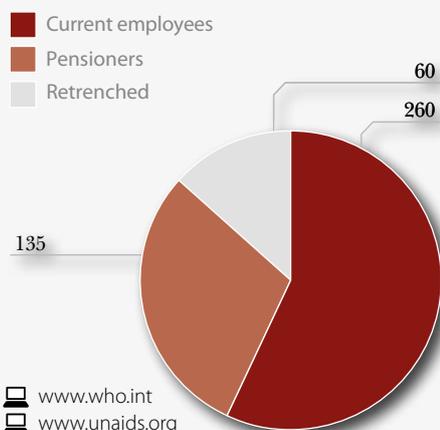
## What is ART?

ART involves the use of anti-retroviral drugs to suppress the HIV virus and prevent the development of Aids. This results in extended life expectancy and improved quality of life. Treatment also assists in lowering transmission rates by reducing viral loads to almost undetectable levels. This has been demonstrated by the successful prevention of mother-to-child transmission of HIV globally, and is replicated in the De Beers programme. For ART to work, patients must adhere to treatment; interruption can lead to drug resistance.

## How have retrenchments affected ART at DBCM?

Despite substantial downsizing in the first quarter of 2009, DBCM continues to provide ART to retired and retrenched employees. The programme is designed to ensure continuity of treatment once it has been initiated. In part, this is due to the fact that the programme was initiated before government provision of ART. This programme, as well as our programmes in Namibia and Botswana, is overseen by independent service provider Aid for AIDS, which has specialised in Aids disease management for the last decade.

Figure 4-10: DART members<sup>5</sup>



[www.who.int](http://www.who.int)  
[www.unaids.org](http://www.unaids.org)  
[www.aidforaids.org](http://www.aidforaids.org)

<sup>5</sup> DART is the De Beers Anti-Retroviral Treatment Programme in South Africa





Support from partners increases ART adherence

*“Our responsibility to our employees does not end when they leave DBCM. We are committed to ensuring that retrenched and retired employees continue to receive ART, whatever their circumstances.”*

Joy Beckett, DBCM, Manager Health Services

**HEARD research into programme adherence**

The Family of Companies is working with the Health Economics & HIV/AIDS Research Division (HEARD) at the University of Kwazulu Natal, to explore the efficacy of ART employee programmes. In particular, the study aims to understand the reasons for low uptake of ART and Voluntary Counselling and Testing (VCT) programmes in the workplace.

The research found that some of the following factors impeded treatment adherence:

- Lack of trust in the confidentiality of clinical staff
- Reluctance to commit to life-long treatment, particularly for non-visible symptoms
- Concerns with side effects during work shifts, such as drowsiness
- Fear of how drugs interact with traditional medicine and alcohol
- Lack of support from partners and work colleagues
- Significant stress and depression from the medical, psychological and social consequences of treatment

Research participants cited support from their partners and other family members as important factors in facilitating adherence. The availability of free medication and constructive attitudes amongst health personnel were also positive influences. De Beers is using these results to design a treatment programme focusing on family and community support.

**Turning the tide on HIV and Aids in South Africa**

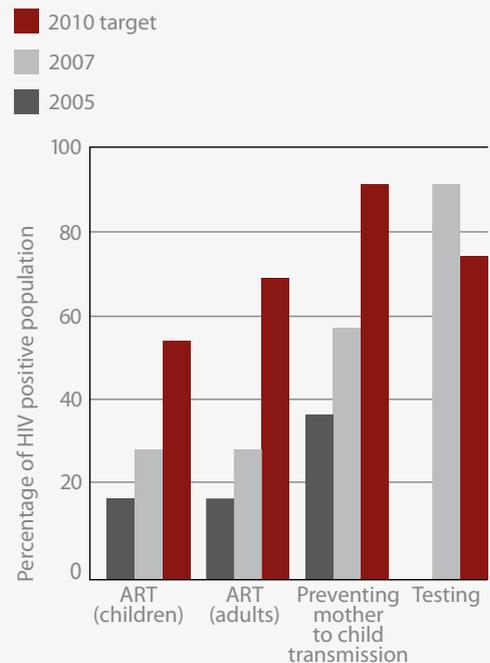
South Africa is home to the world’s largest population of people living with HIV (5.7 million). More than 15% of South Africa’s population (aged 15–49) are HIV positive. At the end of 2007 (latest figures), only an estimated 28% of infected people were receiving treatment. Over the last two

years the South African government has significantly increased its HIV and Aids budget, now ranking second in the world in terms of domestic spending on HIV and Aids. Most of this spending aims to achieve the government’s target of providing treatment, care and support to 80% of HIV positive people by 2011. In 2008, there were some encouraging signs of stabilisation and change in HIV prevalence. For example, the prevalence in children aged 2–14 decreased from 5.6% in 2002 to 2.5% in 2008. Between 2005 and 2008 there was also a doubling of the number of teenagers who were aware of their status.



