

**De Beers Canada Inc.****2024 Statement on the Fighting Against Forced Labour and Child Labour in Supply Chains Act****STATEMENT BY THE COUNTRY PRESIDENT**

This report compiles the work being done by De Beers Canada Inc. to meet the objectives of the Bill S-211, Fighting Against Forced Labour and Child Labour in Supply Chains Act.

At De Beers Group respect for human rights is embedded in all our operations and in our culture. It is one of the five Critical Foundations of our Building Forever sustainability framework and it is also a commitment we make in our Code of Conduct along with all our principal policies and programs. Our policies set strict requirements relating to the respect of human rights, including labour rights, non-discrimination, and the prohibition of the use of child and forced labour, enabling us to comply with local legislation and follow international best practice. We also take a zero-tolerance approach to the use of all forms of modern slavery, whether that be in our organization, our supply chains, or the wider diamond value chain.

We recognize that within our value chain we can directly and indirectly impact people's human rights. We seek to address this by working closely with the larger De Beers Group and our majority owner Anglo American plc Group, our partners throughout the diamond pipeline, and supported by third-party assurance to verify compliance with our requirements.

In turn, we build the trust of our stakeholders, including consumers, local communities, governments, customers, and wider industry members in the face of growing expectations on businesses, including their impact on people. We at De Beers Group are committed to playing our part in preventing forced labour and child labour, and we encourage all businesses to do everything they can to address this continuing challenge and to protect the most vulnerable among us.

This Statement identifies the steps we have taken to identify and mitigate potential risks of modern slavery in our business and supply chains.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information on behalf of De Beers Canada Inc.

Based on my knowledge, and having exercised reasonable diligence, I attest that the information is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

**Avischen Moodley**

Country President – De Beers Canada Inc.

Date: 21 May 2025

## OVERVIEW OF OUR BUSINESS IN CANADA

De Beers Canada Inc. (DBCI) is a 100% owned subsidiary of De Beers Group (De Beers Plc) and has operated in Canada since the early 1960s. The Anglo-American plc Group (85%) and Government of the Republic of Botswana (15%) are the two shareholders of De Beers Group. DBCI is headquartered in Calgary, AB employs approximately 650 people in Canada, primarily involved in diamond recovery.

### Production

DBCI operates one mine in Canada where we recover rough diamonds: Gahcho Kué mine in the Northwest Territories. Gahcho Kué is a joint venture between De Beers (51%) and Mountain Province Diamonds. Gahcho Kué has a life of mine to 2031.

### Mine Closure

Two Canadian mines, Snap Lake and Victor, are entering the post closure monitoring phase following the completion of active closure. Snap Lake, located 230 km northeast of Yellowknife in the NWT, was in operation from 2008-2015. Victor is in the James Bay Lowlands of Northern Ontario and operated from 2008-2019.

### Sales

All De Beers' rough diamond production recovered at Gahcho Kué is aggregated by De Beers Global Sightholder Sales (GSS) in Botswana and sold primarily by way of term contract by GSS to a list of approved clients, called Sightholders. A proportion of aggregated production is sold by way of auction by De Beers Auctions in Singapore. Mountain Province manages the sale of its portion of diamonds from Gahcho Kué through its own processes.

### Supply Chain Management

The products and services that are used to support our rough diamond mining operation are predominantly sourced from within Canada, in recognition of the importance we place on developing and maintaining thriving and healthy host communities.

## POLICIES, PROCEDURES, STANDARDS AND PROGRAMS:

### OUR GUIDING PRINCIPLES

We hold ourselves and those we work with accountable for respecting human rights and conducting human rights due diligence aligned with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

To ensure this, respect for human rights is enshrined in our Best Practices Principles Assurance Programme. This strict set of ethical, social, and environmental standards, launched in 2005, helps to ensure we adhere to international human rights frameworks and applicable labour regulations. The BPP Programme sets mandatory requirements for our own operations as well as all those doing business with us in the natural diamond supply and value chains. The programme covers more than 2,600 entities employing more than 300,000 people worldwide, including Sightholders and their relevant contractors and applicable retailers.

