

Employees

Employees

Our employees are one of our greatest assets. They are all included in an annual performance appraisal system; and training is available to all to help each individual to grow and advance through self-improvement.



Development/Production Shifter Fabian LaRiviere visits Blaster Terry Bergeron to check his five-point safety card underground at Snap Lake Mine.

The aboriginal component of our labour force is largely drawn from the communities closest to our two mines. The employment, skills development and work experience programs that are available forms a significant part of our contribution to the sustainability of these communities. All references to Aboriginal employees and Aboriginal workers in this section refer to those who have self-identified as being of Aboriginal ancestry. Some individuals choose not to identify themselves, so figures are likely to be understated.

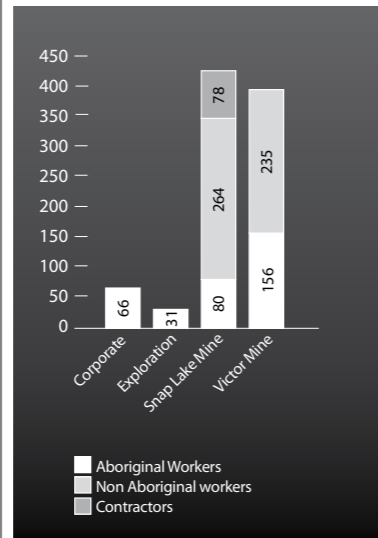
Feedback from employees and suggestions for improvements are obtained through a joint consultative committee at each mine. The input

to these committees by employees is forwarded to senior management for action where appropriate. During 2010, mechanisms will be put in place to collect input from the offices in Timmins and Toronto.

There were no strikes or lockouts during 2009 at any mine, exploration project or operation.

De Beers Canada has a combined approach to considerations of environment, communities, occupational health and safety, which are dealt with collectively. But in the interests of transparency, individual components are reported separately.

Table 3-1 Employment statistics for De Beers Canada at end December 2009.



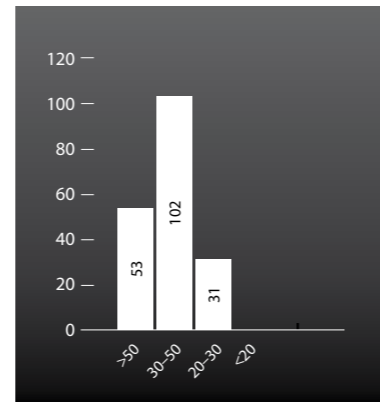
Snap Lake Mine

At the beginning of 2009, a total of 438 people were employed by De Beers Canada at Snap Lake Mine. The 2009 Strategic Business Plan for the mine was modified throughout the year to align production with reduced client demand during the global economic downturn. As a result, the numbers of contractors and temporary workers on site were cut, and the permanent labour force was reduced to a single shift for most of the year. At the end of a six-week shut-down in early September, numbers began to increase again in response to signs of recovery in the economy. Table 3-1 shows the statistics at the end of the year.

Snap Lake is the third diamond mine in the NWT, and many of those in the available labour pool already had jobs before De Beers Canada began hiring. Progress continued to be made in employing Aboriginal workers from nearby communities, despite the limited pool of labour and competition for a skilled workforce from the other mines in the region. Steps will continue to be taken to increase the overall numbers, and also to increase the number of Aboriginal workers in skilled, supervisory and management positions.

A more detailed breakdown of the Aboriginal component is available in the socio-economic reports for Snap Lake. The report for 2009 will be available in mid-2010 as the analysis of statistics takes some time and includes the employment of all contractor employees.

Table 3-2 Employee turnover by age.



Victor Mine

At the beginning of 2009 a total of 333 people were employed by De Beers Canada in a full-time, seasonal and part-time capacity at the Victor Mine. At the end of 2009, the figure was 391. The breakdown of labour at the end of 2009 is shown in the above Table 3-1.

Absenteeism during 2009 for the whole of De Beers Canada amounted to a total of 530 days, all of which were non-work related including sick days, short and long term disability.

Employment for Communities of Interest

Good progress was made in employing Aboriginal workers from nearby communities. Many career and job fairs were held, and recruitment was focused within communities of interest. In most instances, there are hiring preferences resulting from the impact benefit agreements, which provide for hiring priorities for particular communities.

Corporate and Exploration

There was limited restructuring at the corporate and exploration offices during 2009, but because of the downturn in the economy 106 positions were eliminated within the company Canada-wide. Turnover was slightly increased from 2008, partly because of the economic uncertainty. A breakdown of the turnover figures shows that of the 186 people, 29 were female and 157 were male. The breakdown by age and number is shown in Table 3-2 above.

During the reporting period, job creation was as follows.

Table 3-3 Job creation - this chart shows only full-time employees and does not include seasonal or part-time employees.