Our CEO, Gareth Penny, participates in the VCT programme

Figure 4-11: Progress towards universal treatment access in South Africa<sup>6</sup>



<sup>6</sup> Based on 2005 and 2007 data reported to the United Nations General Assembly Special Session 2008

Figure 4-12: Participants on our ART programmes, 2009

Country Start date	Current registered	Deceased from all causes <sup>7</sup>	Left programme	Ever registered
Botswana 1 May 2001	1,096 (70%)	132 (8%)	335 (21%)	1,563 (100%)
South Africa 1 July 2003	455 (78%)	77 (13%)	51 (9%)	583 (100%)
Namibia 1 May 2004	269 (85%)	14 (4%)	33 (10%)	316 (100%)
<b>Total</b>	<b>1,820 (74%)</b>	<b>223 (9%)</b>	<b>419 (17%)</b>	<b>2,462 (100%)</b>

<sup>7</sup> The % deceased indicator is a "crude" measure that ideally needs to be adjusted for the duration of enrolment and the cause of death  
Source: Aid for AIDS, December 2009

### 4.3.4 Management and measurement

In light of financial constraints presented during the global economic crisis, the role of HIV and Aids coordinators was assessed, leading to a loss of relevant staff at all DBCM mines. The exception was Finsch mine, which has a significant President's Emergency Plan for AIDS Relief (PEPFAR) treatment programme in place that is facilitated by our health service.

Despite the loss of these resources, 2009 has seen the integration of our increasingly mature HIV and Aids management capabilities into our general health services.

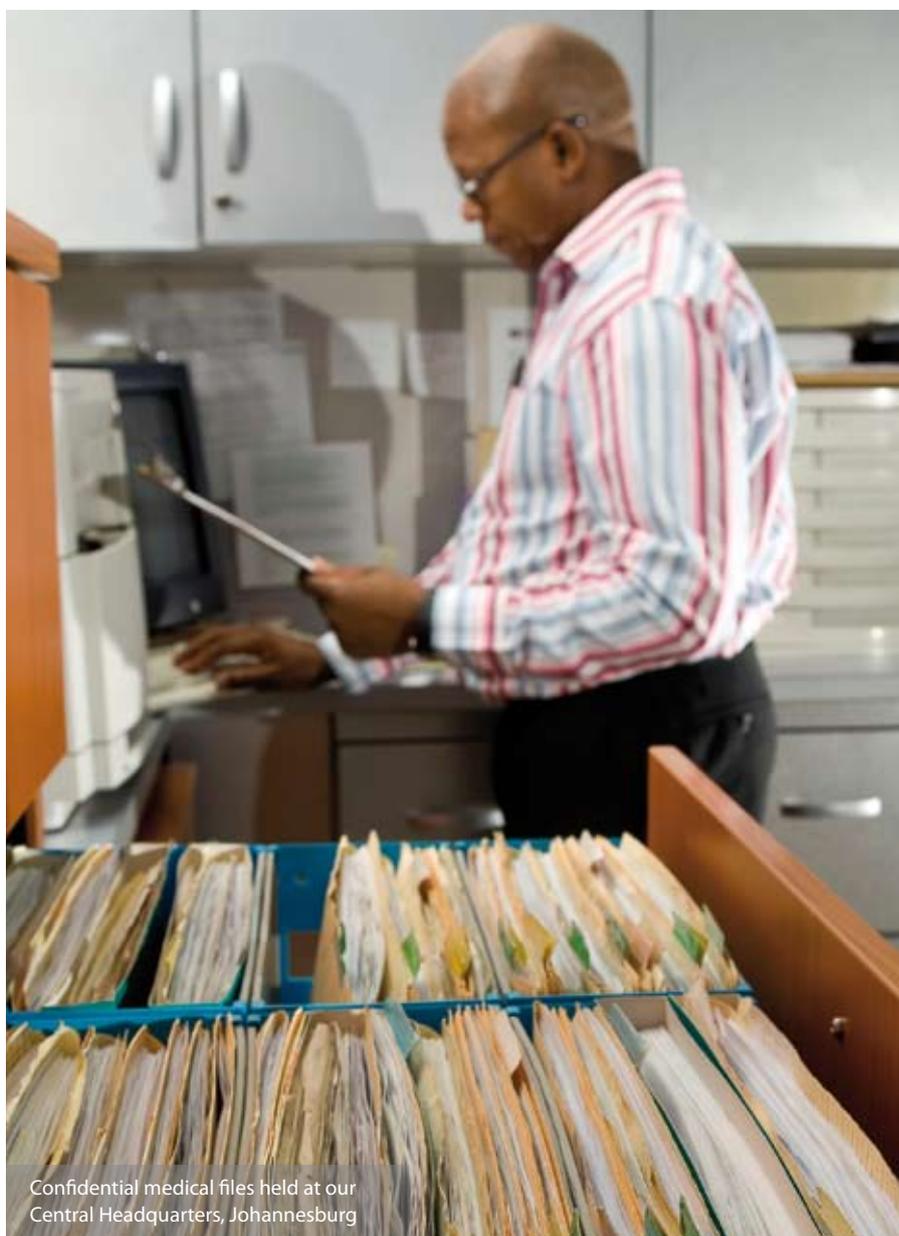
This has been reflected in the integration of the HIV and Aids Operating Committee into the Health Peer Group in 2009. This ensures the utilisation of considerable synergies at a time of careful resource management. It also means that HIV and Aids is treated as one of several other chronic infections, helping to reduce stigma. Furthermore, our health services will be able to establish a more accurate epidemiological picture, within the restrictions imposed by our policy of strict confidentiality.