The BPP Programme is fully aligned to the UNGPs, the International Labour Organization (ILO) Standards and the OECD Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (OECD Guidance), among others. These principles and standards are also

reflected in the Responsible Jewelry Council (RJC) Code of Practices, of which De Beers Group is a founding and certified member.

Human rights provisions are stipulated in several of our internal policies, including our Employee Human Rights Policy, our Security Services and Human Rights Policy and both of our Responsible Sourcing Policies for Diamonds and for Precious Metals, Minerals and Gemstones.

The Social Way Policy guides our upstream activities including employees, contractors, and suppliers. The policy underscores our human rights commitment and is underpinned by core social performance management principles based on international reference standards. It also sets out Anglo American's vision and principles for social performance, defines our system for social performance management through the Social Way Toolkit and provides a high-level overview of its requirements.

We measure our progress on implementing the UNGPs in several ways, including through our Social Way assessments, our BPP Programme on-site verification visits, security effectiveness reviews, and our RJC recertification process.

The following policies and standards underpin our approach to preventing forced labour and child labour across the De Beers Group value chain and supply chain:

- The De Beers Best Practice Principles Assurance Programme
- De Beers Code of Conduct
- Business Integrity Policy
- Group Supply Chain Policy
- De Beers Responsible and Ethical Sourcing Policy for Diamonds
- De Beers Responsible Sourcing Policy for Precious Metals, Minerals and Gemstones (excluding Diamonds) for Use in Jewelry Products
- Workplace Human Rights Policy
- Security Services and Human Rights Policy
- Social Performance Policy
- Anti Money Laundering Combatting Terrorism Policy
- Whistleblowing Policy
- Anglo American Social Way 3.0
- Anglo American Responsible Sourcing Standard for Suppliers

## SCOPE OF REPORT

The scope of this report covers De Beers Canada Inc operations in Canada and the measures taken to identify, prevent and reduce the risk of forced labour or child labour in De Beers Canada or its supply chains.

For further information on the wider De Beers Group policies and procedures relating to human rights including forced labour and child labour please refer to the De Beers Modern Slavery [statement](#) that is published annually. Additional information can also be found relating to De Beers Group's human rights policies, strategy, and performance in the company's annual Sustainability [report](#).

## BUILDING FOREVER™

We are committed to driving the diamond industry forwards in everything we do – working to create a brighter future for our people, our planet, and the communities around us.

We recognize the role we can play to improve the lives of people along a diamond's journey and to protect the natural world. This has inspired our “Building Forever” ambitions – our sustainability framework that aims to create a positive and sustainable impact that will endure well beyond the discovery of our last diamond. At the heart of Building Forever, there are several ambitious goals that we have set out to achieve by 2030. Each De Beers operation, including Gahcho Kué has its own Building Forever strategy, meant to help the company achieve its overall goals.

Human rights are a critical foundation underpinning all Building Forever goals, in recognition of the importance we place on maintaining our position as a human rights leader across the value chain.

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

## THE BEST PRACTICE PRINCIPLES 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 operations,<sup>1</sup> including entities and their relevant subsidiaries providing contracted services to our Group (including jewellery manufacturing contractors for our house brands), and Sightholders (our contract rough diamond customers). In addition, substantial diamond contractors (those that derive more than 75% of their revenue from a Sightholder) are required to participate in the Contractor BPP Programme, and all non-substantial contractors<sup>2</sup> must be declared to us.

The BPP Programme requires that every BPP participant has policies and procedures in place to help ensure respect for human rights and prevent modern slavery. Where relevant, due diligence, risk assessments and training are required as part of these policies and procedures. If child labour; forced labour and/or the abuse of human rights are identified or suspected in our business or in our supply or value chains, it is a material breach of the BPPs and participants are required to take immediate measures to ensure that they are addressed in a rights-compatible manner. This includes enforcing applicable contractual rights and potentially imposing sanctions, until corrective actions have been implemented.

