

BEST PRACTICE PRINCIPLES ACROSS THE SUPPLY CHAIN

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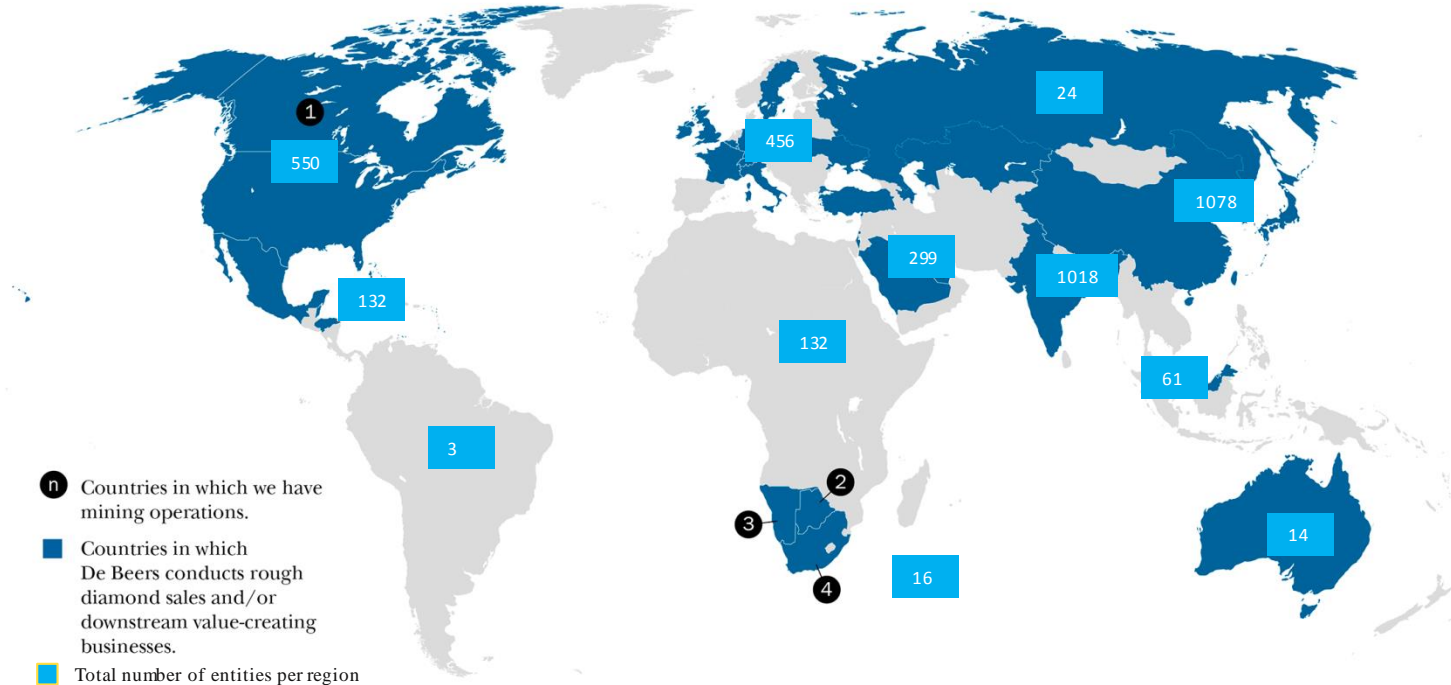
THE WORLD'S LEADING DIAMOND COMPANY WITH A GLOBAL FOOTPRINT

