



2021

SOCIO-ECONOMIC AND
STAKEHOLDER ACCOUNTABILITY REPORT

GAHCHO KUÉ MINE



DE BEERS GROUP



MOUNTAIN
PROVINCE DIAMONDS

DISCLAIMER

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An employee walks through knee-deep snow off the side of the winter road.

Cover Image

The land surrounding Gahcho Kué mine remains undisturbed, with many native plant species thriving.

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ABOUT THIS REPORT

Under the terms of the Socio-Economic Agreement (SEA) between the Government of the Northwest Territories (GNWT) and Gahcho Kué mine, a joint venture between De Beers Group and Mountain Province Diamonds, a report is issued each year to outline the mine's accomplishments against the targets and requirements set out

under the SEA. In addition, as a requirement under the Social Way Framework initiated by De Beers Group's parent company Anglo American, a Stakeholder Accountability Report (SAR) will be issued each year. The SAR will provide an overview of steps taken and progress made in

terms of social performance management and to highlight long-term social performance objectives and priorities. Starting with this report for 2021, a combined SEA and SAR report is being issued. We hope you enjoy reading about the progressive initiatives at the mine.

HIGHLIGHTS

- 5.3 million working hours with no lost time injuries (LTI) from September 2018 to end of 2021
- 6.23 million carats recovered during FY 2021
- 3.1 million tonnes of ore treated during FY 2021
- 70% of goods & services were purchased through Northwest Territories (NWT) businesses and joint ventures in 2021
- \$672,000 invested in communities through a variety of social investment programs
- 60,000 books provided free of charge across NWT through Books in Homes program since 2003
- \$32,500 in scholarships for members of the Yellowknives Dene First Nation, North Slave Métis Alliance and the NWT Métis Nation
- The number of NWT residents working at Gahcho Kué mine was 244 in 2021 – representing 42% of the total workforce
- 24% of Gahcho Kué workforce is Indigenous
- 18% of the mine's workforce is female

The Northern Lights shine in the sky over a truck returning to Yellowknife after delivering a load to Gahcho Kué mine during the 2021 winter road resupply program.
Photo courtesy of JS Contracting

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MANAGING DIRECTOR

I am pleased to introduce the 2021 Gahcho Kué Mine Socio-Economic and Stakeholder Accountability Report as one of my first public actions as Managing Director of De Beers Group Managed Operations.

Since my appointment on January 1, 2022, I have been impressed with the level of work and commitment to the NWT by the Gahcho Kué mine team.

They have taken to heart the importance of delivering on our Building Forever commitments and ensuring that Gahcho Kué mine has a lasting positive and sustainable impact by maximizing local employment, procurement and social investment.

Building Forever incorporates a number of ambitious goals to be achieved by 2030, designed to reduce our impact on the environment, advance equality, enhance partnerships with communities, and affirm the company's position as a global leader in the diamond industry.

In 2021, Gahcho Kué mine completed the second year of its Building Forever five-year plan and I am pleased that

91 per cent of the program was complete, in spite of the COVID-19 pandemic.

This includes important work to protect and manage water, continue to reduce greenhouse gas emissions, support women and girls, extend mental health awareness programs beyond the mine site, and address gender-based violence.

Our joint venture partner Mountain Province Diamonds shares our commitment to contribute to the advancement of the communities.

In February 2022, I was pleased to visit the mine and meet community and government leaders in Yellowknife. I plan to visit the NWT regularly to build the personal understanding that's so important to fulfilling our duty to protect the land, water, and wildlife where we work. We remain committed to being responsible and respectful, and to honouring our hosts.

Moses Madondo

Managing Director
De Beers Group Managed
Operations



MOUNTAIN PROVINCE DIAMONDS



When I joined Mountain Province Diamonds (MPVD) as President and CEO in November 2021, I was immediately struck by Gahcho Kué mine's impressive record of environmental stewardship and socio-economic contributions in Northern Canada. 2021 was no exception to the mine's positive legacy, as the pages that follow demonstrate.

As 49% owner of Gahcho Kué mine, MPVD is fortunate to have an operating partner that shares our dedication to sustainable development. As I review the mine's achievements over the last year, I am particularly proud of the Gahcho Kué team for ensuring the mine exceeded its local procurement target for the fifth consecutive year.

Yet more impressively, the Gahcho Kué team was able to ensure that local Indigenous community members continued to represent nearly one-quarter of our workforce, despite the challenges presented by the ongoing COVID-19 pandemic. Through these and other contributions, the mine continues to build a lasting, positive legacy in the North that all of our stakeholders can take pride in.

MPVD is eager to see the mine's positive legacy continue. We are passionate about working with De Beers Group, focussing our joint efforts and knowledge on the many resource expansion opportunities that exist on the joint venture property. In addition, MPVD is stepping up efforts to explore for additional deposits on the 107,000 hectares of prospective land surrounding Gahcho Kué mine. We envision a future in which the benefits of the mine are shared with local communities for many years to come.

As we look towards a promising future for Gahcho Kué mine, we also look forward to building upon the strong relationships we have developed and continue to grow with local communities. Together, we find ever-better ways to enrich local communities and to create value for all stakeholders as we deliver ethical, natural Canadian diamonds to the world.

Mark Wall
President & CEO
Mountain Province Diamonds Inc.

MINE GENERAL MANAGER



As we look back on 2021, it is important to recognize the contributions from the entire Gahcho Kué mine team that helped us achieve critical milestones while navigating the second year of the pandemic.

The COVID-19 outbreak in February 2021 was difficult, but it galvanized the entire site to deliver on the mine plan. We want to commend everyone for their commitment to safe work.

We thank the GNWT for supporting the vaccination campaign at the mine. By October, 100% of employees were fully vaccinated. The mine's response to COVID-19 was recognized by De Beers Group as one of the top health and safety initiatives across the company in 2021. We also marked three years without an LTI on September 28. Of the many accomplishments, we want to highlight the following.

- The winter road resupply campaign was completed safely, even in the midst of an outbreak
- Critical work was completed on both Tuzo and Wilson kimberlite ore bodies, allowing us to update the mine plan with more accurate data
- The team rallied around the successful Awake the Bear campaign, which enhanced employee morale and raised awareness of safety and production goals
- Ten key technology projects, part of our drive to digitize the mine, were implemented, including installation of a new fleet management system; in 2022, we already see improved mining efficiencies

- We completed drilling programs to install geotechnical instrumentation, time sensitive water management campaigns, key maintenance projects, and all environmental monitoring programs

In 2021, through our annual self-assessment process, the mine achieved 'AAA' status from the Mining Association of Canada's Towards Sustainable Mining (TSM) program in six areas: Indigenous and Community Outreach, Safety and Health, Tailings Management, Biodiversity Conservation Management, Energy and GHG Emissions Management, and Water Stewardship. The mine was also certified to ISO 14001:2015 for Environment Management Systems and ISO 45001 for Occupational Health and Safety.

Even though we were not able to host community visitors, we maintained our community commitments. We also completed the majority of 2021 work plans associated with the Building Forever Strategy. We hope to welcome the communities back to the mine in 2022.

We continue to work hard to maintain our socio-economic commitments because we understand our role in ensuring healthy, sustainable NWT communities and a robust economy.

Lyndon Clark
General Manager
Gahcho Kué Mine

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EXTERNAL CONTEXT

The NWT is one of three territories in Canada with a population of approximately 45,500, making up just 0.12% of the Canadian population. Approximately 45% of the NWT's residents live in the largest city, Yellowknife. About half of the NWT population is of Indigenous identity.

Key socio-economic challenges in the NWT include lack of employment opportunities, high cost of living, lack of financial and food security, inadequate housing, low educational achievement, and a high crime rate coupled with a statistically high use of alcohol and drugs.

Employment Opportunities

Employment opportunities in most NWT communities are limited to the mining industry, local government administration, education, health care, and retail. A large number of workers only have part time or seasonal employment. This affects employment and household income of families, with negative spill-over impacts on food security and housing conditions.

Mining is one of Canada's most important economic sectors and a major job creator. Mining is the largest private sector employer of Indigenous peoples in Canada on a proportional basis and employment is poised to increase.

The economy of the NWT, once reliant on gold mining, has refocused on diamond mining over the last 25 years. There are three operating diamond mines in the NWT: Ekati, Diavik, and Gahcho Kué. Diamond mining is the largest contributor to the Gross Domestic Product of the NWT. De Beers Group also owns Snap Lake mine, which began active closure in March 2022 after going into care and maintenance in 2015.

Surrounding Communities

The nearest community to the mine is Łutsel K'e, approximately 140 kilometres to the southwest. Other communities in the region include Fort Resolution, Yellowknife, Fort Smith, Hay River, Behchokq, Gamètì, Wekweètì, Whatì, N'dilo and Dettah.

EXTERNAL CONTEXT

The local communities use the area for traditional activities (fishing, hunting and gathering) and may be impacted by the construction and operation of the mine. Impact Benefit Agreements (IBAs) have been concluded with six Indigenous groups to help mitigate this impact: North Slave Métis Alliance, Tłı̨cho Government, Yellowknives Dene First Nation, Łutselk'e and Kache Dene First Nation, NWT Métis Nation, and Deninu Kué First Nation.

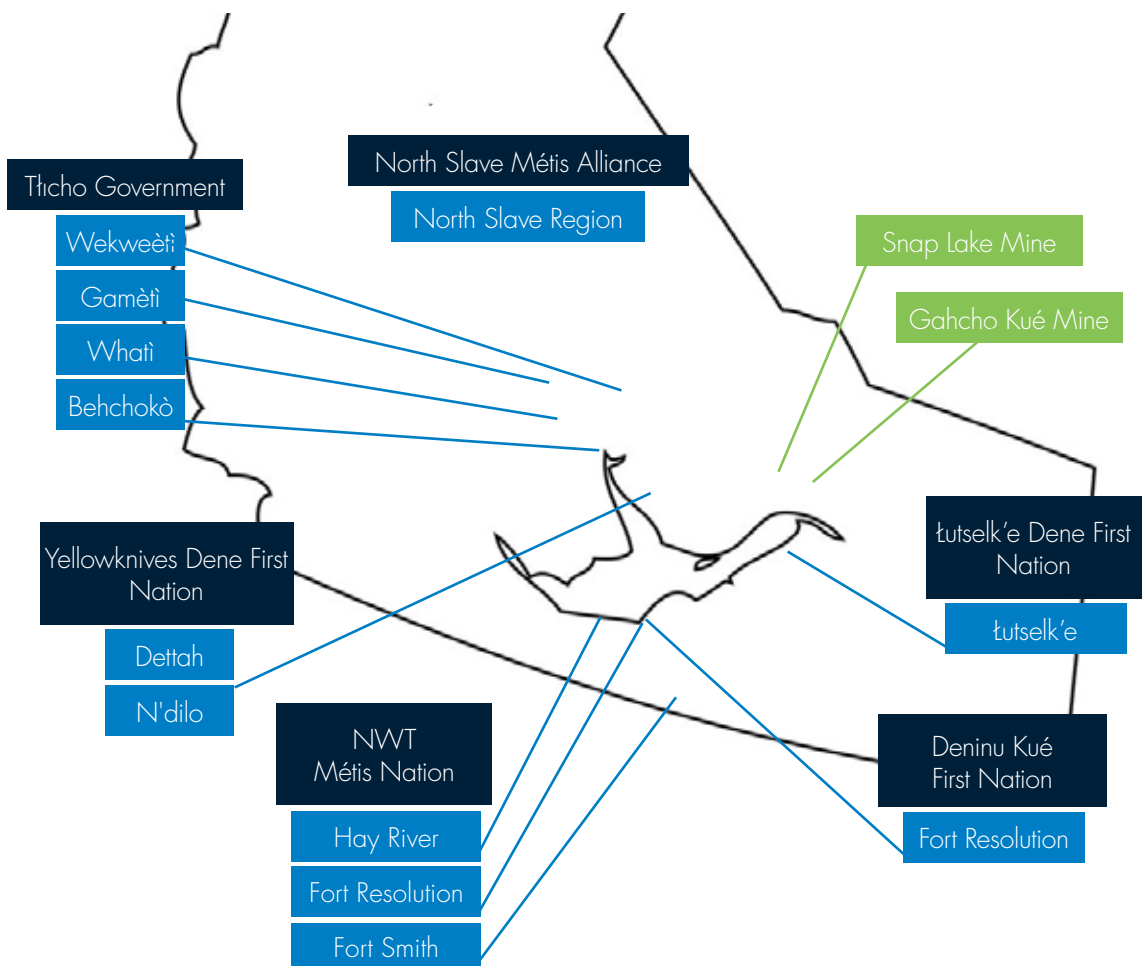
Areas of Cultural Significance

Locations near the mine that are of cultural importance to the Indigenous people of the region include:

- Artillery Lake (Æedacho Tué)
- Aylmer Lake (Tł̨a Gai Tué)
- The "Old Lady of the Falls" (Ts'anTui Theda)
- Hagoche's Shovel

These areas of significance are downstream of Gahcho Kué mine. The impact of the mine on these locations was assessed in the Environmental Impact Review. It was determined that activities will not be heard or seen at culturally important areas.

However, after closure, two mine rock piles might be visible should someone travel near the site in the future, perhaps at a distance of 30 kilometres.



Map not to scale

COMMUNITY CONSIDERATIONS

Several social aspects must be considered when developing programs related to communities:

- Large populations of Elders reside in remote communities; they practice their traditional language which requires translation services to be provided
- Literacy levels vary across communities; this requires engagement to focus on verbal communication and graphics to depict specific messages
- Cultural heritage remains an important aspect of engagement, events such as hosting a feast with traditional or cultural foods should be considered
- The opening of meetings and community events with a prayer or traditional feed the fire ceremony is customary
- Consider honorariums when requesting specific meetings, as appropriate
- Identify multiple ways for community members to provide feedback (phone, email, in-person, anonymously)
- Include youth into communications, site visits
- Recognize and acknowledge local leaders, present and past, when engaging communities, as well as recognize the traditional lands for which the engagement is taking place
- Recognize the role of Indigenous women within the communities
- Many communities are accessible only by air or winter road

An employee adds wood to a fire at Gahcho Kué mine on National Indigenous Peoples Day in 2021. A feed the fire ceremony was held on site to commemorate the day.



INTERNAL CONTEXT

Gahcho Kué mine is located at Kennedy Lake, approximately 280 kilometers northeast of Yellowknife. The mine is a joint venture between De Beers Canada (51% as the operator) and Mountain Province Diamonds (49%).

Due to its remote location, the mine is a fly-in/fly-out operation with access by winter road during February and March for essential annual bulk freight/

equipment and commodity deliveries. The mine provided more than 580 person years of employment in 2021, including contractors, of which 244 were NWT residents. Further information is available in the Employment section starting on page 29.

The mine began production in early August 2016 and was officially opened on September 20, 2016. Commercial

production commenced in March 2017. Currently, the Life of Mine (LoM) is estimated to 2030. De Beers Group and MPVD continue to explore the area for additional kimberlites that may extend the LoM.

During 2021, almost 6.23 million carats were recovered, with 3.1 million tonnes of ore treated during the year.

BUILDING FOREVER

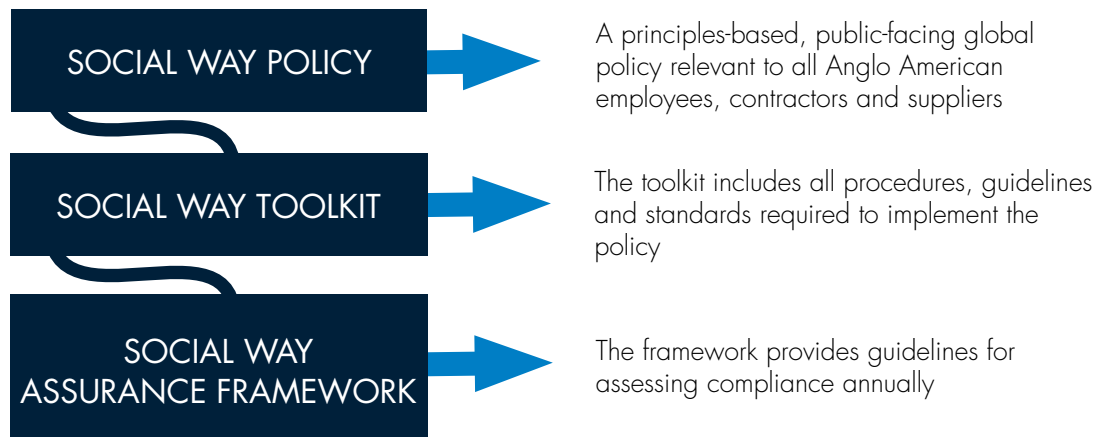
De Beers Group operates under the Building Forever sustainability framework, which provides a blueprint for creating a positive and sustainable impact beyond the discovery of the last diamond.