The BPP Programme consists of an annual, three-step assessment process:

- All relevant entities are required to complete a self-assessment workbook, recording their level of compliance against each applicable BPP requirement.
- 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 organization.
- One third of all self-assessment workbooks are assessed through a desktop audit.

All Sightholders before they are onboarded are required to provide information on corporate structures along with details of Key Individuals that enables De Beers Group to undertake Know Your

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<sup>1</sup> Participation in the BPP Programme excludes Element Six businesses.

<sup>2</sup> Contractors deriving less than 75% of their revenue from a Sightholder.

Counterparty (KYC) due diligence processes that encompass enquiries relating to forced labour and human trafficking violations.

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

During the 2024 BPP cycle, which ran from 1 January 2024 to 31 December 2024, the BPP Programme covered 274,255 employees in 2,080 entities across 79 countries.<sup>3</sup> 126 verification visits took place, and 206 desktop reviews were conducted by SGS across all BPP Programme participants, including applicable parts of our Group.

De Beers Canada participates annually in the BPP Programme. For 2024, 4 workbooks were submitted, and one onsite visit completed which resulted in two improvement opportunities identified, neither of which were related to human rights, forced labour or child labour requirements.

## **VOLUNTARY PRINCIPLES ON SECURITY AND HUMAN RIGHTS**

Security is critical to our business, particularly because of the high value of diamonds. De Beers Group is a signatory to the Voluntary Principles on Security and Human Rights (VPSHR), ensuring that we follow human rights best practice when addressing any security-related issues. All security personnel and external security contractors receive training in how to respect human rights. Our security and human rights training curriculum, developed jointly with Anglo American and the NGO International Alert, which is one of the world's leading peacebuilding organizations, covers all aspects of the VPSHR.

It is delivered to our relevant contractors and employees via e-learning modules that have been rolled out across our Group. All private contract security entities are required to pledge their support to the VPSHR, and their personnel are subject to the same in-house training as our own security personnel. Regular interaction with public security occurs in line with our stakeholder engagement plans and discussions in support of the VPSHR is noted.

The Social Way Policy requires that security-related risks and impacts be assessed and managed in accordance with the VPSHR, and IFC Performance Standard 4 on Community Health, Safety and Security.

## **SOCIAL WAY 3.0**

The Social Way is our social performance management framework. It sets out the ongoing requirements 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 and addressing grievances) and in our work with contractors, including our approach to security.

The Social Way Toolkit contains detailed guidance on the standards, processes and procedures required for effective social performance and implementation of the Social Way Policy. It provides guidance on how to conduct a Social and Human Rights Impacts and Risks Assessment (SHIRA), which incorporates the 'principles and objectives' of human rights due diligence as set out in the UNGPs. One of the categories of impacts that are included in the SHIRA process is impacts on personal and political security, which includes impacts on the right to freedom from slavery and forced and child labour.

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<sup>3</sup> 2023 data from the De Beers Building Forever Report: Our Journey.

Community engagement and local accountability are central to the Social Way. It sets out requirements for stakeholder engagement in support of SHIRA and the management of grievances and incidents, in human rights related matters including community health and safety, livelihoods and job creation, access to education and land access, displacement and resettlement.

During 2024, our Snap Lake and Victor mines, which ceased production in 2015 and 2019 respectively, continued with the implementation of their closure plans that are aligned with the Social Way 3.0 as well as Anglo American's Mine Closure Toolbox.

At the end of 2023 Gahcho Kué assessed against all twelve applicable requirements of Social Way 3.0 and the results of the assessment were incorporated into the site's 2024 transition plan.

## SUPPLY CHAIN MANAGEMENT

The products and services that are used to support our global upstream 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. Additionally, we are 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 whilst remaining committed to supporting 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 localized 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 us because it plays a key role in developing thriving and healthy host communities.

- In 2024, we procured goods and services worth approximately \$1 billion from over 1,537 suppliers for South Africa and 599 suppliers for Canada.
- In 2024, 67% of the goods and services procured by Gahcho Kué mine came from NWT and Indigenous companies and joint ventures.