A global business



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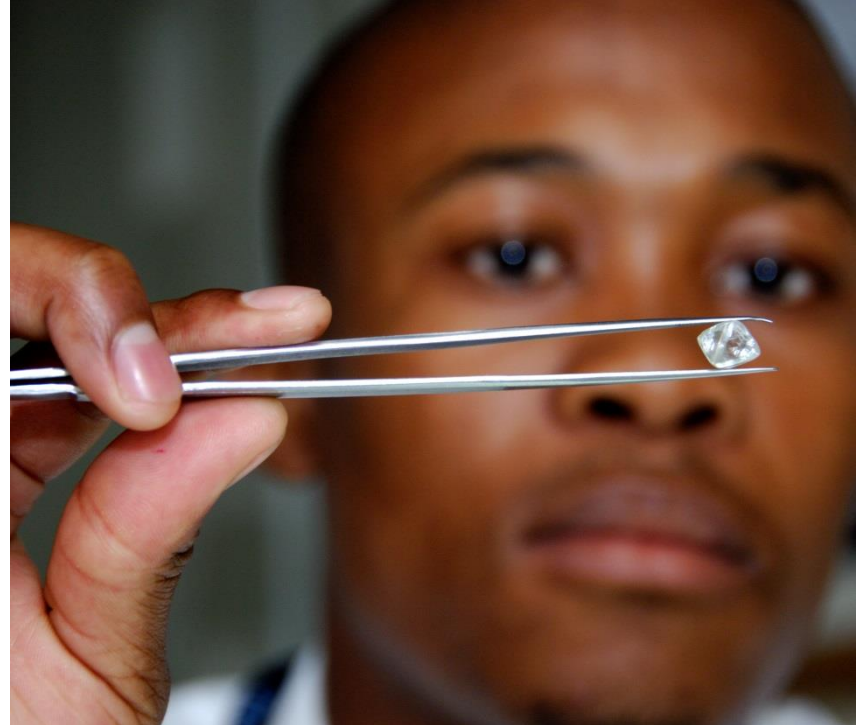
A global business



OUR APPROACH

Accountability and 'living up to diamonds'

- The Best Practice Principles Assurance Programme translates our principles into practice, our willingness to open up our performance to third party scrutiny, will ensure that our stakeholders are able to rely on high standards and know we are 'living up to diamonds'
- Commitment to identifying, managing and reducing human rights issues
- Commitment to the Kimberley Process



DE BEERS BEST PRACTICE PRINCIPLES (BPPs)

A mandatory code of ethics, continuously monitored to ensure:

- Adherence to Kimberley Process
- Compliance with Anti-Money Laundering, Combatting Terrorism Financing and other financial legislation
- Full adherence to local employment laws and health and safety regulations
- Best environmental practice and the regulatory framework
- Zero tolerance of child labour
- Zero tolerance of forced labour
- Zero tolerance of Human Rights abuses