	Nr at start of year	Turnover	Nr at end of year	Net gain (loss)
Corporate	56	7	56	0
Exploration	26	4	22	(4)
Snap Lake Mine	438	136	336	(102)
Victor Mine	333	39	355	22



Charley Murphy, Geophysicist, about to start a magnetic survey.

Although De Beers Canada has freedom of association, no collective bargaining agreements were in place during the reporting period.

Employee Health and Safety

Occupational accidents and diseases are recorded in accordance with the rules and legislation of the respective Workplace Safety and Insurance Boards and/or Workers' Compensation Boards, in the geographic regions of our operations.

Joint Occupational Safety Health and Environmental Committees (JOSHEC) operated throughout the reporting period at all of our offices at both mines and at each of the exploration projects. Each committee had both management and worker representation.

There were no fatalities during the period.

De Beers Canada has a policy on HIV/AIDS in the workplace effective since November 2003 providing guidelines for minimizing the risk of employees contracting HIV/AIDS in the workplace as well as the protection of human rights and dignity of employees with HIV/AIDS.

Diversity and Discrimination

Equal opportunity is assured through a company policy on the intolerance of any form of discrimination. Each of the mines has agreements that outline the preferred hiring criteria for Aboriginal people from local communities, and for the monitoring of their operation.

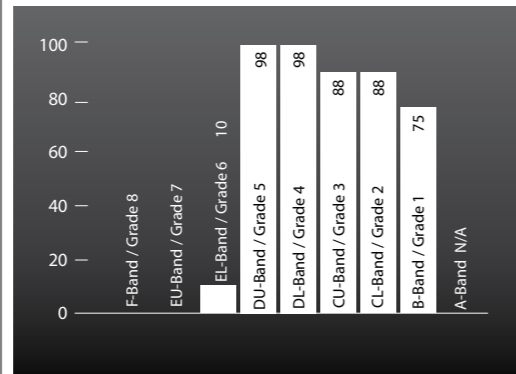
All members of the Board of Directors are male; however the senior management and corporate governance bodies include 11 women among their 47 employees. There are currently no Aboriginal people on the senior management team. A management and supervisors' program is in place to help develop management capacity within the workforce.

Two instances of asserted discrimination were reported in 2009. Both were investigated and resolved. Six other asserted instances of discrimination in the past that had not been reported came to our attention during 2009. These were investigated and all were resolved, and three individuals were terminated for cause.

Table 3-4 Average hours of human rights training per year per employee by category.



Table 3-5 Average hours of training per year per employee by category.



Human Rights

De Beers Canada is focussed on maximizing the rich culture of a diverse workforce, and providing a work environment where each employee is treated fairly and with respect, where each employee has the opportunity to contribute to the success of the business and to realize their full potential as individuals.

Both the De Beers Family of Companies and De Beers Canada have Human Rights policies that prohibit all forms of discrimination. Application of these policies is tracked through the Best Practice Principles program. The De Beers Canada Human Rights policy is based on clear principles that confirm an individual's right to dignity, respect and protection; for working conditions and practices that do not infringe on inherent dignity; freedom from any form of harassment whether in behaviour, language, or gesture; freedom from abuse whether corporal punishment, mental or physical; and the right to belong to any cultural, religious or linguistic community and not be denied the right to practice their religion or their culture.

In addition, individuals have freedom of association for the protection of their interests and to bargain collectively if they so wish, but are not compelled to do so.

Forced labour is forbidden; overtime is voluntary and restricted to the national and regional permitted levels – and at least at the statutory remuneration levels. Individuals have freedom of movement that shall not be unreasonably restricted. No-one under the age of 18 is permitted to work on a mine site, and no-one under the age of 16 shall be employed at all. Also as part of the hiring process, once an offer has been made and accepted, new employees have to provide evidence of their age with photo identification. Forced labour and child labour are not considered to be risk areas in Canada.

No discrimination on the basis of race, colour, religion, political opinion, gender orientation, national extraction or social origin is tolerated. There is equal pay for work of equal value. The only exceptions to this are where we have hiring and training priorities in the NWT as part of our

Social Economic Agreement with the Government of the Northwest Territories, and also Impact Benefit Agreements for Victor and Snap Lake mines.

All Protective Services employees are trained in the De Beers Human Resources (HR) and Security Human Rights Policy (DBGS-GRPS-001).

The policy and documents referred to in this policy are made available to our employees for study. These documents include the following:

- The UN Universal Declaration of Human Rights
- De Beers Purpose, Vision and Values
- Diamond Trading Company Diamond Best Practice Principles
- The De Beers Code of Business Conduct and Ethics
- The UN Global Compact
- The Voluntary Principles on Security and Human Rights
- The UN Code of Conduct for Law Enforcement Officials
- The UN Basic Principles on the use of Force and Firearms by Law Enforcement Officials

◆ Martin Doyle, Senior Vice President, Exploration, examines samples from the X-Ray kimberlite at the Victor Resource Extension Project.