De Beers Group Supply Chain actively supports the Anglo-American Supply Chain function's journey to 'Innovate Supply, Responsibly' which is being delivered through outcomes focusing on safety, people, sustainability, value delivery and digitisation. All upstream suppliers are expected to adhere to the expectations as set out in the Anglo American 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 alongside five key expectations for suppliers:

1. Protect safety and health
2. Protect the environment
3. Respect labour and human rights
4. Increase social accountability
5. Conduct business fairly and with integrity

The Responsible Sourcing programme focuses on selecting suppliers annually to assess their compliance with applicable laws and fair and transparent business practices. Suppliers are selected

to participate in the programme based on spend, impact on host communities and/or any other risks which may be brought about by contractors with a large staff compliment. In 2023, 143 top-spend suppliers from South Africa and Canada were engaged as part of the Anglo American Responsible Sourcing Programme.

The requirements contained in the Anglo American Responsible Sourcing Standard are non-negotiable and reflect our commitment to ensure fair and transparent business practices and to use our influence with suppliers to effectively manage those risks. All engagement with suppliers will continue in 2024 to help ensure we continue to monitor and manage any changes within our upstream supplier risk profile and identify any new risks that may emerge because of these changes.

#### Update on De Beers Group Supply Chain programme in 2024:

- Informed 365 platform allows for all suppliers to complete the Anglo American Responsible Sourcing Programme self-assessment questionnaire (SAQs). All responses are scored and rated to provide a risk rating for each supplier (including on indicators of modern slavery risks).
- Currently, 143 suppliers are part of the Anglo American Responsible Sourcing Programme for 2023. Of those 91 (20% Canada and 80% SA suppliers) have responded and completed their SAQs, and further risk analysis has been scheduled for 2024.
- As of March 2024, zero upstream suppliers have been identified as high risk. However, if a supplier is identified as a high risk, De Beers Group would engage with the supplier to address the risks and ensure that a corrective action plan would be concluded. Tracking of actions would take place with possible onsite audits where required.
- Based on this analysis, and where applicable, Corrective Action Plans (CAPs) with realistic timeframes for monitoring and close out of issues identified will be requested from suppliers. This will help to ensure that potential risk events are managed and mitigated accordingly. The purpose of the CAPs is to ensure that any supplier non-conformances that may impact our Group are proactively remedied before a risk event can materialise.
- The results from completed SAQs 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 into corrupt, illegal, unethical, or anti-competitive practices over the last three years, meaning there were no modern slavery findings identified.

To further mitigate the increased possibility of human rights violations, we have continued with human rights and security checks for suppliers:

- Due diligence processes are applied to all new upstream operations suppliers which are aligned to the Anglo American Supplier Life-Cycle standard. These due diligence verifications include trade sanctions and responsible sourcing checks, including child labour and modern slavery checks amongst others, through an independent third-party who conducts the screening and compliance verification for all new upstream mining suppliers. This means that all potential new suppliers are adequately screened, and contracts will only be finalized upon the successful completion of these checks.
- The same due diligence processes were also applied to the top 300 suppliers and intermediaries. These top suppliers were identified based on spend, split between SA and Canada equally. Over and above the top 300 suppliers' intermediary entities were included in the sample.

## **FORCED LABOUR AND/OR CHILD LABOUR RISKS**

No forced labour and / or child labour has been identified within the De Beers Canada diamond value chain and / or supply chain, including during the reporting period 1 January 2023 to 31 December 2023.

## **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 super materials value chains relating to the management of modern slavery risks, are as follows:

Human Rights Training is conducted regularly across De Beers Group.

Best Practice Principles Training: Online live training was provided to existing and new BPP participants, including our own business units and our third-party auditors. This included refresher training to provide them with comprehensive guidance on how to implement new and existing (for new participants) requirements in the BPP Programme (covering also extensive requirements on compliance on forced labour, child labour and human rights).

Training on Voluntary Principles on Security and Human Rights is also conducted in regular intervals to ensure employees are aware of these standards.:

We at De Beers Canada continue to strengthen our approach to training ensuring that key personnel are informed of the S-211 requirements, along with a review of our procedures on the issue of forced labour and child labour risks.