De Beers Group's parent company Anglo American also initiated the Social Way framework, which sets the standard for inclusive engagement and social impact assessments.

The Social Way serves as the foundation for the Building Forever framework, which is built upon the following four pillars.



THE SOCIAL WAY



PERMITS AND POLICIES

Gahcho Kué mine operates in compliance with a number of regulatory requirements in addition to the company's internal policies and commitments.

Impact Benefit Agreements

In Canada, IBAs are considered a formal negotiated contract outlining the impacts of the project, the commitment and responsibilities of both parties and how the associated Indigenous groups and communities will share in benefits of the operation. Objectives are set for training, employment, and business and economic development. IBAs have been concluded with six

impacted Indigenous groups (see page 7).

Socio-Economic Agreement

A SEA was signed with the GNWT, which requires that Gahcho Kué mine tracks and reports annually on training, local employment, community spend, and local procurement spend.

Socio-Economic Development Strategy

One of the requirements under the Anglo American Social Way Framework is to develop a Socio-Economic Development (SED) Strategy. The SED Strategy has five pillars: Local Procurement, Local Employment,

Corporate Social Investment, Enterprise Development and Employee Volunteering. Please see pages 23-49 for more details on these pillars.

The IBAs and the SEA are aligned with the requirements of the Social Way Framework and the objective of the SED Strategy. The SED Strategy encompasses program development to address maximizing value to the impacted communities, risks to the business, and impacts on the community.

A more comprehensive list of permits and policies is included below.

Permits and Licenses

The permits and licenses include, among others:

- Land Use Permit
- Water License
- Quarry Permit
- Surface Leases
- Mining Leases
- Fisheries Authorization
- Navigation Canada Approval – Airstrip
- Wildlife Research Permit
- Archaeological Investigation Permit

Agreements and Policies

The agreements and internal policies include:

- Impact Benefit Agreements
- Socio-Economic Agreement
- Ni Hadi Xa (NHX) Agreement
- Anglo American Social Way Framework
- Best Practice Principles
- Towards Sustainable Mining
- Anglo American Operational Risk Review
- Regulatory Audits
- Human Rights Assessments
- Business Integrity Principles
- Building Forever Commitments
- ISO Audits
- ISO 14001 Environmental Management Certificate
- ISO 45001 Occupational Health and Safety Management System Certificate

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DE BEERS GROUP VALUES

PUT SAFETY FIRST



We consider all risks to people and the environment before proceeding with any activity. We address risks before beginning any activity, even if this means stopping a task. Zero harm is always our goal.

BE PASSIONATE



We are exhilarated by the product we sell, the challenges we face, and the opportunities we create.

SHOW WE CARE



The people whose lives we touch, their communities, nations and the environment we share, all matter deeply to us. We will always think through the consequences of what we do so that our contribution to the world is real, lasting and makes us proud.

BUILD TRUST



We will always listen first, then act with openness, honesty and integrity so that our relationships flourish.

PULL TOGETHER



Being united in purpose and action, we will turn the diversity of our people, skills and experience into an unparalleled source of strength.

SHAPE THE FUTURE



We will find new ways. We will set demanding targets and take both tough decisions and considered risks to achieve them. We will insist on excellent execution and reward those who deliver.

GUIDING PRINCIPLES

Gahcho Kué mine is committed to building and maintaining positive, respectful and meaningful relationships with Indigenous organizations.

The Stakeholder Engagement Plan (SEP) describes the means by which Gahcho Kué mine intends to foster relationships, ensuring that the framework for engagement is solid and acceptable to all parties. The guiding principles are that engagement will be:

RESPECTFUL

Recognize each party's unique history, knowledge, perspective, values, customs and culture

TIMELY

Provide adequate time to evaluate and respond

INFORMATIVE

Honest communication in a diversity of formats will provide sufficient detail and explanation to promote trust and understanding

COMPREHENSIBLE

All communication will be in an understandable manner, keeping in mind differences in language, culture, customs, literacy and knowledge

ONGOING

The process allows for feedback and fosters lasting and meaningful relationships

RESPONSIVE

Communication leads to meaningful changes and/or feedback regarding perspectives or practices

De Beers Group provides a confidential and secure mechanism to encourage employees, suppliers, business partners and other stakeholders to raise concerns about any potentially unsafe, unethical or unlawful conduct. This includes, in particular, actions that are misaligned with our company values.

YourVoice is an independently managed program. Concerns can be raised about, but are not limited to, the following:

- Safety
- Bribery
- Fraud
- Violence
- Abuse
- Harassment
- Bullying

All complaints made in good faith will be fully investigated and actions taken to remedy any incidents and grievances where possible. People can raise complaints anonymously

YOUR VOICE

using enhanced technology to protect personal information.

Contact

yourvoice.debeersgroup.com
Telephone: 1-855-303-7713

Grievance Process

In addition, the company has a social incident and grievance policy with investigative procedures that align with the site incident management policy and procedures. Please see a diagram of the procedure below.

How to report a grievance

Communities and External Stakeholders can report grievances through these channels:



Call:
(867) 679 6463



Formal or Informal
Discussions



QR Code:
Feedback
form



Your Voice:
yourvoice.debeersgroup.com



Email:
Info.Canada@debeersgroup.com

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STAKEHOLDER RELATIONSHIPS

Gahcho Kué mine is committed to building and maintaining positive, respectful and meaningful relationships with Indigenous organizations and other stakeholders. This report covers specifically the relationships with local community and government stakeholders.

Maintaining strong relationships with stakeholders is integral to the sustainable operation of the mine. Stakeholder engagement will comply with the Guiding Principles as outlined on the previous page.

Gahcho Kué mine has developed a Map of Influence through qualitative analysis, including feedback, observations, and surveys, to categorize stakeholders by level of interest, influence, as well as degree of impact.

Stakeholder mapping is an ongoing process. New stakeholders are identified as operations evolve and the business progresses.

The following stakeholders and local organizations are integrated into the engagement plan.

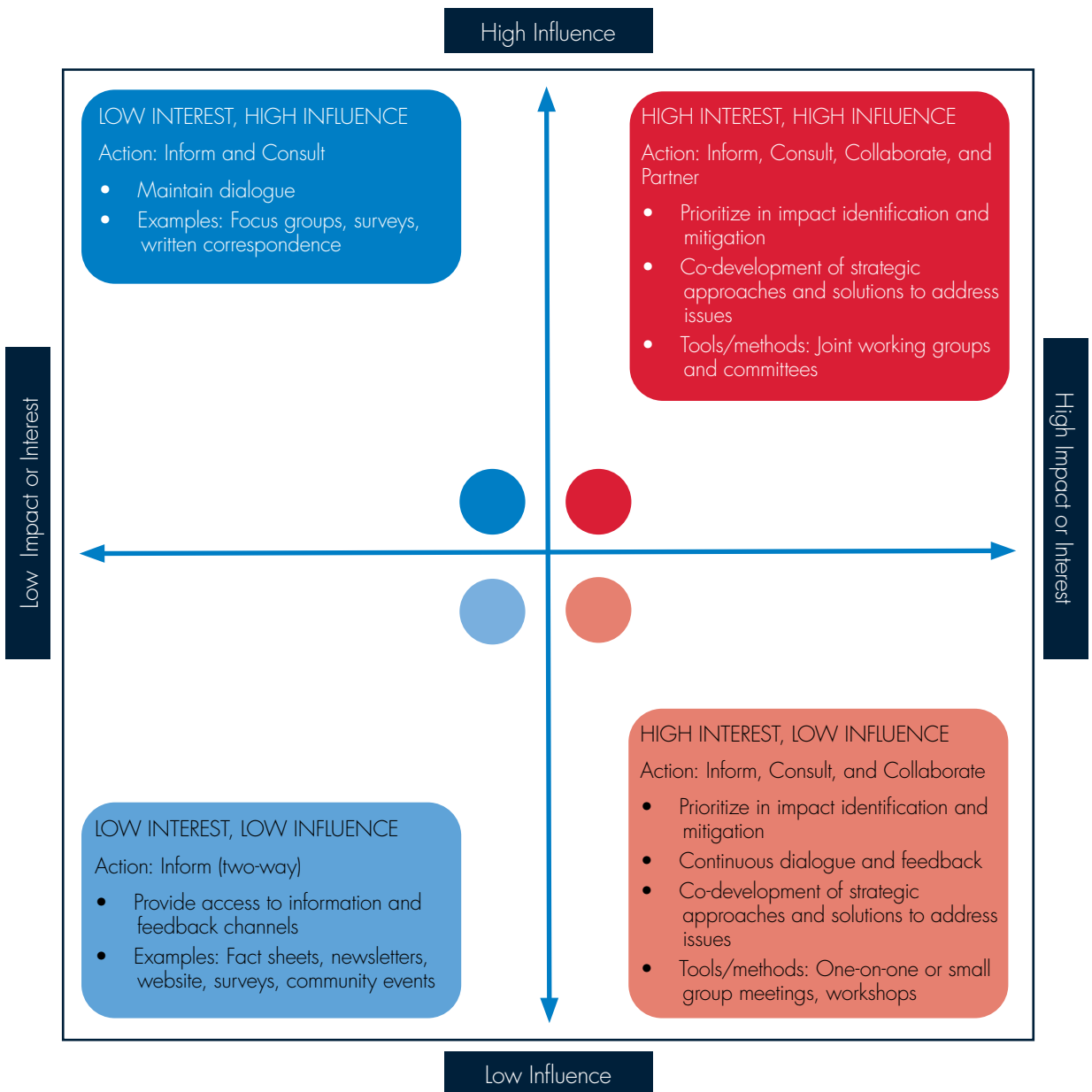
KEY STAKEHOLDERS

- Local leadership (Chiefs)
- Community councils
- GNWT - Industry, Tourism and Investment
- GNWT - Education, Culture and Employment
- GNWT - Health and Social Services Authority
- Chamber of Mines
- Chamber of Commerce
- Ni Hadi Xa (NHX)
- Canadian Northern Economic Development Agency (CanNor)
- NWT Native Women's Association
- Status of Women
- NWT Housing
- Teachers Association
- Community Senior Administrative Officers
- Community Development Officers
- School District
- Mackenzie Valley Land and Water Board (MVLWB)
- Regulators
- Aurora College
- Development Corporations
- Homeless Centres

MAP OF INFLUENCE

The Stakeholder Map of Influence is a form of risk management for the business that identifies stakeholders with high influence and interest in the business within the identified

zone of influence or deemed affected by the operations of the business. The graphic below shows the engagement activities appropriate for each influence group.



VULNERABLE GROUPS

Through the Social Way framework, Gahcho Kué mine assesses which groups may be considered vulnerable. Vulnerable populations are groups of people that require more protection than others from the impacts of mining. These groups may have limited access to information, limited participation in engagement sessions, or limited ability to access economic benefits due to their vulnerabilities.

A vulnerability assessment conducted in 2021 identified the following communities, groups and individuals as particularly vulnerable:

- Indigenous peoples
- Indigenous women
- Persons with disabilities
- Persons experiencing homelessness
- Remote communities where there are multiple categories of vulnerability

After gathering this information, Gahcho Kué mine committed to collaborating and implementing programs that address vulnerable members of the community as part of efforts to contribute to the overall health and wellbeing of the communities.

Members of the Copperhouse Restaurant team assemble Thanksgiving meals. Gahcho Kué mine purchased 400 meals to provide to health care staff working in Yellowknife on Thanksgiving Day 2021 to say thank you for their efforts throughout the COVID-19 pandemic.



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RISKS, IMPACTS, OPPORTUNITIES

At all De Beers Group's operations, risk assessments are conducted to understand the risks and issues, determine the best way of managing the impacts, and identify any opportunities to provide positive benefits. The risk and impact management processes indicate that the first mitigation is the elimination and avoidance of risks and impacts.

Gahcho Kué mine regularly identifies the key risks and impacts on the communities from the mine's operations through an integrated management process, including both internal and external stakeholders.

Collaborative Approach

The risk management process is conducted through a collaborative approach. Social and environmental risks were identified during the Environmental Impact Assessment and Permitting Process, and negotiations between the mine, the GNWT and local Indigenous communities through the IBAs, the SEA, and with NHX.

Social Impact Assessment

Every five years, a Social Impact Assessment (SIA) is conducted to validate and identify any changes that require attention, including cumulative impacts in the region.

A wide range of community consultations took place during the mine development process during which the local Indigenous communities and other stakeholders were asked to provide input and feedback on the proposed project, including identifying potential impacts.

During these consultations, it was identified that stakeholders wanted to address preferential hiring practices for local and Indigenous workers; educational and apprenticeship opportunities; social, cultural and community support programs; as well as economic development and business opportunities.

The SIA conducted in 2021 reiterated both potential and actual impacts as well as identified cultural heritage impacts that require mitigation.

Social and Human Rights Impact and Risk Analysis

The risks and impacts outlined in the mine's Social and Human Rights Impact and Risk Analysis (SHIRA) align with the key issues and impacts identified by Indigenous communities and other affected stakeholders through the historical Environmental Impact Assessment, and the recent SIA. The SHIRA also covers human rights impacts, and includes the results of internal analysis in the risk assessment.

Community Engagement

Community engagement meetings are conducted regularly, during which any changes to the key issues and impacts are addressed and action plans are developed to address a change in the priorities, or the need for additional controls.

The engagement plan is developed with local communities, reviewed annually, and approved by local regulators.

SOCIAL WAY: RISK ASSESSMENT

The social impacts for Gahcho Kué mine were analyzed with consideration given to the following categories.

De Beers Group also has in place an integrated process for social and human rights impacts, risks and opportunities.

This process enables the approach to managing risks and impacts.

Both beneficial and adverse impacts were analyzed through the SIA discussed on the previous page.

Beneficial (green) 

Adverse (red) 



Economic

This includes, but is not limited to, potential impacts on economic livelihoods, such as:

-  Provision of jobs and employment income through employment at the mine
-  Provision of business contracts and supporting the growth of local business capacity as a result of procurement and business activities
-  Increase in funding to achieve economic development priorities in communities within the area of influence
-  Unequal access to employment opportunities
-  Lack of diversity in training, jobs and livelihoods
-  Unequal access to business opportunities for local businesses
-  Dependence on mining sector; lack of economic diversity


Community Health and Safety

This includes, but is not limited to, potential impacts on community health and safety, such as:

-  Contributions to individual and community wellbeing through funding and employment income
-  Increase in social problems attributed to higher income and fly-in/fly-out mine operation

Infrastructure and Services

This includes, but is not limited to, potential impacts on infrastructure and services, such as:

-  Increased financing for community infrastructure and services through community investment and other payments

Personal and Political Security

None identified through the SIA

Socio-Cultural Networks

This includes, but is not limited to, potential impacts on socio-cultural networks, such as:

R Delay in planning and decision-making for interest holders due to a lack of timely information sharing regarding current mine benefits and activities

Cultural Heritage

This includes, but is not limited to, potential impacts on cultural heritage, such as:

G Addition of new archaeological knowledge about the mine area as a result of systematic archaeological survey programs and the implementation of the Natural Heritage Resource Discoveries Protocol

G Continuity of Traditional Knowledge (TK); cultural continuity as a result of the NHX Agreement and programs that facilitate ongoing and regular involvement of Indigenous people in the region

R Delay in planning and decision-making for interest holders due to a lack of timely information sharing regarding current mine benefits and activities

R Loss of Tangible Cultural Heritage resources as a result of development activities at the mine and winter road

R Loss of information of heritage value as a result of mining activities (e.g., vibration and physical disturbances) impacting the contextual associations of archaeological resources

R Decrease in access to traditional land use sites

R Reduced quality of experience in use of traditional land use sites

SHIRA RISK SUMMARY

As a result of the SIA, which analyzes potential direct and indirect impacts on communities that may result from the mine's operations (the external process), in combination with internal risk management processes, a number of risks and potential impacts have been identified, including human rights impacts.