In addition to this, all Protective Services employees undergo training irrespective of previous training or experience. This training is scheduled as soon as possible after the employee joins De Beers Canada and relates to federal, provincial and territorial statutes governing the security industry.

Table 3-4 has a breakdown of the average number of hours training by category that each employee has received concerning aspects of human rights.

Compensation

De Beers Canada offers a comprehensive benefit package that far exceeds legally mandated requirements and is competitive within the market place. A full benefit package review was completed in 2006, and it is continually reviewed for improvements in the light of market comparisons.

Freedom of Association

A Joint Consultative Committee comprising representatives from management and workers meets regularly at the Snap Lake Mine site with involvement of the Yellowknife office employees to discuss issues and resolve concerns that are identified by both management and the workforce. A similar committee was established at the Victor Mine site in 2009, and is supported on site by the Aboriginal Employees Advisory Committee that also has representation from management and First Nation workers at the mine.

Employee Training

Table 3-5 outlines the training provided to employees which is dependent upon their banding position. Only core training occurred due to cost savings initiatives in 2009.

Mandatory e-learning

- General Site Orientation
- WHMIS
- Safety, Health & Environmental Operating Procedures
- Waste/Wildlife Management
- Accident/Incident Awareness
- 5-Point Safety System
- Spills Awareness
- SUPA (See, Understand, Plan, Act)

Mandatory Classroom

- SHE Awareness
- Drug & Alcohol Awareness
- Cross Cultural Awareness

Job Specific Training

- Surface Drivers Permit
- Lock Out/Tag Out
- Confined Space Entry
- Fall Protection
- Radiation Safety Awareness
- Radiation Safety Officer
- Working with Nuclear Gauges
- Train-the-Trainer
- Aerial Lift
- Overhead Crane
- JOSHE Committee Training
- SAP 101

Supervisory

- First Aid
- Supervisor Certification (WSSC)
- IRS for Supervisors
- Supervisory Tools
- Accident/Incident Investigation Training
- Safe Work Plan
- Drug & Alcohol Awareness – Supervisors

General Interest

- Microsoft Office
- GED Preparation
- Apprenticeship tutoring
- Stretch Your Pay Cheque

Local Community Schools

- Stay-in-School (High School)
- Career counselling (High School)

The key to the De Beers Canada training program is engaging in active collaboration with all departments. This is to ensure that all training is targeted to support essential operational requirements. All managers and supervisors are involved in identifying, defining and refining departmental training needs within the training matrix to prioritize outcomes. Successful delivery of training programs provides employees with skills that are useful in the workplace, and can also be transferred to the communities or to other jobs after the mines close. The development of skills is an important component of the benefits provided by the company.

Some of programs being offered at both Snap Lake and Victor mines are shown on the left.

Feedback Mechanism

A bi-weekly overtime report is reviewed and the divisions are required to provide reasons for the overtime hours worked, ensuring that there is no forced overtime. In addition, feedback and suggestions from employees at the two mines are captured through the joint consultative committee at each site. Input to these committees is forwarded to senior management for consideration and action where appropriate.

De Beers Canada has a formal complaint procedure as part of its workplace Harassment and Discrimination Policy and Procedure. In addition, there is a separate Issue Resolution Procedure that includes a review and appeal to senior management.

The grievance processes outlined above are combined with a Whistle Blowing Policy and Procedure that includes non-retaliation against anyone bringing a matter to the attention of the company. This policy is posted on the intranet, in the workplace, and it is also distributed to all staff.

De Beers Canada seeks to maximize the participation of Aboriginal people at its mines and during exploration. Cross-cultural awareness training is provided to employees as to the main concerns and issues of Aboriginal people.

De Beers Canada is an equal opportunity employer, and our strength is through cultural diversity. Engagement with Aboriginal peoples is guided by two policies, "Working with Aboriginal Peoples", and the De Beers Canada "Community Policy". Both of these are available from De Beers Canada offices, and both are also available at www.debeerscanada.com.