WHO THE BPPs COVER

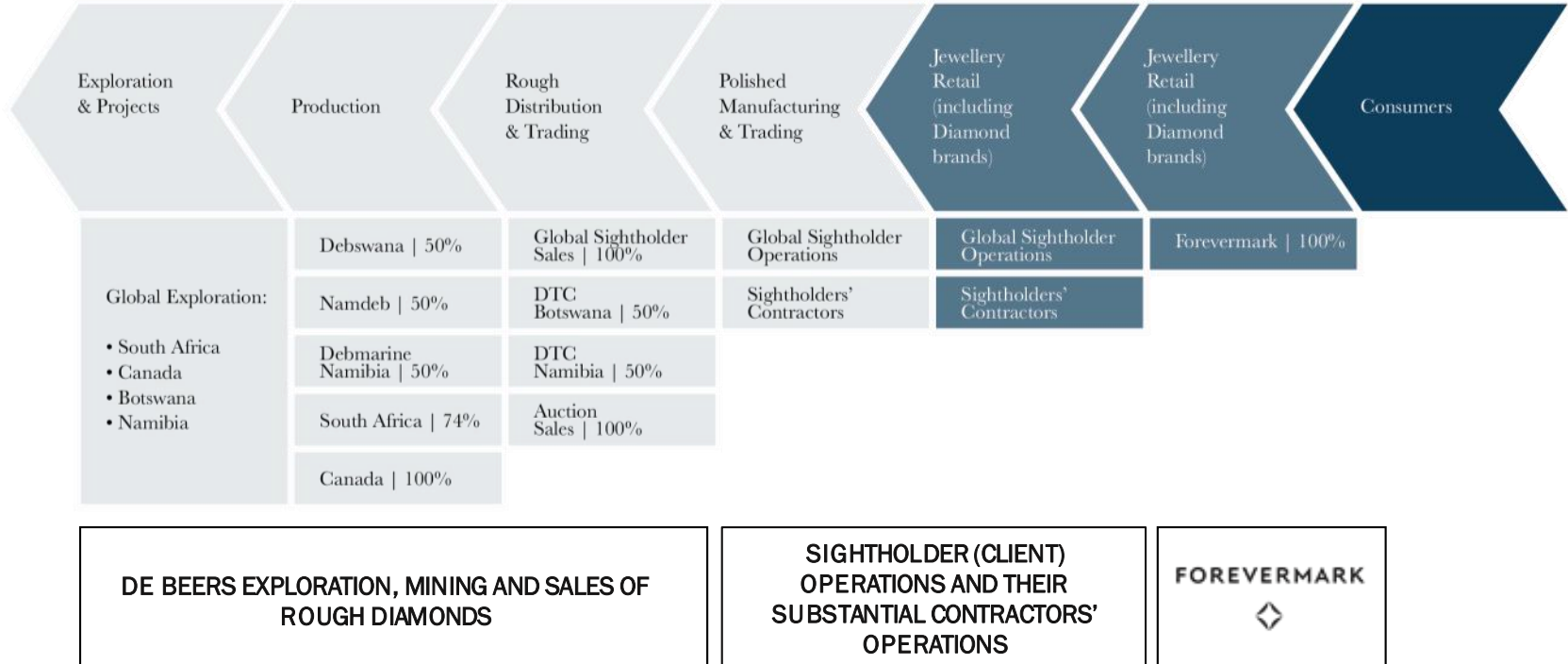
371,000 PEOPLE WORLDWIDE ARE COVERED BY THE BPPs

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graph TD; A[371,000 PEOPLE WORLDWIDE ARE COVERED BY THE BPPs] --- B[ALL DE BEERS GROUP (INCLUDING CONTRACTORS AND JOINT VENTURES) (6%): 61 DE BEERS FACILITIES]; A --- C[ALL CLIENTS (SIGHTHOLDERS/ACCREDITED BUYERS) AND THEIR SUBSTANTIAL CONTRACTORS (94%): OVER 3,000 COMPANIES AND FACILITIES];
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BPP COVERAGE ACROSS THE DIAMOND PIPELINE



THE BPP ASSURANCE PROCESS



Sightholders/
Accredited Buyers
must declare all
relevant entities in
their supply chain



All entities complete
an annual
self-assessment
workbook



Workbooks are
submitted online
through the BPP
SMART system



Onsite Verification
visits completed by
SGS (10% random
sample every year)