In 2021, various controls were implemented to address risk and impacts. Risks and impact management plans were developed with input from potentially affected stakeholders, including Indigenous communities.

Ongoing monitoring and evaluation of controls continues through the integrated risk and impact management processes that are in place to address new impacts, including cumulative impacts in the region.

The most significant risks to the business and impacts on the communities are summarized in the following table, along with the associated mitigations and controls.

The final column indicates the effectiveness of the controls and mitigations to manage the risks and impacts.

MOST SIGNIFICANT RISKS

BUSINESS RISK	COMMUNITY IMPACT	CONTROLS & MITIGATIONS	EFFECTIVE-NESS
Compliance with SEA and IBA Agreements – to create sustainable communities during operations and closure.	Economic: Potential impact to communities if sustainable benefits are not developed to support communities beyond the life of mine.	Develop and implement an SED strategy to build local capacity to support local employment and procurement beyond the LoM. Collaborate with industry partners and local governments to identify alternative economies to address closure risk and impacts.	Effective
Limited pool of local technical skills available in the region to support business needs.	Economic: Inability of community members to access skilled and technical roles (higher paying jobs) due to limited skills development.	Collaborate with local governments to identify and develop training strategies to address the skills gap to meet current and future needs of the region.	Effective

BUSINESS RISK	COMMUNITY IMPACT	CONTROLS & MITIGATIONS	EFFECTIVE-NESS
Human rights complaints resulting in reputational damage.	Political and Personal Security: Potential for lack of trust if community members' concerns, incidents, and grievances are not addressed.	Ensure human rights policies and procedures are in place, including mandatory human rights training for all staff and contractors. Ensure social incident and grievance processes are in place that include investigations and corrective action procedures.	Effective
High turnover of Indigenous personnel working at the mine.	Economic: Lack of opportunity for Indigenous peoples.	Establish cultural awareness training to promote and understand cultural sensitivities. Ensure visible felt leadership by Indigenous leaders to promote employment and provide support mechanisms. Implement regular cultural heritage events at the site.	Partially effective
Potential COVID-19 cases in communities as a result of an outbreak at the mine.	Community Health and Safety: Outbreak in vulnerable communities with limited access to health care services.	Put in place preventative COVID-19 measures, including testing prior to leaving site to protect communities. Promote vaccinations on site and in communities. Collaborate with community leadership to provide protective equipment and other supports to protect the communities especially those most vulnerable.	Effective
Adverse impact on social license to operate due to failure to meet commitments.	Economic: Community members not benefiting from activities at the mine, including employment, contracting opportunities, etc.	Ensure community commitments are well understood by leadership. Ensure management plans and ongoing monitoring of progress are in place to support achievement of commitments. Conduct social impact assessments and engage with stakeholders to understand new impacts that arise and develop impact management plans in collaboration with affected and interested parties.	Partially effective

BUSINESS RISK	COMMUNITY IMPACT	CONTROLS & MITIGATIONS	EFFECTIVENESS
<p>Closure planning delayed due to lack of support or approval.</p>	<p>Economic: Community members not benefiting from closure activities.</p> <p>Cultural Heritage: Limited access to site for community members due to delays in closure and rehabilitation activities.</p>	<p>Ensure closure plans are in place following engagement with affected stakeholders to address concerns, issues and impacts.</p> <p>Ensure closure plans include success criteria that promote benefits for local communities such as employment, training and procurement.</p> <p>Provide access to community members to visit the site to monitor closure activities.</p>	<p>Partially effective</p>

On September 20, 2021, Gahcho Kué mine marked five years since its official opening.



OPPORTUNITIES

Similar to the risks and impacts, opportunities to provide socio-economic benefits to local communities have been identified. Opportunities are available through regional development forums, community

capacity building, community development projects, partnering on innovative projects such as renewable energy, and reimagining asset retirement activities.

SHORT TERM: 2020 - 2025

The performance on the objectives for 2021 (short term) are covered in detail in the following SED sections on pages 23-49. The top level results are:

Local Procurement

- Target: 60%
- Actual: 70%

Local Employment

- Target: 55%
- Actual: 42%

Community Contributions

- \$672,000 in 2021
- \$3.8 million overall

- Increase collaboration with GNWT
- Community skills development opportunities
- Local procurement: Increase spend with Indigenous businesses
- Local procurement: Ongoing development of Indigenous partners through enterprise development (i.e. energy, recycling, logistics alternatives)
- Implementation of initiatives from Diamond FutureSmart studies (i.e. airships)
- Reduce reliance on southern workforce

MEDIUM TERM: 2026 - 2030

- Local procurement: Goods and services required for potential growth opportunities
- Local employment: New skills required for the mine; potential new pits and underground mining operations
- Potential contracting opportunities associated with growth projects
- Training for skills for the future
- Community resilience: Implementation of Building Forever and SED programs to support community capacity building

LONG TERM: 2030 - 2051

- Continued opportunities associated with growth
- Continued development of Indigenous communities to support closure
- Local procurement: Reclamation contract opportunities
- Implementation of reimagining asset closure initiatives
- Take advantage of learnings and skills development from closures of Diavik and Ekati mines

LEADERSHIP MESSAGES
CONTEXT
VALUES
STAKEHOLDERS
RISKS & IMPACTS
SED PRIORITIES
PEOPLE
ENVIRONMENT
COMMITMENTS & OBJECTIVES
LOOKING AHEAD

SOCIO-ECONOMIC DEVELOPMENT PRIORITIES

The Social Way is the governing framework for managing social impact, which applies across the whole lifecycle of operations, from exploration to mine closure.

The SED Strategy under the Social Way, as introduced on page 10, involves supporting stakeholders to bring about sustainable improvements in

wellbeing at the individual, household and community level. The SED Strategy encompasses programs to maximize value for the communities, address risks to the business, and analyze the impacts on the community.

Sixteen elements have been identified through the Social Way as being determinants of a 'good' life. These elements

have been grouped into four broad themes (see the wheel below). The seven elements marked with green arrows are the focus areas for Gahcho Kué mine to address the impacts that have been identified through the SIA. These seven elements are covered under the following SED pillars, which outline the commitments and achievements for each area:

- Local Procurement (Business Spend)
- Local Employment
- Community Investment (Corporate Social Investment)
- Enterprise Development
- Employee Volunteering



SED PRIORITIES

LOCAL PROCUREMENT

LOCAL EMPLOYMENT

COMMUNITY INVESTMENT

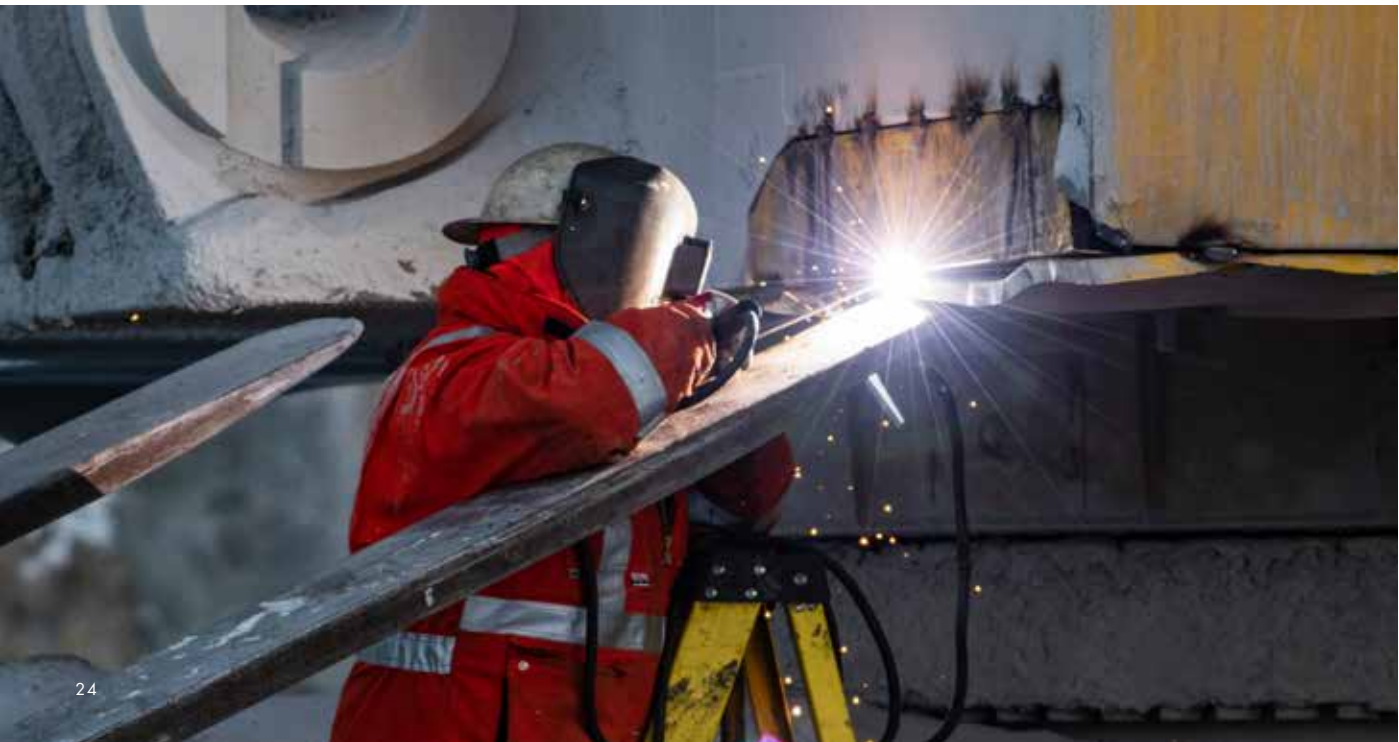
ENTERPRISE DEVELOPMENT

EMPLOYEE VOLUNTEERING

NWT businesses received 70% of the amount spent by Gahcho Kué mine during 2021, well exceeding the target of 60%.

APPROXIMATELY \$204 MILLION WAS SPENT WITH NWT-BASED COMPANIES, INCLUDING \$77 MILLION (38% OF NWT SPEND) WITH INDIGENOUS COMPANIES.

A welder repairs the metal casing on a mining shovel.



SPENDING IN THE NORTH

The SEA has established targets and commitments that Gahcho Kué mine must make best efforts to meet annually. One of the commitments is creating economic benefits through local procurement. The annual target is 60% of the total spend with local businesses, including Indigenous businesses.

Gahcho Kué mine continues to focus on providing contract opportunities to Indigenous and NWT businesses. In 2021, the mine's total NWT spend of 70% exceeded the target for the fifth consecutive year.

Of the almost \$292 million spent by Gahcho Kué mine, approximately \$204 million (70%) was spent with NWT-based companies. Of this, \$77 million (26% of total spend and 38% of NWT spend) was with Indigenous companies while \$127 million (44% of the total spend and 62% of NWT spend) was with non-Indigenous Northern companies. The remaining \$87 million (30%) was spent outside the NWT.

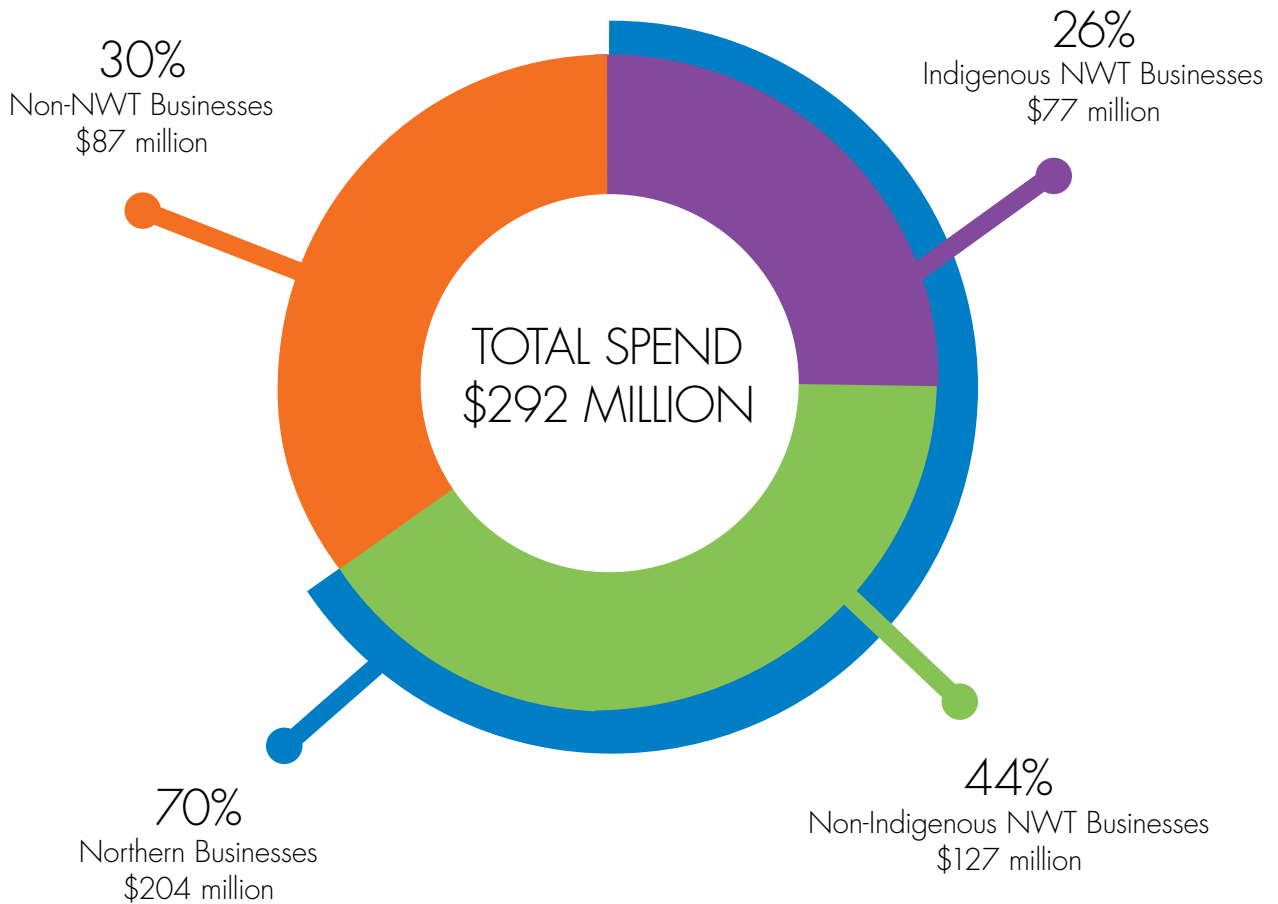
The company's continued strong performance in this area can be attributed to a number of factors, including ongoing

long-term contracts with Northern and Indigenous companies, early engagement to identify projects, and updating the Business Opportunities register.

The reason that Indigenous business spend decreased in 2021 is primarily due to the pandemic putting many field programs on hold. Overall Northern business spend increased in value from \$193 million in 2020 to \$204 million in 2021.



GAHCHO KUÉ MINE SPEND 2021



CATEGORIES FOR AWARDING CONTRACTS

To ensure Indigenous and local businesses benefit from contracting opportunities, Gahcho Kué mine implemented a tiering system to be applied to the RFP review process. The process places greater value on businesses that are 100% owned by Indigenous IBA beneficiaries.

TIER 1: A company that is 100% Indigenous owned/equity and is associated with an IBA partner.

TIER 2: A Joint Venture or Partnership company that has >70% Indigenous ownership/

equity contractor and is associated with an IBA partner or an NWT company that is a 100% Indigenous owned contractor in the area of the mine's operations.