Table 3-6 Health and safety statistics for 2009

Metric	Milestone	Snap Lake	Victor	Gahcho Kúe	Exploration	De Beers Canada 2009	De Beers Canada 2008
Fatalities	0	0	0	0	0	0	0
LTI	0	1	2	0	0	3	5
LTIFR	Continuous Improvement to zero injuries	0.21	0.38	0	0	0.27	0.25
LTISR	14	30	37	0	0	31	8.95
Safe hours (millions)	N/A	0.81	0.63	0.42	0.67	-	-
TIFR	3.8	1.4	3.0	0	0	2.3	4.7
Near Miss Ratio	>4	2.4	8.0	-	1.4	-	-
Legend							
LTIFR: Lost Time Injury Frequency Rate			TIFR: Total Injury Frequency Rate (all injuries except first aids)				
LTISR: Lost Time Injury Severity Rate			Milestone: 2009 target improvement milestone				
Safe Hours: Hours worked without an LT Near Miss Ratio			N/A: Not Applicable (Near Miss reports to all incidents)				

Safety, Health and Environment

All De Beers Canada operations have health and safety management systems in place based on the requirements of the OHSAS 18001 standard for occupational health and safety.

Safety

Safety is a high priority at De Beers Canada. The company has a combined Occupational Health and Safety Policy that applies to all parts of De Beers Canada. The exploration and mine sites are covered by separate safety management systems that are consistent with the OHSAS 18001 standard, and the intention is to certify these in 2010 to this standard. Work continued during 2009 to ready employees, sites and these systems for certification in 2010. Gap analyses were routinely undertaken during the year on the safety management systems and no major non-conformances or non-compliances were identified at Snap Lake and Victor mines. Exploration did internal safety management system audits at Sudbury and Toronto.

In each workplace and exploration camp, there is a Joint Occupational Health Safety and Environmental Committee (JOSHEC) with representation from management and employees. At the mines and in the offices, the employees' representatives are elected and the management members are appointed. In the exploration camps, where the numbers of employees are usually below the threshold for a

formal joint occupational safety and health committee, employees are encouraged to participate either by volunteering or more usually through selection by co-workers.

Daily safety talks and checks are undertaken at each mine, in each mine office and exploration camps, as the risks are high. In the Toronto, Timmins and Yellowknife offices where the risks are lower, weekly safety meetings are held.

Combined health and safety statistics are summarised in Table 3-6. We are pleased to report that the Exploration division has not incurred a single lost time incident (LTI) for over four years.

Emergency response plans are in place for all operations, based on the risk assessment for each mine. Generic response plans are used by the exploration teams because of the number of areas that are prospected. Where activities are within the area of interest of a community, the emergency response plans are discussed and integrated with those for the community in question.



During the 2009 CIM (Canadian Institute of Mining, Metallurgy & Petroleum) Annual Conference, Victor Mine heavy equipment operator, Karen Kabatey, represented De Beers Canada during a 'Women in Mining' seminar. Karen was part of a panel of key women in the mining industry from across Canada and spoke about the history of De Beers, Victor and her role at the mine.

Employees Continued

Health and wellbeing

Health and wellbeing of all employees and contractors is encouraged and promoted within the company. Programs and periodic presentations were made during the year on diabetes, HIV/AIDS and various other topics including healthy eating, diets and exercise.

No instances of occupational diseases were noted during 2009.

Education and training on accident prevention, health and safety is provided to employees using a training matrix within the health and safety management system. This identifies the requirements for the different positions. This is reinforced by daily toolbox talks in the workplace at the mines, and by at least weekly sessions in the offices. Counselling services, at the company's expense, are available to employees and their dependents through a contract service.

HIV/AIDS

Unlike many of the countries where the De Beers Family of Companies operates, the prevalence of HIV/AIDS in Canada is much lower. The focus for De Beers Canada is thus on HIV/AIDS prevention and awareness. The Global HIV/AIDS Policy for the De Beers Family of Companies applies in Canada, where the approach is also aligned with the risk.

Harnessing and developing talent

Our employees are our greatest resource, and they are encouraged to embrace lifelong learning so that they can improve and advance themselves. Training programs are run at the mines, employees are encouraged to participate in courses, and funds are budgeted for each employee for training every year. There is relevant subject training inclusive of apprenticeship programs at both mines.

Social Issues

Where projects might have an adverse impact, there is always dialogue with affected communities to ensure that any mitigating measures are understood, and where possible, are aligned with the community's own priorities.

There is zero-tolerance of bribery and corruption, and of alcohol and substance abuse at the mines. These policies are rigorously enforced, and are further supported by the Whistle Blowing Policy. Compliance is mandatory and each employee and contractor is required to read and sign that they understand the guidelines covering their job.

De Beers Canada follows the De Beers Group policy that forbids contributions to political parties, and has a code of business conduct and ethics which supports this concept. A total of \$500 was spent on political-type activities during 2009. This related to a dinner event.

De Beers Canada was not involved in any court cases regarding anti-trust and monopoly regulations during the reporting period.



⚙️ Safety comes first at Snap Lake Mine. Everyone working outside of administration offices or the accommodations facility is required to wear personal protective gear (PPE), including safety helmet, safety boots, protective glasses and reflective vest. Other PPE may be required depending upon the work involved.