[www.pepfar.gov](http://www.pepfar.gov)

#### 4.3.4.1 SANS 16001 and AMS 16001

In 2009, Debswana made steady progress in shifting from the Aids Management System (AMS 16001: 2003) standard to the new South African National Standard (SANS 16001: 2007) for HIV/Aids Management Systems (HAMS), including preparation for implementation and auditor training.

At DBCM, the programme for addressing implementation gaps identified during its 2008 SANS baseline review was extended from 2009 into 2010 due to staff reductions.



## Case study: Strengthening rural public health systems in South Africa

In 2007, African Health Placements (AHP) was launched as a joint venture between the Professional Foundation for Development and the Rural Health Initiative (RHI). Over the last three years, De Beers has provided US\$0.2 million worth of funding to AHP and RHI. The objective of the initiative is to transfer skills and build the capacity of rural health systems through the recruitment and placement of foreign and locally qualified health professionals.

Compared with urban centres, health systems in rural areas have fewer healthcare facilities, less financial resources and an inequitable distribution of healthcare professionals. For example, whilst South Africa has an average of 60 doctors per 100,000 people, certain rural communities may have as few as two or three doctors per 100,000 people. AHP works with partners like De Beers to improve rural health systems by bringing health workers to rural and underserved areas. As a result, over the last three years, AHP has assisted in placing 1,300 foreign doctors across eight of the nine provinces in South Africa.

AHP's support and assistance focuses on supporting:

- The National Department of Health in its recruitment, placement, orientation and retention of recruited healthcare professionals
- The Health Professions Council, including the South African Nursing Council, and local and international organisations in their efforts to improve healthcare capacity

 [www.ahp.org.za](http://www.ahp.org.za)

## Questions from stakeholders:

### How does the Family of Companies ensure the application of responsible labour standards, not only amongst employees but also its contractors?

Our Human Rights Policy provides explicit protection for the internationally recognised core labour standards. These include:

- The right to associate freely and to bargain on a collective basis, subject to locally applicable membership threshold requirements
- Protection from forced labour, including explicit recognition of the voluntary nature of overtime in line with national permitted levels
- Protection from child labour, including a prohibition on any child under the age of 16 from being employed, or for those under the age of 18 being involved in potentially hazardous roles
- Protection from unfair discrimination based on race, colour, sex, religion, political opinion, gender orientation, national extraction or social origin

The effective implementation of our policy is ensured through our BPP Assurance Programme, not only within the Family of Companies but also by our Sightholders, suppliers and contractors (p44-47).

All of our producer countries have legislation in place protecting these standards, as well as strong enforcement mechanisms. As a result, application remains a matter of legal compliance.

When dealing with contractors, the BPPs impose a number of requirements to help safeguard these standards. These include requirements to:

- Adopt an equal opportunity approach, including adherence to relevant national legislation
- Provide market related remuneration packages
- Provide ongoing training and development of staff
- Respect employees' rights of freedom of association and collective bargaining

In the event of a failure by a contractor to meet these requirements, a corrective action plan must be implemented or, in extreme cases, the business relationship will be terminated. In addition, contractors are also held accountable for any failure to communicate and respect these or other contractual requirements as a result of sub-contracting.

## Questions from stakeholders:

### How do you account for the significant reduction in workplace fatalities compared to 2008?

In 2008, the Family of Companies suffered a total of six fatalities amongst its contracted workers (see Report to Society 2008 p49). This upsurge in fatalities from one in 2007 prompted an immediate review of operational safety across the Family of Companies and renewed our determination to eliminate the risk of future fatalities in the workplace.

This ambition was achieved in 2009 through a range of measures. Last year's tragic events were followed by in-depth investigations by our business units, the Environment, Community, Occupational Hygiene, Health and Safety Committee and the applicable authorities. We also carried out a third party audit of our Fatal Risk Control Guidelines, as well as a separate external benchmarking of our safety culture, leadership and systems. Additional mitigation measures have included enhanced preventative interventions, including the re-engineering of machinery.

Additional efforts aimed at improving the safety performance of our contractors have also played a key role. This includes enhanced contractor induction and training, as well as improved risk assessment procedures (p55-56). Where we have long-term relationships with contractors, we have sought to integrate them into our own safety systems in order to ensure the application of standards applied by our own employees.

A further reason for the improved performance of the Family of Companies in 2009 is the marked reduction in production activity compared to 2008 (p23). The suspension of operations at a number of our facilities, as well as reduced shifts, has inevitably had a positive impact on our absolute safety performance (p55).