TIER 3A: A Joint Venture or Partnership that has 51% or greater ownership/equity by an Indigenous contractor associated with an IBA partner and is 49% or less owned by another contractor.

TIER 3B: Non-Indigenous 100% owned/equity NWT contractor that works closely or partners with IBA related companies

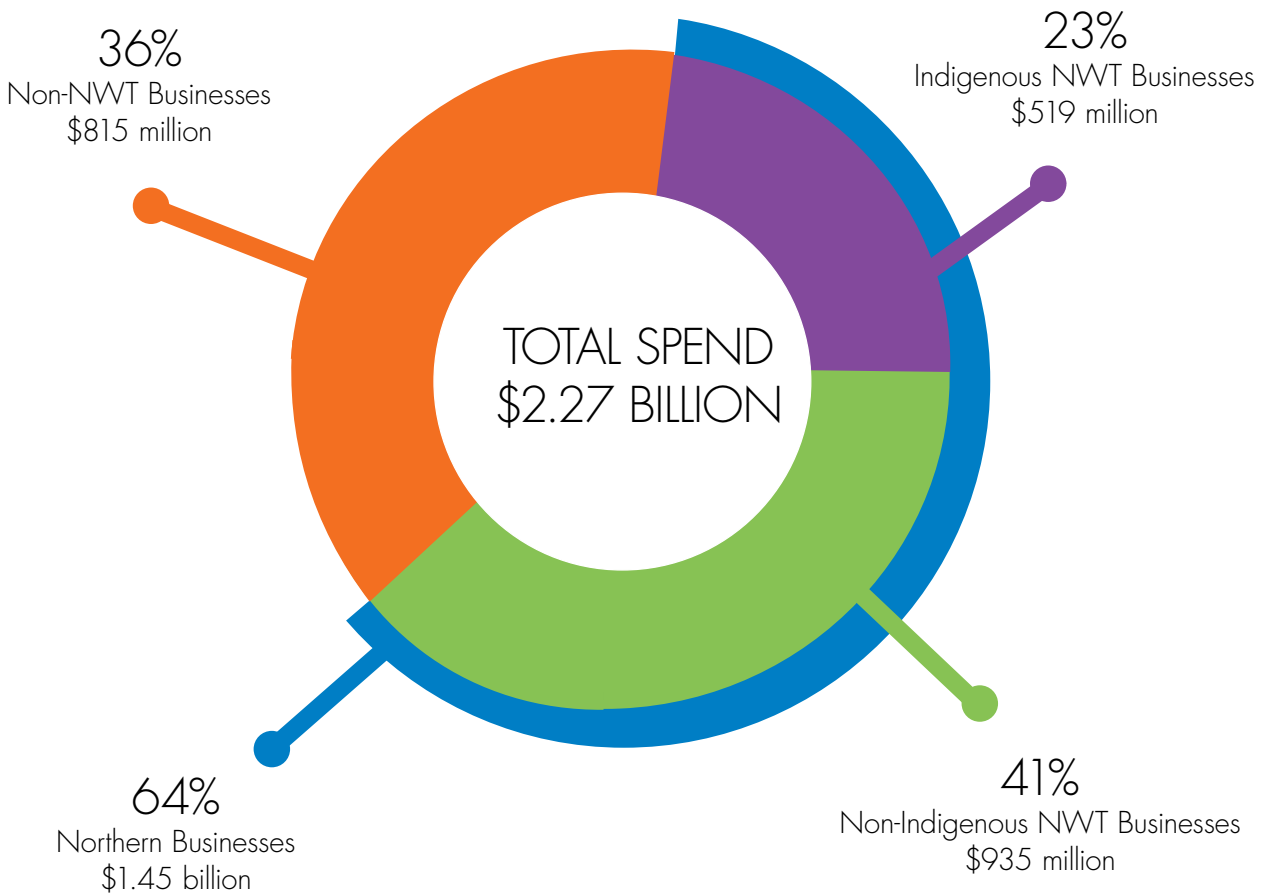
and/or other Indigenous or Northern companies.

TIER 4: Non-Indigenous 100% owned/equity NWT contractor that operates in the area of the mine's operations.

TIER 5: A specialized contractor that provides specialized services to the mine site that may not be based in the NWT or is not available in the NWT.

TIER 6: A southern contractor with <50% Indigenous ownership.

GAHCHO KUÉ MINE SPEND 2015 - 2021



BUSINESS SUMMITS

As part of Gahcho Kué mine's efforts to facilitate contract opportunities for Northern companies, three business summits were held virtually in 2021.

The purpose of the summits is to engage with local contractors, provide advance notice of business opportunities available at the mine, discuss new social programs to promote collaboration, and provide updates on new contract procedures.

On average, approximately 50 representatives from companies interested in doing business with De Beers Group participated in each of the summits. Attendees from Northern and Indigenous companies who comprise existing and potential contractors were invited to learn about upcoming contract opportunities.

The events provided an opportunity to share best practices around safety and for

businesses to hear an update on the operations at Gahcho Kué and Snap Lake mines.

The Supply Chain team also provided information about De Beers Group's RFP evaluation matrix, how to receive feedback on unsuccessful RFPs to improve future submissions, and the Supplier Responsible Sourcing Standard to ensure fair and transparent business practices.

WINTER ROAD 2021

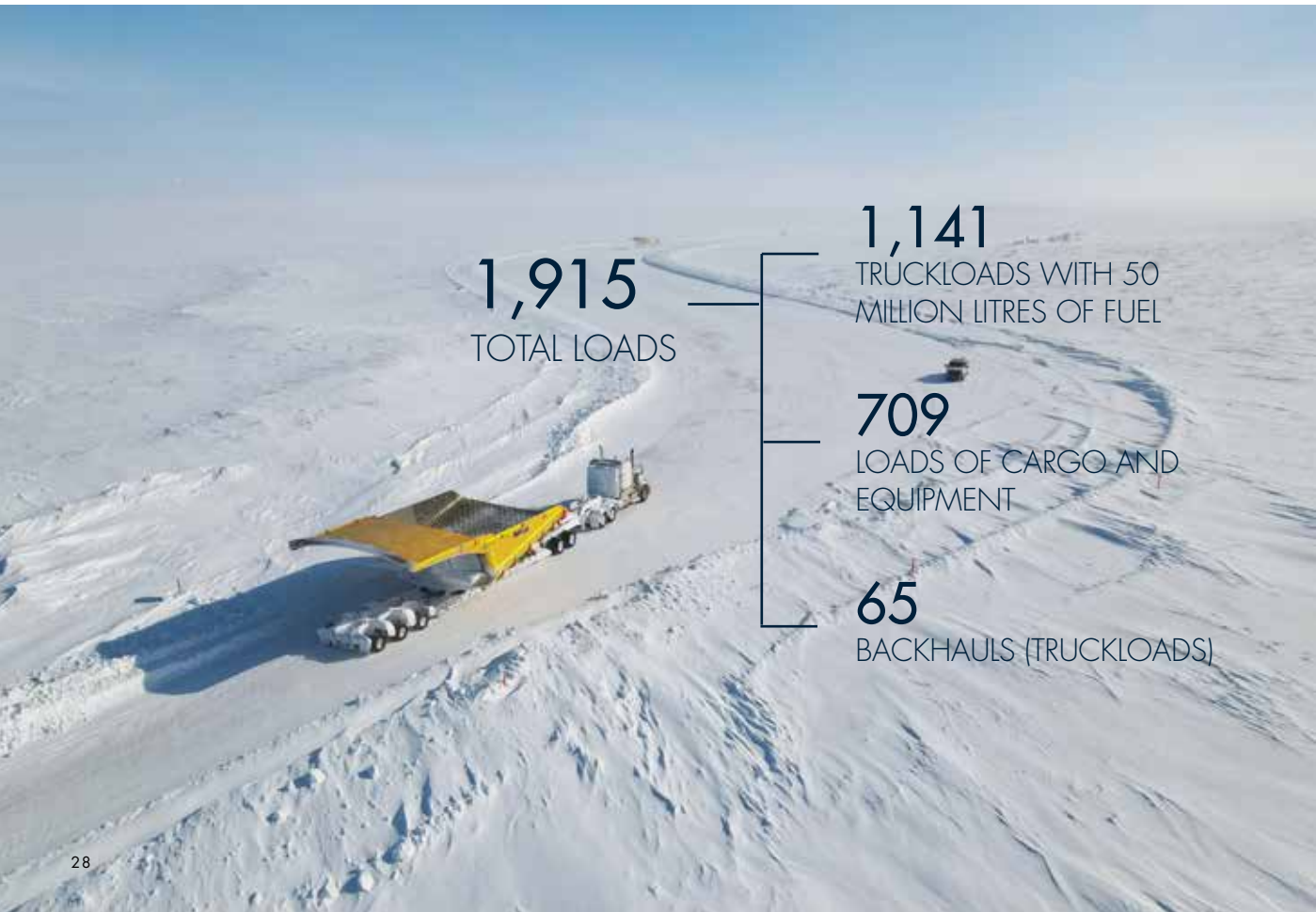
The 2021 winter road resupply program to Gahcho Kué mine wrapped up as scheduled on March 31, ending a challenging season. The road opened on February 8, 2021, a week later than usual, and by the time the last loads arrived, 1,915 truckloads of fuel, freight, new equipment, and other cargo had travelled to site.

In addition to the challenges from the COVID-19 pandemic, an unusual number of storms resulted in the road being shut down periodically.

During one of the storms in early March, Gahcho Kué mine and winter road contractor Det'on Cho Nuna worked together to provide food, water and fuel to a hunting party that was using the Gahcho Kué winter spur road as a base to hunt caribou.

Despite the challenges, the program was completed successfully without any reportable environmental or safety incidents.

A box for a mining truck is brought to the mine on the 2021 winter road.



1,915
TOTAL LOADS

1,141

TRUCKLOADS WITH 50 MILLION LITRES OF FUEL

709

LOADS OF CARGO AND EQUIPMENT

65

BACKHAULS (TRUCKLOADS)

SED PRIORITIES

LOCAL PROCUREMENT

LOCAL EMPLOYMENT

COMMUNITY INVESTMENT

ENTERPRISE DEVELOPMENT

EMPLOYEE VOLUNTEERING

The number of NWT residents working at Gahcho Kué mine numbered 244 (in person years) in 2021, representing 42% of the total workforce. Of these, 58% identified as Indigenous. By head count, 44% of mine personnel were Northerners in 2021.

NWT EMPLOYEES WERE FLOWN IN FROM 18 COMMUNITIES, REPRESENTING EVERY REGION IN THE TERRITORY.

An employee looks out from the deck of a mining truck while it is being refuelled.



EMPLOYMENT ANALYSIS

Gahcho Kué mine's total employment fell slightly in 2021 to 583 jobs when measured in Person Years of Employment,¹ having posted a record high of 597 person year jobs during the mine's operations in 2020.

The mine continued to face challenges brought on by the restrictions put in place to slow the spread of COVID-19.

Gahcho Kué mine moved to a 4 week in/4 week out (4x4) rotation from a 2x2 rotation early in the pandemic in May 2020. In June 2021, the mine changed to a 3x3 work rotation in order to better manage human resource challenges, and in particular, those associated with on-site outbreaks of the virus.

There was also a focused effort to vaccinate the mine workforce to meet a federal government requirement that all air travellers in Canada must be fully vaccinated by the end of October. The mine was successful in achieving a 100% vaccination rate.

By the end of the year, NWT residents' contribution to the mine's workforce totalled 244 person years, which is 42% of the total. This is a decline from 2020, when NWT resident labour had grown to just under

50% at 296 person years. The SEA target is 55%.

There can be no doubt that the numerous human resource and health and safety challenges associated with COVID-19 were factors in this decline, with De Beers Group and its contractors reporting challenges in attracting NWT resident labour, and in particular Indigenous labour, back into the workforce.

The number of employees self-identifying as NWT Indigenous residents working at the mine was 144 person years, equal to 24% of the overall workforce, while Other NWT resident employment fell to 103 from 128 in 2020.²

The majority of the people working at Gahcho Kué mine are employees of De Beers Group, equal to 74% of the workforce or 431 person years. From within that workforce, 20% are Indigenous and living in the NWT, while 18% are non-Indigenous NWT residents.

The contractor labour force equals 152 person years, 36% of whom are NWT Indigenous residents and 16% are non-Indigenous NWT residents.

All of the jobs at Gahcho Kué mine have been categorized according to the skill-level

required to complete the assigned work. The largest of these categories is semi-skilled jobs with 279 positions and includes most equipment operators and process plant workers. NWT residents filled 43% of these jobs.

The second largest category is skilled positions with 189 jobs, which includes positions that require a professional designation such as a journeyperson electrician or mechanic. It is in this category where limitations within the NWT labour market are most evident; NWT residents filled 21% of these positions. This represents a decrease from 2020, when NWT resident labour filled 31% of the skilled jobs at the mine site.

De Beers Group supports and encourages the participation of women in all aspects of work related to Gahcho Kué mine and encourages similar commitments from its contractors.³

De Beers is proud to report that women have filled 105 person year jobs at the mine this year, down only slightly from its peak of 113 in 2021. Fifteen of these women are working in skilled jobs and another five in professional- or management-level jobs.

1) The majority of people working at Gahcho Kué mine during regular operations are on a 2-week rotation. A Person Year of Employment is equal to 13 rotations of 14 days, working 12 hours each day. This represents 2,184 hours of work, which is used to calculate the number of jobs.

2) See Section 3.4.3 in the Gahcho Kué Project Socio Economic Agreement. Section 3.4.4 of that Agreement states that the achievement of NWT Resident employment is subject to the availability of NWT Residents with the required skills, training and experience and the ability

to pass training program entrance requirements and that NWT Residents may or may not choose to pursue employment opportunities made available by De Beers Group at the Gahcho Kué Project.

3) See Section 4.9 of the Gahcho Kué Project Socio Economic Agreement.

HARASSMENT POLICY

Gahcho Kué mine has a zero-tolerance policy against workplace bullying and harassment. Every person who works with us and for us is entitled to feel safe and free from harassment.

The consequences for those found guilty of harassment or bullying range from a warning to termination of employment, depending on the seriousness of the offence. Facilitator-led Harassment and Bullying training has been rolled out to frontline staff to equip them to deal with cases as they arise.

What is Bullying?

Bullying is when someone is singled out for repeated abuse. Bullies use fear and intimidation to hurt the people they want to abuse. And until they are stopped, they tend to attack the same people over and over again.

What is Harassment?

Harassment (including sexual harassment) is any form of unwanted attention that undermines someone's self-respect and leaves them humiliated. Even a single incident can amount to harassment.

What steps can employees and contractors take?

Raise Concerns: Everyone has a right to protect themselves and speak up without fear of retaliation.

Call YourVoice Whistleblowing Service: An independent, secure, anonymous reporting facility available 24 hours a day, 7 days a week: 1-855-303-7713 | www.yourvoice.debeersgroup.com.

PICKUP POINTS

There are 10 pickup points for employees living in the NWT from which the company provides travel to and from Gahcho Kué mine. Employees are also eligible to receive travel allowances to help them get to and from pickup points, with the aim of eliminating any travel barriers for Northerners who want to work at the mine.

- Fort Simpson
- Fort Smith
- Gamètì

- Hay River
- Inuvik
- Łutselk'é
- Norman Wells
- Wekweètì
- Whatì
- Yellowknife (includes residents of Behchokò, Dettah, N'dilo)

In response to the COVID-19 pandemic, De Beers Group implemented a hub and spoke

charter system across Canada starting in May 2020 to reduce the interaction from travel through public airport terminals in southern Canada. Charters for non-NWT residents flew to the mine from Halifax, Toronto/Waterloo, Thunder Bay, Calgary and Vancouver.

Gahcho Kué mine ended this charter system in April 2022.

EMPLOYEE ASSISTANCE PROGRAM

All employees at De Beers Group, including those at Gahcho Kué mine, have access to an EAP program that offers a range of counselling and support services. In addition, the EAP is available for use by spouses and dependents, providing valuable resources to the whole family.

