

Assurance

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◆ Diamonds are valued for royalty purposes in the Northwest Territories by the federal government.

Assurance is provided by a combination of the Best Practice Principles (BPP), internal audits and external audits of the environmental, health and safety management systems. Further verification is planned under the Mining Association of Canada's Towards Sustainable Mining initiative. De Beers Canada delayed self-declaring under this initiative until the end of 2009, and will do so in early 2010. Both mines will undergo an external verification assessment in 2011. In addition, there are separate assurance programs to ensure that the requirements are met for the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties. During 2010, the BPP program will be amended to facilitate the transition to reporting under the Responsible Jewellery Council program. The details of this transition are currently being drawn up.

For each operation, office and exploration project, a workbook is completed and submitted to the De Beers Internal Audit department for assessment, and these workbooks are also scrutinized by the external assessor. Each year, a representative number of workbooks are subject to physical verification on the ground by an independent external assessor, currently SGS. In 2009, the Snap Lake and Gacho Kué office was one of the sites selected for external assessment.

In addition, one of the DTC Sightholders in Yellowknife was selected for external assessment by SGS.

Accuracy and Completeness

Under the Best Practice Principles, there are three levels of assurance in use at De Beers Canada.

First party assurance

The corporate division, both mines including their respective town-based offices, the exploration division and the Sudbury facility each completed BPP assurance workbooks to ensure adherence to the company's Best Practice Principles. Results were subject to scrutiny by the De Beers Canada internal audit section. Several opportunities for improvement were noted, but no major or minor non-compliances or non-conformances.

Second party assurance

The De Beers Family of Companies internal audit section provided a second party assurance of the workbooks. No findings against any of the entities were noted.

Third Party Assurance

SGS Group was retained by the De Beers Family of Companies to provide third party assurance for all of the workbooks. In addition, an external assessment of the Yellowknife office was undertaken by SGS in October. The findings for the '2009 Cycle Summary' for De Beers Canada showed that assessment of the workbooks did not produce any non-conformances or non-compliances; and neither did the physical assessment of the combined Snap Lake and Gahcho Kué office in Yellowknife.

Diamond exports

All diamonds produced were exported to the Diamond Trading Company in compliance with the Kimberley Process Certification Scheme and the World Diamond Council System of Warranties. The export and import Kimberley Process certificates were reviewed by Deloitte and Touche to ensure compliance with the Scheme and the System of Warranties – and there were no significant non-compliances.

Verification of this report GRI assessment

Canadian Business for Social Responsibility (CBSR) was commissioned by De Beers Canada to assure the Global Reporting Initiative (GRI) table within its 2009 Report to Society. CBSR assessed the degree to which De Beers Canada met the GRI indicators including the profile disclosures, performance indicators, and the mining and minerals sector supplement indicators; and concurs with De Beers Canada's self-assessment that it has achieved a reporting level of C+.

Responsibilities and Independence

De Beers Canada was responsible for the preparation of its Report to Society, and CBSR's responsibility was to provide an independent assurance opinion of the report's GRI table. CBSR has provided De Beers Canada a management report containing more details on the findings and recommendations in this statement.

CBSR was paid by De Beers Canada to conduct this assignment. In addition, De Beers Canada is a member of CBSR and had commissioned CBSR with an assessment of De Beers Canada's draft Report to Society based on the GRI Reporting Principles. Other than these payments, the assurance team declares itself independent in relation to De Beers Canada and its stakeholders.

Appendix A

Acronyms

AB	Alberta
AIDS	Acquired Immune Deficiency Syndrome
CBSR	Canadian Business for Social Responsibility
EBITDA	Earnings before interest, taxes, depreciation and amortization
ECoHS	Environment, Community, Health and Safety
EITI	Extractive Industries Transparency Initiative
GRI	Global Reporting Initiative
HIV	Human Immunodeficiency Virus
INAC	Indian and Northern Affairs Canada
ISO	International Standards Association
JBET	James Bay Employment and Training
LTIFR	Lost Time Injury Frequency Rate
LTISR	Lost Time Injury Severity Rate
NWT	Northwest Territories
OHSAS	Occupational Health and Safety Assessment Series
ON	Ontario
SHE	Safety, Health and Environment
SLEMA	Snap Lake Environmental Management Agreement
WTP	Water Treatment Plant

Glossary

Brown field:	Land that has been explored or developed in whole or in part. This may include sites that are sparingly used or abandoned, or may contain evidence of earlier work or possible contaminants.
Bulk sample:	A large sample of mineralized rock, frequently hundreds of tonnes, selected in such a manner as to be representative of the potential ore body being sampled. Used to determine metallurgical characteristics, diamond grade or value.
Carat:	Refers to the measure of weight of a diamond. One carat is equivalent to 200 milligrams. One carat can also be divided into 100 "points." A .75-carat diamond is the same as a 75-point or 3/4-carat diamond.
Core:	The long cylindrical piece of rock approximately one inch in diameter brought to the surface by diamond drilling.
Dyke:	A long and relatively thin body of igneous rock that, while in the molten state, intruded a fissure or crack into older rocks and that cuts across the layers of rock (bedding or strata). Dykes may be vertical, near vertical or inclined.
Green field:	Land that is unexplored and undeveloped but is available for exploration, industrial or commercial development.
Muskeg:	A bog, usually with grassy tussocks, growing in a wet, poorly drained boreal region, often in areas of (intermittent) permafrost. Tamarack and black spruce are commonly associated with muskeg areas. Old muskeg areas evolve into peat deposits.
Open pit:	A mine that is entirely on the surface. Also referred to as open-cut or open-cast mine.
Sampling:	The surface entrance to a tunnel used to provide access to a mineral deposit underground.
Sustainable development:	Industrial development that does not detract from the potential of the natural environment to provide benefits to future generations.
Workbook:	A physical hard book or a digital spreadsheet used to capture answers to specific questions. In relation to Best Practice Principles, these questions relate to ethics, business conduct, human resources and employment conditions, environment, occupational health and safety, human rights, product responsibility, corporate social investment and legal compliance. The answers are used to help provide customer confidence and enhance reputation while supporting a social licence to operate.