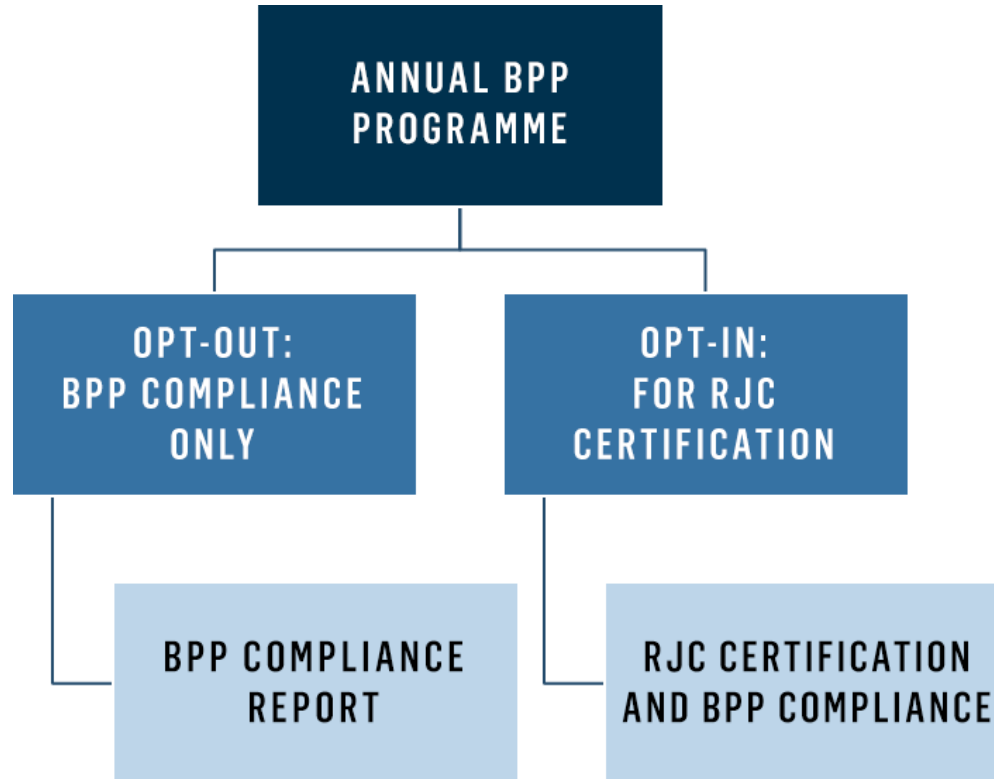


Desktop audit of 1/3
of workbooks by
SGS. Action plans
and related evidence
submitted through
SMART System



EOY BPP
compliance report
provided by SGS for
publication in RTS

OUR VALUE ADDED PROPOSITION – HARMONISATION BETWEEN BPPs AND RESPONSIBLE JEWELLERY COUNCIL



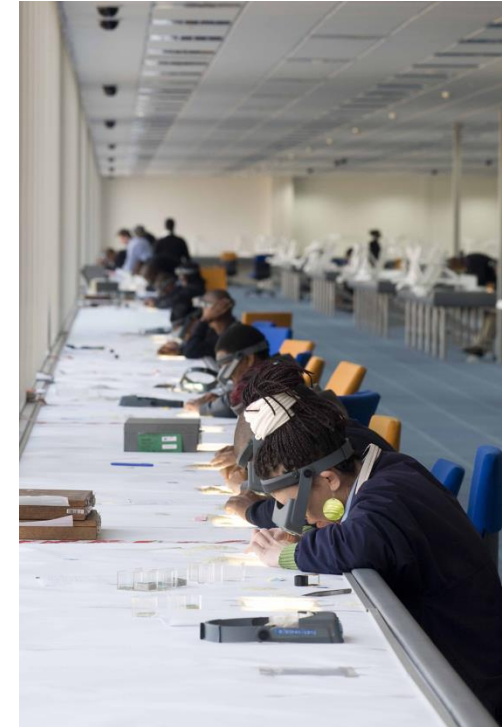
BPPs: POSITIVE SUSTAINABLE IMPACT ON THE INDUSTRY

Positive impact for producer countries and De Beers:

- Maintains diamond equity
- Direct link between the value our business is able to generate commercially and the value it is able to create in the communities and countries in which we operate
- BPPs embedded in our culture and used as a health check for the global company
 - Strong safety record
 - Recognised mechanism to roll out new legislation requirements across multiple disciplines globally

Positive impact on our Sightholders:

- The Sightholder Signature, a sign of trust and enhance due-diligence
- Lower employee turnover
- Sightholders organised work with the communities they operate in
- Facilitated certification to other external bodies
- Third party evidence of operational compliance for commercial contracts



EXAMPLES OF BPP IMPACT



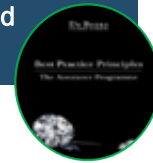
Small polishing unit in the cottage industry



Medium sized cutting and polishing unit



Sightholder cutting and polishing unit



Sightholder Factory