The company regularly promotes the program to raise employee awareness, particularly during the

pandemic, and provides information on how to access the program in regular internal communications.

In 2021, there were 75 instances of access to the EAP program, which represents a 12.4% utilization among employees. This is in comparison to 2020, when there were 98 instances of access to the program. EAP utilization is below the industry average of 13.2%.

A muskox enjoys the green shrubs near one of the mine rock piles in July 2021.



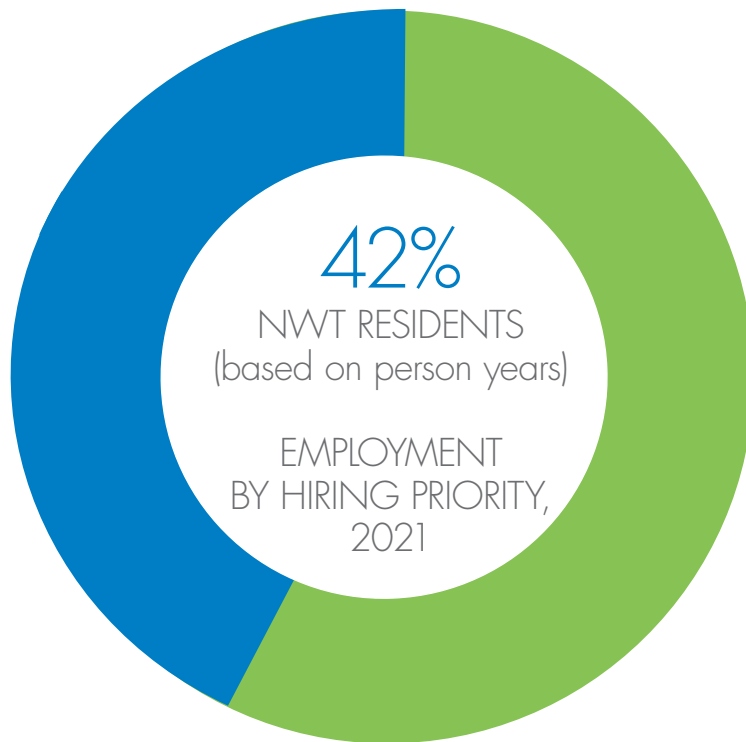


TABLE 1: EMPLOYMENT BY HIRING PRIORITY, TO THE END OF 2021

	2015	2016	2017	2018	2019	2020	2021
PERSON YEARS							
NWT Indigenous	47	70	119	135	151	168	142
Other NWT Residents	94	102	117	131	133	128	103
Subtotal NWT Residents	142	172	236	265	284	296	244
Non-NWT	762	455	247	262	290	301	339
GRAND TOTAL	903	628	483	527	574	597	583
PERCENT OF TOTAL							
NWT Indigenous	5%	11%	25%	26%	26%	28%	24%
Other NWT Residents	10%	16%	24%	25%	23%	21%	18%
Subtotal NWT Residents	16%	27%	49%	50%	49%	50%	42%
Non-NWT	84%	73%	51%	50%	51%	50%	58%
GRAND TOTAL	100%	100%	100%	100%	100%	100%	100%

Note: NWT Indigenous employees who were identified as residing outside the NWT are recorded as Non-NWT Residents in this table. Any employee whose Indigenous status could not be established was identified as non-Indigenous in this table. Figures may not add up due to rounding.

Employment calculations are based on a majority of people working at the mine on 2-week rotations. A Person Year of Employment is equal to 13 rotations of 14 days, working 12 hours each day. This represents 2,184 hours of work, which is used to calculate the number of Person Years of Employment at the mine. Please note that during 2020, 2-week rotations were extended to 4 weeks in/4 weeks out as a response to the COVID-19 pandemic, then changed to 3 weeks in/3 weeks out in June 2021. For consistency, calculations were based upon the former 2-week rotation.

TABLE 2: EMPLOYMENT BY HIRING PRIORITY - DE BEERS AND CONTRACTORS, 2021

	DE BEERS	CONTRACTOR	TOTAL
	PERSON YEARS		
NWT Indigenous	88	54	142
Other NWT Residents	78	25	103
Subtotal NWT Residents	165	79	244
Non-NWT Indigenous	30	5	35
Other Non-NWT Residents	235	68	303
Subtotal Non-NWT Residents	266	73	339
TOTAL	431	152	583
	PERCENT OF TOTAL		
NWT Indigenous	20%	36%	24%
Other NWT Residents	18%	16%	18%
Subtotal NWT Residents	38%	52%	42%
Non-NWT Indigenous	7%	3%	6%
Other Non-NWT Residents	55%	45%	52%
Subtotal NWT Residents	62%	48%	58%
TOTAL	100%	100%	100%

Note: NWT Indigenous employees who were identified as residing outside the NWT are recorded as non-NWT Residents in this table. Any employee whose Indigenous status could not be established was identified as non-Indigenous in this table. Figures may not add up due to rounding.

A member of the environment team holds a measuring pole in a body of water downstream from the mine site to determine the level of flow, one of the ongoing environmental monitoring activities.



TABLE 3A: EMPLOYMENT BY HIRING PRIORITY AND JOB CLASSIFICATION, 2021

	NWT Indigenous	Other NWT Residents	Subtotal NWT Residents	Non-NWT Residents	GRAND TOTAL
PERSON YEARS					
Management	2	15	17	10	27
Professional	0	3	3	17	21
Skilled	19	20	39	150	189
Subtotal	21	39	60	177	237
Semi-Skilled	74	45	120	159	279
Unskilled	46	18	65	3	68
Subtotal	121	64	184	162	346
TOTAL	142	103	244	339	583
PERCENT OF TOTAL BY JOB CLASSIFICATION					
Management	8%	56%	64%	36%	100%
Professional	0%	16%	16%	84%	100%
Skilled	10%	11%	21%	79%	100%
Subtotal	9%	16%	25%	75%	100%
Semi-Skilled	27%	16%	43%	57%	100%
Unskilled	68%	27%	96%	4%	100%
Subtotal	35%	18%	53%	47%	100%
TOTAL	24%	18%	42%	58%	100%
PERCENT OF TOTAL BY HIRING PRIORITY					
Management	1%	15%	7%	3%	5%
Professional	0%	3%	1%	5%	4%
Skilled	13%	20%	16%	44%	32%
Subtotal	15%	38%	25%	52%	41%
Semi-Skilled	52%	44%	49%	47%	48%
Unskilled	33%	18%	27%	1%	12%
Subtotal	85%	62%	75%	48%	59%
TOTAL	100%	100%	100%	100%	100%

Note: NWT Indigenous employees who were identified as residing outside the NWT are recorded as Non-NWT Residents in this table. Any employee whose Indigenous status could not be established was identified as non-Indigenous in this table. Figures may not add up due to rounding.

TABLE 3B: EMPLOYMENT BY HIRING PRIORITY AND JOB CLASSIFICATION
(NWT AND NON-NWT INDIGENOUS), 2021

	NWT Indigenous	Non-NWT Indigenous	Total Indigenous	Other NWT Residents	Other Non-NWT Residents	GRAND TOTAL
PERSON YEARS						
Management	2.0	0.0	2.0	15.2	9.8	27.0
Professional	0.0	0.0	0.0	3.3	17.2	20.5
Skilled	18.9	9.4	28.4	20.5	140.1	188.9
Subtotal	21.0	9.4	30.4	39.0	167.1	236.5
Semi-Skilled	74.2	25.3	99.5	45.3	133.7	278.5
Unskilled	46.3	0.3	46.6	18.4	2.7	67.7
Subtotal	120.5	25.7	146.2	63.7	136.3	346.3
TOTAL	141.5	35.1	176.6	102.7	303.5	582.8
PERCENT OF TOTAL BY JOB CLASSIFICATION						
Management	8%	0%	8%	56%	36%	100%
Professional	0%	0%	0%	16%	84%	100%
Skilled	10%	5%	15%	11%	74%	100%
Subtotal	9%	4%	13%	16%	71%	100%
Semi-Skilled	27%	9%	36%	16%	48%	100%
Unskilled	68%	0%	69%	27%	4%	100%
Subtotal	35%	7%	42%	18%	39%	100%
TOTAL	24%	6%	30%	18%	52%	100%
PERCENT OF TOTAL BY HIRING PRIORITY						
Management	1%	0%	1%	15%	3%	5%
Professional	0%	0%	0%	3%	6%	4%
Skilled	13%	27%	16%	20%	46%	32%
Subtotal	15%	27%	17%	38%	55%	41%
Semi-Skilled	52%	72%	56%	44%	44%	48%
Unskilled	33%	1%	26%	18%	1%	12%
Subtotal	85%	73%	83%	62%	45%	59%
TOTAL	100%	100%	100%	100%	100%	100%

Note: NWT Indigenous employees who were identified as residing outside the NWT are recorded as Non-NWT Residents in this table. Any employee whose Indigenous status could not be established was identified as non-Indigenous in this table. Figures may not add up due to rounding.

TABLE 4: EMPLOYMENT BY NWT COMMUNITY, 2021

	Person Years	% of Total Employment	% of NWT Employment
Yellowknife	173.9	29.8%	71.2%
Hay River	21.0	3.6%	8.6%
Behchokò	17.5	3.0%	7.2%
Łutselk'e	0.2	0.0%	0.1%
Whati	0.9	0.2%	0.4%
Wekweèti	0.0	0.0%	0.0%
Fort Resolution	1.9	0.3%	0.8%
Fort Simpson	0.3	0.1%	0.1%
Fort Smith	14.4	2.5%	5.9%
Fort Good Hope	1.1	0.2%	0.4%
Fort McPherson	0.8	0.1%	0.3%
Fort Providence	4.1	0.7%	1.7%
Gamèti	1.3	0.2%	0.5%
Inuvik	2.3	0.4%	0.9%
Enterprise	1.3	0.2%	0.5%
Norman Wells	0.0	0.0%	0.0%
Tulita	1.2	0.2%	0.5%
Déjné	0.8	0.1%	0.3%
Kakisa	0.7	0.1%	0.3%
Jean Marie River	0.7	0.1%	0.3%
NWT Not Identified	0.0	0.0%	0.8%
TOTAL NWT	244.2	41.9%	100%
Non-NWT	338.5	58.1%	n/a
TOTAL	582.8	100%	n/a

Note: Figures may not add up due to rounding.

TABLE 5: EMPLOYMENT BY GENDER, 2021

	PERSON YEARS	PERCENT
Men	478	82%
Women	105	18%
TOTAL	583	100%

TABLE 6: EMPLOYMENT BY JOB CLASSIFICATION FOR WOMEN, 2021

	PERSON YEARS	PERCENT
Management	3	2%
Professional	2	2%
Skilled	15	14%
Subtotal	20	19%
Semi-Skilled	55	53%
Unskilled	29	28%
Subtotal	85	81%
GRAND TOTAL	105	100%

Note: Figures may not add up due to rounding.

The rising sun colours the sky over the mine site in December 2021.



TABLE 7: NEW HIRES BY EMPLOYER, 2021

	DE BEERS	CONTRACTOR	TOTAL
NWT Indigenous	12	11	23
Other NWT Residents	8	5	13
Subtotal NWT Residents	20	16	36
Non-NWT Resident	57	18	75
TOTAL	77	34	111

Note: The system of reporting does not distinguish between new hires and rehires; figures may not add up due to rounding.

TABLE 8: NEW HIRES BY SKILL CATEGORY, 2021

	PERSON YEARS	PERCENT
Management	1	1%
Professional	4	4%
Skilled	31	27%
Subtotal	36	32%
Semi-Skilled	63	57%
Unskilled	12	11%
Subtotal	75	68%
GRAND TOTAL	111	100%

Note: Figures may not add up due to rounding.



SED PRIORITIES

LOCAL PROCUREMENT

LOCAL EMPLOYMENT

COMMUNITY INVESTMENT

ENTERPRISE DEVELOPMENT

EMPLOYEE VOLUNTEERING

During 2021, Gahcho Kué mine provided \$672,000 in cash and in-kind support to local communities in the NWT.

THIS BRINGS THE TOTAL CONTRIBUTIONS TO \$3.8 MILLION SINCE THE START OF OPERATIONS.

The Books in Homes literacy program continued in 2021. Students were able to order books, which were shipped to each community in early 2022.



SUPPORTING LOCAL COMMUNITIES

During 2021, Gahcho Kué mine provided \$672,000 in cash and in-kind support to local communities in the NWT through a variety of initiatives.

Funding for the projects comes from three sources:

1. Gahcho Kué Mine Joint Venture
2. De Beers Canada Fund
3. Anglo American Group Foundation

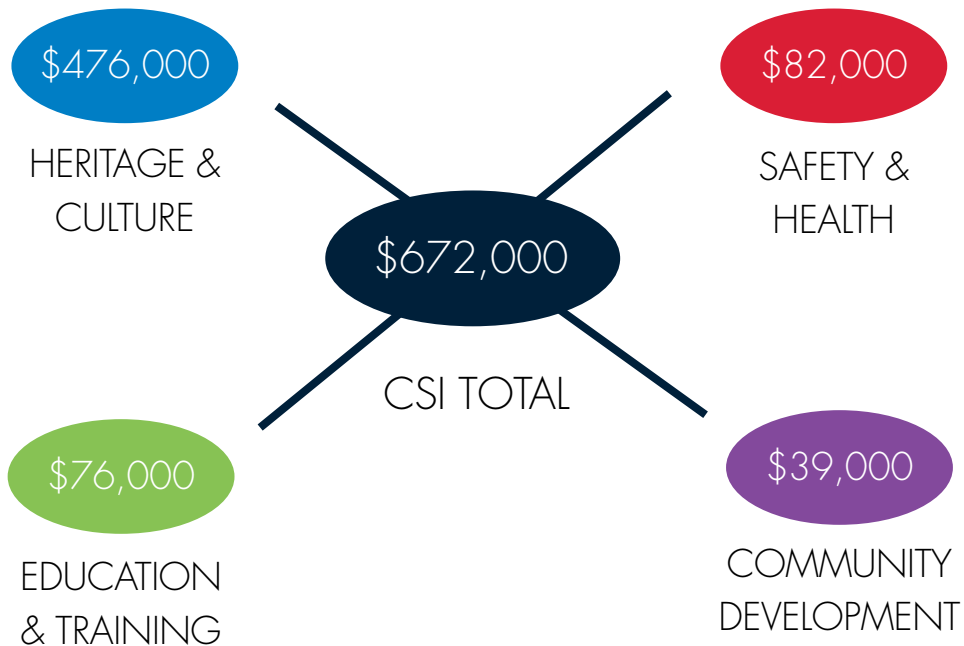
More than 50 initiatives were supported during 2021, with a few projects highlighted on the next page.

Books in Homes

Gahcho Kué mine's annual Books in Homes program was carried out remotely once again. Since 2003, the program has provided books to youth attending schools in Indigenous communities to help foster a love of reading.

To date more than 60,000 books have been given out. In 2021, students in Behchokò, Dettah, Fort Resolution, Gamètì, N'dilo, Łutselk'è and Wekweètì were provided order forms to select books. Due to supply chain challenges, the books were delivered to the schools in early 2022.

2021 CORPORATE SOCIAL INVESTMENT (CSI)



CSI includes funds from De Beers Group through the De Beers Canada Fund, the Anglo American Group Foundation, and funding from Gahcho Kué mine, which is shared between De Beers Group (51%) and Mountain Province Diamonds (49%).

Below are a few examples of the initiatives that Gahcho Kué mine was proud to support in 2021:

- A 0.5 ct Gahcho Kué diamond and \$750 as prizes for the Yellowknife Chamber of Commerce Crush COVID vaccination campaign
- Food hampers to Tlcho communities affected by a surge in COVID-19 cases
- The Run for Our Lives Mud Bucket Challenge
- Flood relief for Fort Simpson and Jean Marie River
- Firewood for Elders in tutselk'é
- Scholarships for Yellowknives Dene First Nations members
- A TK mentorship program in tutselk'é
- Aboriginal Head Start Program for the Yellowknives Dene First Nation
- National Indigenous Peoples Day events in several communities
- Literacy kits for day care facilities in Fort Resolution and Hay River
- An employment training program operated by the Deninu Kué First Nation
- Continued development of Human Resource databases by the mine's six IBA community partners
- AVEN Manor Care on Call fundraising drive for new emergency call system

RESOURCES TO COMBAT INTIMATE PARTNER VIOLENCE



Women told us they want discreet and timely access to information to help them plan and make decisions to keep them and their loved ones safe. Everyone deserves to be safe and to live free of violence.

Louise Elder

Executive Director of the
NWT Status of Women
Council



In response to needs identified through interviews with women who have experienced intimate partner violence, Gahcho Kué mine and the NWT Status of Women Council partnered to develop new safety planning resources.

The project was launched in mid-2021 with \$65,000 from De Beers Group and Mountain Province Diamonds, \$25,000 from NWT Victims Assistance Committee, and in-kind contributions from the NWT Status of Women Council.

The safety planning resources are now available to those who are facing violence in the NWT, enabling them to put together individualized safety plans in a discreet and safe manner, using printed materials distributed to NWT communities and a web app.

The project fulfils one of the recommendations from We Hear You, a 2020 report published by the NWT Status of Women Council based on interviews with women who have experienced intimate partner violence. This project also aligns with Gahcho Kué mine's Building Forever Strategy that aims to create thriving communities through the implementation of programs that support vulnerable members of the population.

Lyndon Clark, General Manager, said, "De Beers Group has a zero-tolerance policy for domestic violence and these resources are critical tools to help people exit from unsafe situations."

YKDFN SCHOLARSHIPS

Gahcho Kué mine is proud to congratulate 12 members of the Yellowknives Dene First Nation (YKDFN) who have received scholarships under a program funded by the mine.

The students shared a total of \$15,000 in scholarships to support their post-secondary education that ranges from a first year Business Administration diploma program at Aurora College to fourth year studies toward a Bachelor of Child Studies degree at Mount Royal University in Calgary.

The scholarship program was established in 2007 as part of

the IBA between the YKDFN and De Beers Group for Snap Lake Mine. Since 2016, the program has been funded by Gahcho Kué mine. The scholarship program receives \$15,000 annually and, to date, \$225,000 has been provided to YKDFN for this program from Snap Lake and Gahcho Kué mines.

The call for applications for the 2022 Gahcho Kué Mine-YKDFN Scholarships Program is expected to come out in October.

UN WOMEN SCHOLARSHIPS IN STEM

Since 2018, the De Beers/UN Women program has provided over US\$400,000 through 74 scholarships for women in Canada, including scholarships at the University of Calgary and the University of Waterloo.

The scholarships were part of a three-year partnership between De Beers Group and UN Women as part of the company's commitment to Accelerate Equal Opportunity in the countries in which it operates. Priority for the scholarships was given to Indigenous women and women

living in the NWT, Nunavut, Northern Ontario and Southern Alberta pursuing studies in Science, Technology, Engineering, and Math (STEM).

A new scholarship program is being introduced in 2022 to replace the program with UN Women.

Girls look up to women in their communities who are paving the way in areas traditionally dominated by men. The young women who receive these scholarships will now serve as examples to future generations and inspire other women to follow in their footsteps.

BUILDING RESILIENCE IN UNCERTAIN TIMES

One of the four pillars of the Building Forever program is Partnering for Thriving Communities. During the pandemic, the importance of addressing community well-being became even more noticeable.

In order to meet this need, Gahcho Kué mine introduced a Mental Health Awareness Program in November 2021 available online for community members. The workshop, which was led by De Beers Group's current employee assistance provider Morneau Shepell, was called Building Resilience in Uncertain Times and covered the following areas:

- Recognizing the reality of an individual's present situation
- Applying quick strategies to immediately boost resilience
- Building resilience through thoughts
- Applying daily habits to build resilience

The online instructor-led workshop combined a talk with a variety of engaging elements like Q&As, group discussions, polling and chats. The plan had been to hold in-person training, but due to the pandemic, the session had to transition online. There was lower participation than hoped, but the smaller groups provided an opportunity for more sharing and in-depth conversations.

The tools and techniques from the workshop, combined with the professional services available regionally through local agencies and Gahcho Kué mine's EAP program, offer a range of resources. The Building Forever program has identified mental health awareness sessions as a focus area in 2022, with the plan to hold larger sessions in Fort Resolution, Łutselk'e and Whatì that could be accessible to all community members.



A hide workshop sponsored by Gahcho Kué mine was held in Łutselk'e in May 2021.

MUD BUCKET CHALLENGE

In July, Gahcho Kué mine accepted the Mud Bucket Challenge to raise money for an advanced mammography unit for Stanton Territorial Hospital. The mine donated \$10,000 to the 2021 Run for Our Lives Mud Bucket Challenge, organized by the Stanton Territorial Hospital Foundation. Mine General Manager Lyndon Clark volunteered to have two buckets of mud poured over his head. He also challenged other NWT mines to support the cause.

Altogether, the challenge raised over \$160,000 in 2021. This was the second year for the Mud Bucket Challenge, which received tremendous support

from communities and businesses across the territory.

The fundraising campaign was to purchase a Digital Breast Tomosynthesis equipped mammography machine. Throughout the summer and fall, groups and individuals from various NWT communities dumped buckets of mud on their heads and raised money to support this new funding goal.

The CIBC Run for Our Lives mission is to continuously improve the quality of cancer care, equipment and initiatives available in the NWT through the Stanton Territorial Hospital Foundation.

In July, two buckets of mud from Kennady Lake were poured over Lyndon Clark, General Manager of Gahcho Kué mine. At the same time, Lyndon issued a personal challenge to the managers of Diavik Diamond Mine, Ekati Diamond Mine and Cheetah Rare Earths Mine to meet or beat Gahcho Kué mine's donation to this worthy cause.



SUPPORTING LOCAL BUSINESSES

Improving the capacity of local businesses aligns with Gahcho Kué mine's commitments under the IBAs and the SEA. Enterprise Development is necessary to reduce the dependency of NWT businesses on the mining sector and add value to the communities on a significant scale. Accessing funding to enhance programs, expand an

existing business or start a new business, and develop new partnerships allows Northern businesses to compete in the south.

In the following pages, we are pleased to feature a female Indigenous-led business, Khione Resources, which has done a significant amount of work with Gahcho Kué mine.

KHIONE RESOURCES: NORTHERN SUCCESS STORY



The key to April's longstanding successful relationship with De Beers is her willingness to support the company with any request. Her life and work philosophy is: "To build a successful business based on core values of hard work and honesty".



If you want an inspiring example of a female Indigenous-led Northern business, look no further than Khione Resources. Established by April Desjarlais in 2009, Khione is a Yellowknife-based recruitment company that provides a qualified and reliable workforce to clients.

April has lived in Yellowknife since she was eight years old. She is Métis, originally from Saskatchewan. She earned her Science degree in biology from the University of Saskatchewan and then got a job at Rio Tinto's Diavik mine during its construction phase.

In 2005, April had the opportunity to purchase an expediting company called Expedite North. She soon became an expert in providing support to mining companies.

Gahcho Kué Mine

April's relationship with Gahcho Kué mine started in 2005 when the small tent camp was looking for an expeditor. Soon April was asked if she had candidates for key staff that were needed to grow the camp and she began finding qualified individuals.

As the recruitment took more of her time, April established Khione Resources in 2009 so she could dedicate resources to the recruitment and labour services.

Khione grew as Gahcho Kué mine grew, providing camp catering, site services and logistical support. At its peak, Khione had over 100 employees supporting the operations, and it continues to support the mine today.

Equipping Young People

Many of April's team members have gone on to join De Beers Group as employees. "Although I am sad to see them leave, I take it as a compliment. It means that I'm doing something right by finding qualified people for my clients."

What makes Khione unique is the personal touch that April and her team bring to the job. "Every resume is reviewed personally either by me or my HR coordinator, not by a computer system. I see the employees as individuals, not just numbers."

Khione is a true Northern business; it is not just a store front for a southern company. April recruits primarily in the NWT. Only if there is a request for a highly technical or specialized qualification not currently available in the North does she need to go outside the territory.

Women in Non-Traditional Roles

Khione is a success story by any measure, but what makes it particularly inspiring is that it is a female success story. Khione is not only a woman-owned company, but the corporate staff of four is currently all women. In addition to the office team, Khione has crews of up to 80 employees available to help clients.

April's goal is to break the barrier for women and let them know they belong in mining. "After working in a male dominated world for so many years, I developed a thick skin. Women would hear a lot of distasteful things and were made to feel that they didn't belong in mining, particularly in the early days."

April has seen an increase in female applications for jobs in mining recently, which she credits to a broader global shift

of women moving into non-traditional roles. Mines like Gahcho Kué also promote opportunities for women and provide examples for young girls to follow and say 'I can do that too'.

What makes April both confident in her success and approachable at the same time? It is partly her outgoing personality and naturally welcoming character. What makes her relatable to her employees is that she is open about her difficult childhood. She has faced hardships that many others have also faced in the North, including generational trauma and other circumstances that impact many Indigenous people.

April's inspiration comes from her strong family values. "I have always felt supported by my family, who have allowed me to spread my wings and have these opportunities."

The Khione Resources team at their office in Yellowknife



SED PRIORITIES

LOCAL PROCUREMENT

LOCAL EMPLOYMENT

COMMUNITY INVESTMENT

ENTERPRISE DEVELOPMENT

EMPLOYEE VOLUNTEERING

EMPLOYEE VOLUNTEERING

The fifth socio-economic pillar is to enable and encourage Employee Volunteers in local communities. This pillar aligns with the business philosophy of corporate citizenship in which employees contribute positively to society.

The objective is to encourage community participation through volunteering opportunities. Please see the following page for information about the Ambassadors for Good volunteer program.

From left: Ambassadors for Good Danny Brookson, Stacey Lymer, Prab Sanghera, Nicole Fabella, and Jess Pacunayen Front row: Renske Ball. Nicole, Jess and Renske are partners of De Beers Group employees who also participated in the volunteer activities.



AMBASSADORS FOR GOOD

Since 2019, Gahcho Kué mine has participated in the Ambassadors for Good Program, which is funded by the Anglo American Community Foundation and supports employee-led projects that partner with suitable third-party charities or institutions. Employees can identify a project, form volunteer teams, and submit a proposal for consideration.

During 2021, two Yellowknife projects were supported under Ambassadors for Good –

a pump track project and the renovation of five family meeting rooms run by the Department of Child and Family Services.

Each project was supported by volunteer work carried out by Gahcho Kué mine employees and \$8,500 in financial support from the Anglo American Community Foundation.

GAHCHO KUÉ MINE'S FIVE YEAR ANNIVERSARY

To mark the mine's fifth anniversary, a commemorative cake was baked for on-site employees.



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Training continues to be an important priority at the mine, despite the challenges presented by the pandemic.

40,425

HOURS OF TRAINING IN 2021

1,235

EMPLOYEES AND CONTRACTORS
WHO ATTENDED COURSES

33

AVERAGE NUMBER OF HOURS
EACH EMPLOYEE SPENT IN
TRAINING DURING 2021

TRAINING FOR A LASTING LEGACY

Despite the challenges of the COVID-19 pandemic, Gahcho Kué mine maintained its commitment to training and development in 2021, providing Northerners with the skills necessary for future success. Training is one of the many ways that the operation is working to leave a lasting and positive legacy in the North.

In addition to two trades trainees in the processing department, three apprentices continued at the mine, two as millwrights and one as an instrument technician. All five individuals are Indigenous and live in the NWT.

The mine continued its support and involvement in Aurora College's Northern Leadership Development Program (NLDP)

in 2021 with four participants who are expected to graduate in June 2022. You can read the profile of a recent inspiring NLDP graduate on page 54.

Gahcho Kué mine also hosted 10 surface miner trainees from the Mine Training Society, nine of whom were Indigenous.

Progression Planning

Through the Departmental Progression Plan, 11 Indigenous residents of the NWT were promoted in the Mine Operations department. The program encourages operator excellence through skills development on increasingly sophisticated equipment and mining processes.

2021 GAHCHO KUÉ MINE TRAINING

	Life of Mine Commitment	# of 2021 Trainees	Total Trainees to end of 2021	Cumulative Program Grads
Trades	16	2	13	15
Apprenticeships	10	3	4	1
Professional Development Sponsorship	4	0	0	0
TOTAL	30	5	17	16

Note: Trades trainees are positions eligible for trades certification as defined by the GNWT's Apprenticeship, Trade and Occupation Certification Act.

MENTAL HEALTH TRAINING PROGRAM

Gahcho Kué mine has provided training since 2020 in Mental Health First Aid (MHFA) with the goal of equipping employees with the ability to recognize, approach and assist people who are either developing a mental health issue or who are already in a mental health crisis.

In 2021, ten employees from Gahcho Kué mine were trained in MHFA to help their colleagues in times of crisis. This brought the total of those trained in MHFA at the mine to 18 individuals.

Each Mental Health First Aider is trained to recognize the symptoms of mental health issues, provide initial help, and guide a person toward appropriate professional help. Colleagues can talk to them if they are experiencing any mental health issues or have any questions about seeking help.

The aid is given until appropriate professional treatment is received or until the crisis is resolved.

Mining of Tuzo pit and the area over the NEX extension began during 2021.



SCHOLARSHIPS FOR A BRIGHTER FUTURE

Gahcho Kué mine supports scholarship programs for women and Indigenous residents through four different programs.

In 2021, the mine provided \$32,500 to support scholarships awarded to members of the Yellowknives Dene First Nation, North Slave Métis Alliance and the NWT Métis Nation. Please see the story on page 43 for further information on the YKDFN recipients.

In addition, four new scholarships and six renewed scholarships were awarded

during 2021, all going to young women from the NWT studying in STEM fields.

This was the final year of a three-year partnership between De Beers Group and UN Women. See further information on UN Women scholarships on page 43.

The most recent award recipients are pursuing studies in biomedical physiology, health sciences, life sciences and psychiatric nursing.

Angelina Arrowmaker (left) is from the Tłı̨cho community of Wekweètì and is in her first year of a Bachelor of Science degree in biomedical physiology at Simon Fraser University. Caitlyn Beck is a member of the Yellowknives Dene First Nation and is pursuing her degree in Life Sciences at the University of Toronto.



NORTHERN LEADERS SHOWING INITIATIVE



Even though the program is intense and puts you through the wringer emotionally, professionally, and personally, you learn to be open and honest and dig for the root causes behind your behaviour and reactions.

Danielle Dentinger

Training Coordinator and
NLPD Graduate



Since 2011, 15 employees from Gahcho Kué mine, Snap Lake mine and De Beers Group's Yellowknife office have graduated from the NLDP program. It provides participants with the practical skills and tools needed to advance to more senior positions within their organization. Participants learn emotional intelligence, self-expression, interpersonal skills, decision making, and stress management, which result in stronger leadership practices.

Danielle Dentinger, Training Coordinator at Gahcho Kué mine, is a recent graduate of the NLDP program and speaks highly of her experience. She was part of the 2019-2020 class which had a cohort of 20 people.

In the 2021-2022 school year, four Gahcho Kué employees are enrolled in the program.

It works if you work it

Danielle was interested in joining NLDP because, as a former teacher, she is always looking to learn new things and was curious about what makes an effective leader. Her supervisor at Gahcho Kué mine agreed to sponsor her, recognizing that her drive, work ethic and potential were a good fit for the program.

"NLDP taught me I can create change and add value without necessarily needing to be a supervisor right away. There's so much you can achieve as a leader without necessarily having the title."

Applying what she learned

The most significant lesson Danielle got out of the NLDP program was to have confidence in her skills and what she has accomplished.

Mining was not the career she had originally trained for, but she quickly realized that she can bring value to the mine and develop innovative ideas. The NLDP program helped her realize that she could apply skills from previous roles, and that she has innate leadership skills that some people work for years to develop.

She recognizes that any gaps she may have in technical or specific information don't need to hold her back, because she now has the tools to help her approach any new challenge.

After the course, Danielle was promoted from Training Support Administrator to Training Coordinator and is continuing to bring her creative thinking and strong work ethic to her new role.

Danielle finds inspiration for her work and life philosophy in this quote by Richard Branson, who said, "If you spend your life doing what brings you joy, you are more likely to find success."

NLDP: CREATING NORTHERN LEADERS

NLDP uses a variety of best practice leadership models throughout the program's nine courses, including an emphasis on emotional intelligence. One of the keys to NLDP's success is that each participant has a leadership mentor at their place of work to support their growth.

The nine modules are:

1. Personal Development
2. Communication Skills/ Coach Mentoring
3. Effective Personal Leadership
4. Effective Team Leadership
5. Conflict Management
6. Leading While Managing
7. Problem Solving and Decision Making
8. Diversity-Conscious Leadership
9. Leadership in Action/ Coach Mentoring

Danielle Dentinger is an active volunteer and advocate for many community projects supported by Gahcho Kué mine. Below she is pictured (centre) at the Ambassadors for Good event building accessible garden boxes for the NWT Disabilities Council. Danielle was also the lead organizer of the Pride Barbeque, another Ambassadors for Good event held in 2019.



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Gahcho Kué mine did not have any LTIs from September 2018 to the end of 2021, marking 5.3 million working hours LTI free.

THE MINE HAS ALSO ACHIEVED 100% VACCINATION AGAINST COVID-19.



A mining supervisor checks in with a member of the drill and blast team.

PROMOTING A RESILIENT SAFETY CULTURE

Gahcho Kué mine reached a significant achievement through the end of 2021, with no LTIs since September 2018. The operation maintained its LTI free status while continuing to deal with the global pandemic.

In addition, there was a 24% reduction in property damage over the previous year and an 11.6% reduction in first aids thanks to the hard work of the team on site.

The mine continued to run the Brother's & Sister's Keeper program, which encourages employees to focus on their personal safety and to encourage colleagues to do the same, acknowledging the positive safety interactions that are ongoing throughout site.

The main focus was the elimination of fatalities and understanding fatal risks and putting controls in place for the safety of everyone at site.

Gahcho Kué mine's health and safety team was also a finalist for the De Beers Group's Albert Milton Safety Leadership Award for 2021, selected from entries submitted from across the company globally.

The team has been praised for its adaptive response to the pandemic and its success in achieving 100% vaccination rate. In 2020, the mine was a runner up for the inaugural Albert Milton Safety Leadership Award.

SAFETY STATISTICS

	2018	2019	2020	2021
First Aid	44	27	43	38
Medical Aid	14	10	8	12
Lost-Time Injury	2	0	0	0
Property Damage	90	115	121	92
Near-Hit ¹	5,695	6,601	5,446	7,110
TRIFR ²	9.33	6.51	4.79	7.5

¹ A Near Hit is a proactive report of a potential hazard that could, if not addressed, result in an incident or injury.

² Total Recordable Injury Frequency Rate (TRIFR) is calculated to 1,000,000 hours

FOCUS ON MENTAL HEALTH

Gahcho Kué mine remains committed to educating and supporting employees through a variety of health and wellness programs. At the onset of the COVID-19 pandemic, the health and wellness team pivoted their efforts to the pandemic response. The focus on mental health was of critical importance as the mine adjusted to new restrictions.

Mental Health Peer Group

This program continued in 2021 where the team provided valuable assistance during a the COVID-19 outbreak at the start of the year, resulting in many mine workers having to spend some time in isolation. Employees who had previously received training in mental health first aid were able to provide direct support to a number of colleagues while they were in quarantine and isolation.

Mental Health First Aid

De Beers Group provides training in mental health first aid with the goal of equipping employees with the ability to recognize, approach and assist people who are developing a mental health problem or who are in a mental health crisis. Please see more information in the Training section on page 52.

Mindfulness

Employees have free access to Headspace, a mindfulness and meditation app. De Beers Group has made the app available to all employees who have De Beers email addresses globally.

Headspace helps enhance mental and physical health by teaching users how to manage stress, increase focus, and improve sleep.



Gahcho Kué mine partnered with the GNWT to provide on-site vaccination clinics for all mine staff during 2021. By the end of October, 100% of mine-based employees were fully vaccinated against COVID-19.



COVID-19 MANAGEMENT

In early 2021, the mine faced a major challenge as it dealt with its first wave of COVID-19. A total of 21 individuals at the mine contracted COVID-19, and operations were suspended for three weeks to allow for a complete crew change and the implementation of additional COVID-19 management measures.

The mine faced a specific challenge of being a remote site with close ties to Northern communities. The mine was able to put measures in place so that no employee or contractor returned to their community with COVID-19. All outbound personnel were provided isolation spaces offsite to ensure that they returned home free of COVID-19. A further complication was that non-NWT residents were not permitted to isolate within the Territory, requiring coordination with isolation hotels across the country.

When operations restarted, the mine included significant improvements, including:

- Creation of an on-site COVID-19 Laboratory: CardiAI was contracted to install a PCR

testing lab to keep up with increased demands of site testing

- Hiring a COVID-19 Coordinator: To mitigate the risk, deal with positive cases and quarantine requirements
- Improved quarantine facilities: Including ventilation and appliances in quarantine dorm rooms
- Upgrades to face masks: Offering a more protective medical mask and KN95 mask to employees daily
- Inbound and outbound isolation and testing: To ensure the safety of employees at the mine, all inbound and outbound employees are tested; passengers are separated at site so inbound employees do not interact with outbound passengers
- Pre-board testing at all airports to site: Temperature and symptoms checks, and antigen tests were completed prior to boarding the chartered plane
- Educational campaigns to update site personnel on best practices and status of COVID-19 across the country and at site

VACCINATIONS - A VALUABLE TOOL

Multiple vaccination campaigns were launched at Gahcho Kué mine, providing information about the vaccine and allowing personnel to discuss their questions with health care workers. The mine liaised with

the GNWT to enable vaccinations onsite. This allowed employees to receive the vaccine even though some home provinces had not yet made it available to them. This also provided protection to

employees and contractors living in the NWT. Out of a workforce of 650 people, by the end of October 2021 the mine had reached a 100% vaccination rate.

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In 2021, Gahcho Kué mine achieved the goals set out under the Building Forever pillar Protecting the Natural World.

91% COMPLETION FOR CLIMATE CHANGE INITIATIVES, 88% FOR WATER, AND 83% FOR BIODIVERSITY

Muskox are common visitors to the Gahcho Kué mine site, like this one in the fall of 2021.



PROTECTING THE NATURAL WORLD

One of the four Building Forever pillars is Protecting the Natural World. The vision under this pillar is to become carbon neutral, minimize our water footprint, and deliver a net positive impact on biodiversity.

Each of the three themes under this pillar will be explored in the following pages:

- Climate Change
- Biodiversity
- Water

2021 Accomplishments

De Beers Group monitors and takes care of the air, land, water and wildlife around the operation through several environmental programs at Gahcho Kué mine.

Gahcho Kué mine achieved a 'AAA' rating with the Mining Association of Canada's Towards Sustainable Mining Biodiversity Protocol in 2021.

Gahcho Kué mine is an ISO 14001 certified site and maintains a robust Environmental Management System (EMS). The EMS ensures ongoing regulatory compliance is maintained and environmental performance is continually improved. With the help of NHX and Indigenous partners, we continue to steward the land and ensure the environment is protected.

Gahcho Kué means 'place of large rabbits or hares' in the local Chipewyan dialect.



CLIMATE CHANGE: CARBON NEUTRALITY

The goal under the Climate Change theme is to become carbon neutral by 2030. In order to make progress towards reaching that goal, the mine focused on the following projects in 2021.

HART Waste Heat

The mine tries to make use of all the waste heat produced by the diesel power plant. In 2021, we installed a new high-tech system of monitoring and measuring how much waste heat is produced and actually used. This system is called the HART system and it monitors fuel use, temperature, and flow rate in the system.

Energy Management

The mine implemented an energy management system (Forseer) which is able to monitor power consumption at most areas on the site. There are now metres on nearly every building, enabling much closer tracking of energy consumption.

Fuel Management

The mine also implemented a fuel management system to keep better track of the amount of fuel used by the mining fleet. Rather than relying on hand-written logs of fuel use, barcodes, scanning machines, and network software will track how much fuel was used by each vehicle. This will identify areas of inefficiency to tackle.

Solar Energy

Gahcho Kué mine completed the detailed engineering for a potential solar installation and

signed a Memorandum of Understanding with Switch Power and Denesoline, the business arm of the Łutselk'e Dene First Nation (LKDFN). The mine will continue to explore the feasibility of using solar power at the mine. The project is still under review and no decision on whether to proceed has been made.

Project Carbon Vault

The objective of this initiative is to determine whether the mine can accelerate the carbon sequestration (capture) process that is already naturally occurring within processed kimberlite.

There are natural properties in processed kimberlite that convert carbon in the atmosphere into mineralized, or solid form carbon. As part of a De Beers Group initiative in Canada and South Africa since 2019, the mine has supported research into methods to accelerate this natural process. Carbon vault research took place at multiple institutions and several mine sites. Gahcho Kué mine worked with UBC to examine the potential for direct injection of flue gas into tailings in order to capture more of the carbon. In 2020 and 2021 mine staff collected samples from the coarse and fine processed kimberlite facilities for geochemical analysis to support this research.

CLIMATE CHANGE: CARBON NEUTRALITY

The plans for 2022 under the theme of Climate Change include:

Carbon Neutral Fuel

The mine is looking at carbon neutral fuel (synthetic diesel fuel), and considering terms of reference with manufacturers and suppliers.

Solar Power

The mine will complete the business case for a solar farm to evaluate the potential benefits of solar power throughout the LoM, including closure.

Thermal Power

There is also work underway to complete a conceptual study on thermal electric power generation.

Carbon Vault

The carbon vault research program at UBC continues to look at the potential for processed kimberlite to sequester carbon via direct flue gas injection.

A member of the site services team uses a forklift to reposition a water line in December 2021.

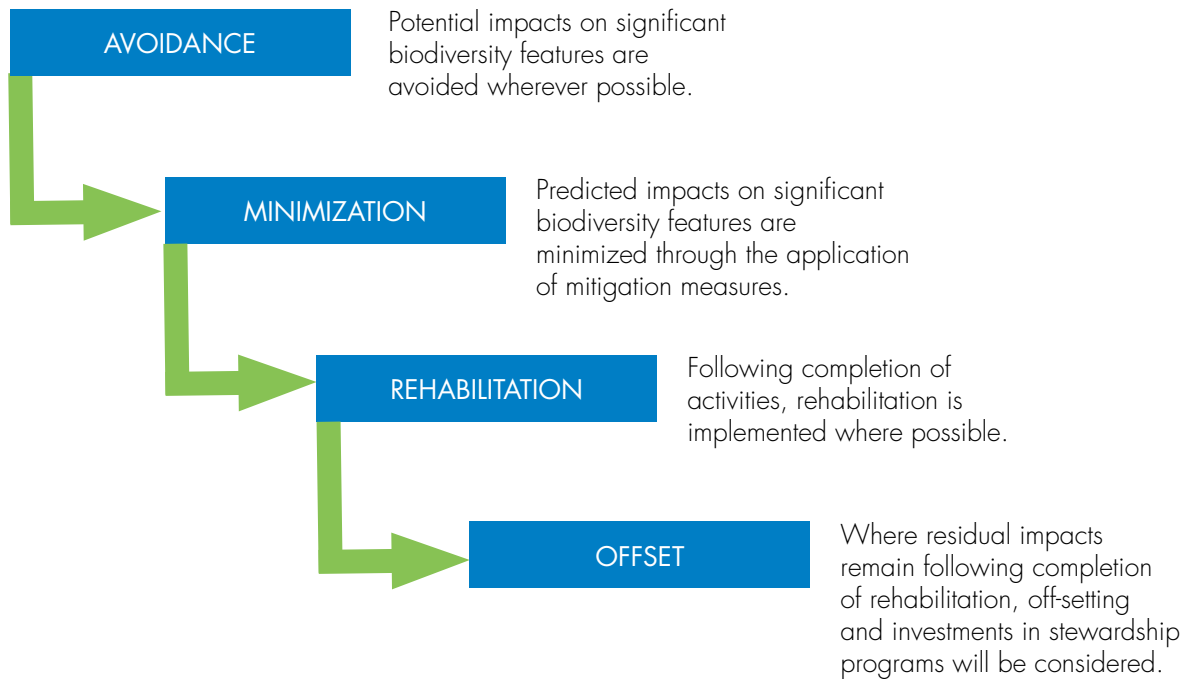


BIODIVERSITY - NET POSITIVE IMPACT

One of the Building Forever 2030 goals is to achieve a net positive impact on biodiversity features that contribute to a healthy ecosystem.

To do this, we apply the Mitigation Hierarchy (below) with a focus on any potential impacts to significant biodiversity features such as species at risk.

MITIGATION HIERARCHY



In July 2021, Bank Swallows were found nesting in the coarse processed kimberlite pile. While they were in the nests, a section of the pile was closed to all work.



BIODIVERSITY - NET POSITIVE IMPACT

Wildlife Monitoring

Approximately 40 different wildlife species are observed in and around the mine site, including muskoxen, moose, wolves, foxes, grizzly bears, hares and wolverine. Bird species include geese, ravens, sparrows, loons, gulls and ducks.

In order to make progress towards reaching the 2030 biodiversity goal, the mine focused on the following projects in 2021.

Fish Habitat Offset

An amendment was made to the fisheries authorization to enable the approved off-setting project, which is the construction of a new bridge on a tributary to the Mackenzie River to facilitate fish passage. Please see story below for more details.

Management Plan

The Biodiversity Management Plan was completed and reviewed by Anglo American and third party biodiversity specialists at Flora and Fauna International.

Reclamation Research

Research was completed into the volume balance for overburden (the material on top of kimberlite or rock) and work was completed on the final closure design for the fine processed kimberlite facility.

Caribou Research

De Beers Group partnered with the University of Northern British Columbia and the GNWT to conduct research into the interaction between winter roads and caribou. The research included: 1) chemical analysis of caribou scat to test for variation in stress hormones 2) behavioral observation of caribou to look for variation in relation to winter roads 3) radio-collar data to understand crossing rates over the winter road.

A masters student from Yellowknife completed his research in 2021 and is preparing to defend his masters thesis in early 2022.

The biodiversity plans for 2022 include continuing the work on the fish offset project, reclamation research, caribou research, as well as the Conservation Leadership Program and potential collaborations with other conservation organizations working in the North.

REDKNIFE RIVER BRIDGE FISH OFFSET PROJECT

A fish offset project involves taking action to balance the effects on fish and fish habitat at a given location by considering a project with similar scope, sometimes in a different location. The end result will be measurable benefits for fish and fish habitat.

The construction of Gahcho Kué mine involved fishing out and de-watering Kennady Lake. There is a requirement to restore the lake at closure and compensate for the loss of habitat that

occurred during construction of the mine.

The fish offset project approved for Gahcho Kué mine is the reconstruction of a bridge on Redknife River, a tributary of the Mackenzie River east of Fort Simpson.

Highway 7 crosses the Redknife River via an earthen bridge with three culverts that are partially hung above the water, so they get dry when water levels are

too low and fish cannot swim through. When water is too high, it flows too fast in the narrow culverts for young fish to migrate.

Gahcho Kué mine has committed to partner with the GNWT's Department of Infrastructure to construct a free-span bridge over the river and restore year-round fish passage. In addition, at closure we will restore Kennady Lake to a fully functional aquatic ecosystem that supports fish.

WATER MANAGEMENT

Water Usage

Did you know? Recovering diamonds is a chemical-free process that involves crushing and washing the kimberlite using about 2,200 cubic metres of water each hour, 100% of which is recycled in the plant and through the water management pond.

Aquatic Effects Monitoring

What we monitor: Water quantity and quality, flow rates, sediment quality, soil dwelling organisms, plankton and fish.

The Building Forever goal for 2030 is for water downstream to be safe to drink and aquatic life be protected. In order to make progress towards reaching that goal, the mine focused on the following projects in 2021.

Nitrate Management Project

The mine carried out a successful blasting pilot project to limit nitrate loadings to the water management pond. Please see the feature on the following page.

Water Optimization

The water optimization strategy was fully implemented in 2021 to adjust the movement of water among various storage ponds within the site to maintain the highest quality water in the water management pond for discharge.

The plans for 2022 involve expanding and continuing the programs from 2021.

Nitrate Management Project

The mine will implement a larger scale project designed to further reduce nitrate loadings to the water management pond.

Water Optimization

Continue optimizing water management processes to maintain the highest quality water possible for discharge.

Freshwater Usage

Once a new water meter usage project has been implemented, the mine will be able to demonstrate to personnel at site how much water each dorm is using. This program is part of a broader effort to develop a strong conservation ethic at site.

Members of the environment team measure the width of a stream near the mine.



GOING WITH THE FLOW: KEEPING WATER CLEAN

Nitrate Management

Gahcho Kué mine is surrounded by thousands of lakes and streams, part of a watershed that flows into Great Slave Lake. Indigenous communities have long emphasized the importance of protecting water – stating that water is life. The Gahcho Kué mine joint venture is committed to protecting water quality through the responsible and sustainable operation of Gahcho Kué mine.

Ensuring water is kept as clean as possible is an important aspect of protecting water quality. To this end, a nitrate management committee has been working to identify ways to continue to minimize nitrate levels in mine water resulting from blasting operations. Gahcho Kué mine is employing best practices in blasting

applications and the latest products in explosives, which are anticipated to demonstrate positive results in terms of performance and environmental outcomes.

New Emulsion Product

In August 2021, the mine started a trial of a new emulsion blend that has higher viscosity (fluid thickness). This product was expected to reduce the release of nitrates from blasting activities as well as reduce the amount of post-blast fumes generated. The recently developed Fortis™ Protect 70 is manufactured in Canada by Orica using a blend that is not based on diesel fuel but which has a unique oil mixture in the fuel blend.

The 2021 trial went well from several perspectives. It was

immediately recognized that the new emulsion thickness was significantly higher than current products. This improved its resistance to water and made it less susceptible to migration into cracks, which can cause inefficient blasting and potential increases in nitrate levels. In addition, the new emulsion product was manufactured and delivered with only minor adjustments required at the mine site. The product maintained quality control during the loading process, reduced spillage due to the increased thickness, and its blasting properties were proven effective in the field.

Following the initial tests, the mine is undertaking a longer trial in 2022 in order to gather more data with respect to the reduction of nitrates in the water.



An employee with Orica, the mine's explosives provider, fills a hole during mining on the Tuzo pit in July 2021.

NI HADI XA: ENVIRONMENTAL MONITORING GROUP

Ni Hadi Xa (NHX) is an environmental monitoring group responsible for the monitoring of Gahcho Kué mine through direct observation of the mine's activities, TK gathering, and technical reviews of the environmental management plans.

The group, which takes its name from the Denesúliné word meaning People Watching the Land Together, is comprised of six Indigenous groups and Gahcho Kué mine. The Indigenous groups are Deninu Kué First Nation, tutselk'e Dene First Nation, North Slave Métis Alliance, Northwest Territory Métis Nation, Tlcho Government, and Yellowknives Dene First Nation.

De Beers Group representatives meet regularly with NHX to keep Indigenous partners well informed about the mine's

development and environmental performance.

NHX's environmental monitor works closely with environmental staff at the mine, and conducts independent environmental monitoring and inspections.

Two TK monitors from NHX are based at a monitoring cabin 35 kilometres downstream from the mine. They conduct monitoring using traditional knowledge of the land.

In 2021, four quarterly governance committee meetings were held virtually. During the meetings, Gahcho Kué mine provided updates on the mine's development and environmental monitoring and performance to the committee members. The committee also reviewed and discussed the monitoring reports from the NHX environmental monitor and TK monitors.

Gahcho Kué mine received the TSM Community Engagement Excellence Award at the Canadian Institute of Mining, Metallurgy and Petroleum's 2022 convention in Vancouver, B.C.

From left: William Liu, Regulatory Specialist with De Beers Group, and NHX representatives Rosy Bjornson (Environmental Manager) and Tom Unka (Governance Committee Chair) with the presenters.



PERMITS AND REGULATORY UPDATE

Gahcho Kué mine has amended the Water License and Land Use Permit with the MVLWB, which enable Gahcho Kué to mine additional ore, extend the mine life to

2030, and potentially construct a solar power farm. The mine also renewed the Land Use Permit for five more years.

STATUS OF PERMITS AND SUBMISSIONS

Water Licence and Land Use Permit Amendment	✓	Approved
Land Use Permit Renewal	✓	Approved
Surface Lease Amendment Indentures	✓	Approved
Winter Road Quarry Permit	✓	Approved
Processed Kimberlite & Mine Rock Management Plan v7.2	✓	Approved
Operational Water Management Plan v6.2	✓	Approved
Geochemical Characterization Plan v4.4	✓	Approved
Fisheries Act Authorization Amendment	✓	Approved
Aquatic Effects Monitoring Program Design Plan v6.1	✓	Approved
Wildlife Management and Monitoring Plan v1	✓	Approved

During the annual Tidy the Tundra activity, employees collect debris from the land that accumulated over the winter months.



- LEADERSHIP MESSAGES
- CONTEXT
- VALUES
- STAKEHOLDERS
- RISKS & IMPACTS
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- LOOKING AHEAD

COMMITMENT STATUS

Under the SEA, Gahcho Kué mine has committed to meeting the objectives of the agreement and undertaking the following activities. Below is a summary of the status of the commitments for 2021.



Commitment achieved



Commitment in progress



Commitment not achieved

Employment



Hiring Priorities

Make best efforts to apply the hiring priorities across the entire spectrum of employment, including managerial, professional, skilled, semi-skilled and unskilled job categories.



Employment Objectives

Achieve at least 55% employment on average of NWT Residents, including contractors.



Employment Objectives with Contractors

Through the tendering and contracting process, cause contractors to establish the same hiring priorities.



Employment Incentives

Offer incentives to assist employees who live in the NWT, including Northern benefits and relocation packages.
Accommodate traditional pursuits of Indigenous employees.
Establish pickup points in the NWT; provide travel allowance to NWT employees who do not reside at a pickup point.



Employment Requirements and Standards

Establish Grade 10 as a minimum standard for trainable positions, consider equivalencies on a case-by-case basis to encourage recruitment and employment of NWT residents.
Where employees are required to have specific skills to operate equipment at the mine, training will be provided.

COMMITMENT STATUS

Training

Y

Recruitment and Training Strategies

Make best efforts to hire as many Indigenous persons and NWT residents as possible.

Require all contractors to outline in their bids a plan to hire, train and develop Indigenous persons and NWT resident employees.

Work with contractors to maximize the training of Indigenous persons and NWT residents.

Establish a mine orientation program for all new employees.

Establish a strategy for school students that encourages and promotes completion of secondary school.

Offer a summer student employment program and aim to have at least half of summer placements filled by women.

Y

Training and Apprenticeships

Develop apprentice positions for Indigenous persons and NWT residents.

Establish a trades training, apprenticeship and professional training sponsorship program and provide a minimum of 30 positions for Indigenous persons and NWT residents.

G

Literacy Programs

In the communities, collaborate with agencies that deliver literacy programs so that participants may further improve their qualifications towards employment.

Establish and maintain a learning centre at the mine with equipment and resources with suitable computers and a resource library.

Y

Promoting Equal Opportunity

Support and encourage the participation of women on an equal basis with men in all aspects of work related to Gahcho Kué mine.

Procurement



Purchasing Objectives

Purchase at least 60% of goods and services through or from NWT businesses.



Purchasing Priority

Develop business opportunities with businesses in the following order and ensure contractors do the same:

1. Indigenous businesses in the local area
2. NWT businesses
3. Other Canadian businesses



Business Opportunities Management

Prepare a business development strategy for Indigenous authorities.

Communicate the scope and scale of business opportunities in a timely and effective manner.

Identify possible opportunities for joint ventures with NWT and Indigenous businesses.

Ensure broad communication of business opportunities.

Social Wellbeing



Health System

Ensure that all non-NWT employees carry health care insurance from their home province or territory.

Reimburse the GNWT for any medical costs, including inter-community medical transportation costs.

Verify that everyone working at the mine has completed a mandatory vaccination schedule prior to starting work.



Wellness Initiatives

To promote a healthy and stable workforce, assist employees living in the NWT to perform well in their jobs and help them address potential effects and issues of individual and family wellness.

Provide an EAP program, maintain a list of alternative services and programs to enable the inclusion of culturally sensitive services.

Provide recreation activities, facilities and equipment at the mine.

Maintain a harassment policy and an alcohol-free and drug-free workplace policy

Cultural Wellbeing



Working Together

Work with local communities and the GNWT to promote cultural preservation, sustainability and to address cultural issues.



Promoting Cultural Preservation

Support the traditional cultural practices of the communities.

Promote use of resources in local schools regarding the culture and traditions of local communities.

Provide cross-cultural training to all staff on site.

Reporting



Reporting

Prepare an annual report outlining efforts to fulfill the commitments under this agreement.



Employee Survey

Provide the GNWT access to employees to conduct a survey for the purpose of measuring socio-economic impacts.

Engagement



Engagement Between Parties

The GNWT and De Beers Group shall meet regularly to review the results of activities and programs and to identify challenges and opportunities for collaboration to improve socio-economic performance.



Community Engagement

After providing this SEA report to the IBA communities, invite comments, concerns and recommendations respecting the socio-economic impacts of the mine.

Provide the opportunity to meet at least once per year with representatives of each community.



Justin Norwegian prepares to refuel a mining truck in the refueling bay.

BUSINESS OBJECTIVES

The Gahcho Kué mine joint venture's production strategy is to create value by:

- Recovering diamonds according to the mine plan
- Ensuring production is cost effective
- Remaining flexible to respond to market conditions

- Extending the LoM when and if appropriate

The chart below shows the mining strategy as it relates to Gahcho Kué mine's business objectives. This information is taken from the LoM planning document, which is revised annually.

STRATEGIC AREA

License to Operate/Social Objectives

Continue to provide long-term, sustainable socio-economic benefits to local communities in employment, training and business opportunities; support community-led social and cultural initiatives, and maximize opportunities where appropriate.

Production

Maximize the value of the operation by integrating expansion projects into the Strategic Business Plan.

Personnel

The core business functions of the operations are to be carried out by the company (mining, processing, site services, safety and environment), while non-core functions may be outsourced (catering, housekeeping, medic services, water and sewer, mobile maintenance, and welding).

Strategic Stockpiles

Stockpile kimberlite sources separately to allow for specific grade and revenue estimates.

Key Mining Equipment

Continue to use the equipment and infrastructure that was purchased during construction for the operation.

Maintenance

Put in place preventative maintenance systems and self-perform maintenance functions while providing opportunities to outsource certain maintenance functions to Indigenous-owned businesses.

STRATEGIC AREA

Risk
Management

Environment

Supply Chain

Mine Closure &
Rehabilitation

STRATEGY & PHILOSOPHY

Create a culture of appropriate risk awareness and risk ownership while encouraging proactive risk management and improved decision-making.

Maintain social and legal license to operate through a robust monitoring program, by effectively anticipating and addressing environmental concerns and issues when they arise and maintaining compliance with all legislation, regulations, permits and licenses; explore opportunities to reduce carbon emissions to zero over time.

Identify supply chain opportunities to maximize value through collaboration with industry partners.

Implement progressive reclamation of the operation while identifying additional ore bodies to extend the mine life; reimagine asset retirement options.

De Beers Group is testing robots to determine if they can take over routine, repetitive tasks now performed by humans. SPOT is a four-legged robot with articulated legs that was tested at Gahcho Kué mine.



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DASHBOARD FOR 2021

Gahcho Kué mine's Building Forever plan describes the activities to be carried out to meet the requirements of the Building Forever Strategy and the Anglo American Group Sustainability Strategy launched in March 2018. The dashboard below reports on the progress

made in 2021. Many of the programs scheduled for implementation during the year were held back by the COVID-19 pandemic.

Pages 78-79 outline the priority activities for 2022.



THRIVING COMMUNITIES – 2021 TASKS

HEALTH & WELL BEING

80% complete

SKILLS & EDUCATION

88% complete

LIVELIHOODS

71% complete

Highlights of Activities

- Education program to improve attendance
- Literacy promotion for children and adults
- Mental health awareness and education; on the land healing program
- Gender-based violence program
- Cultural heritage and identity program, including official languages
- Community employment program (process plant trainee)



EQUAL OPPORTUNITY – 2021 TASKS

INCLUSIVE WORKPLACE

89% complete

WOMEN IN BUSINESS AND TECH

91% complete

Highlights of Activities

- Continue to fund scholarships for women in STEM
- Support science camps and high school science programs for girls
- Peer support and mental health first aid



ENVIRONMENT – 2021 TASKS

CLIMATE CHANGE

91% complete

WATER

88% complete

BIODIVERSITY

83% complete

Highlights of Activities

- Installed HART waste heat system, energy management system, and fuel management system
- Received approval for fish habitat offset project
- Carried out caribou research
- Successful nitrate management pilot project
- Implemented water optimization strategy



RESPONSIBLE SOURCING – 2021 TASKS

RESPONSIBLE SOURCING

92% complete

PROVENANCE

40% complete

Highlights of Activities

- Conducted three Business Opportunity Summits
- Implemented the Supplier Responsible Sourcing Standard
- Worked on community business development in the areas of remediation and reclamation expertise
- Communicated RFP evaluation matrix

BUSINESS FOCUS AREAS FOR 2022

Although this report focuses on activities carried out in 2021, Gahcho Kué mine has committed to a number of activities in 2022 to meet the commitments in the IBAs and the SEA. Ongoing engagement

and program implementation will continue to be a priority.

Gahcho Kué mine has identified a number of priorities for 2022 in the following five key focus areas.

BEST OPERATOR

- Full implementation of Anglo American Learning From Incidents program
- Implementation of the Pioneering Brilliant Safety - Safe Sentry Program
- Continued focus on improving Critical Control Monitoring
- Anglo American's Operating Model Implementation – complete 2022 Action Plan
- Complete Hearne mining efficiently
- Inventory Optimization Projects
- Focus on maintenance priorities

FUTURESMART

- Full implementation of Fleet Management System
- Phase 2 implementation of SafeMine application for mobile equipment
- Fatigue management technology trials
- Installation of High Precision GPS equipment on D65 drill fleet
- Optimization of Shovel Payload System
- Implementation of Dynamic Stockpile Management Program
- Remote monitoring of airstrip
- Process plant optimization initiatives
- Deployment of digital radio communications system
- Low Earth Orbiting Satellites – bandwidth enhancement

GROWTH

Resource Expansion Program

- Possible Hearne extension
- Drill program on high priority targets on the mine lease area
- GK West geophysics
- Pit 5034 infill extension
- Collaborate with Mountain Province Diamonds on off lease opportunities
- Process plant projects to establish sustainable production level
- Further work on Tuzo opportunities
- Detailed design reviews of open pits including a geotechnical update, review of phase designs, and pit bottom mining review to ensure full potential is realized

BUSINESS FOCUS AREAS FOR 2022

BUILDING FOREVER

- Social Way 3.0 Transition Plan
- Continue to implement the Building Forever Five-Year Plan

Key Building Forever Projects

- Flagship caribou conservation project
- Disabilities housing project
- Implement decarbonization projects
- Trial of new explosive to enhance nitrate management program and implementation of automated water monitoring
- Design change studies on mine rock piles
- Closure-related studies
- Regional collaboration on reimagining asset retirement

PEOPLE TRANSFORMATION

- Progression plans well implemented for all operational teams
- Focused resourcing to support Mining Industry Human Resources Council (MiHR) assessment and certification for operators
- Continued implementation of apprenticeship programs
- Talent management and employee development planning
- Inclusion and Diversity supported by all teams
- Employee engagement & recognition programs
- Leadership development programs
- Supervisor training programs



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