BUILDING FOREVER GAHCHO KUÉ MINE 2019 SOCIO-ECONOMIC REPORT







CONTENTS

1 Messages from Leadership

De Beers Group Managed Operations Managing Director **Mpumi Zikalala**

Mountain Province CEO Stuart Brown

Mine General Manager Lyndon Clark

- 4 Economics
- 12 People
- 22 Employment Report
- 32 Communities
- 42 Values

DISCLAIMER

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. Readers should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (expressed or implied) is given as to the accuracy or completeness of the information contained in this report, and, to the extent permitted by law, the authors and distributors do not accept or assume any liability, responsibility or duty of care for any consequences the reader or anyone else may incur from acting, or refraining from acting, in reliance on the information contained in this publication or for any decision based on it.

© De Beers Canada Ltd. DE BEERS GROUP™, ™ is a trade mark of De Beers Group.



Cover

The sun rises over a snow-covered lake in a photo taken from the side of the Gahcho Kué Mine winter spur road.

MESSAGE FROM LEADERSHIP de beers group managed operations - managing director



Since taking on the role as Managing Director of De Beers Group Managed Operations, I am proud to see first-hand the progress we are making in contributing to a better, fairer future. As the world's leading diamond company, we have a tremendous opportunity to be a force for good, and we are grasping this opportunity with genuine passion and commitment.

Our deep desire to leaving a lasting, positive legacy is integral to everything we do. It means that those with whom we work can trust us to be a partner of choice; those who buy our diamonds can be proud to give or wear them; and those who join our workforce can feel they are part of something that is making a positive impact on the world around them.

Since arriving in Canada almost 60 years ago, De Beers Group has been at the forefront of diamonds in Canada. Key to our success has been strong local partnerships in communities close to our operations. Our community value proposition is driven by the belief that our business can be a catalyst for delivering economic and social value locally, regionally and across the country wherever we explore, advance projects and operate mines.

Thanks in large part to our joint venture partnership with Mountain Province Diamonds, we are helping to create this economic and social value by aligning our vision with the United Nations' Sustainable Development Goals to accelerate our impact and challenge ourselves to do more through the 2030 goals. We are also forming new partnerships and using existing ones to enhance our ability to influence economic, social and environmental factors.

I continue to be impressed by our employees' commitment to nurturing and delivering our sustainability goals for the future success of our business. Gahcho Kué Mine is a key contributor to our company and a strong foundation for De Beers Group in Canada, especially as we look for additional resources to extend the life of the mine and grow with the exciting Chidliak Project in Nunavut Territory. We are proud of the safety and production performance at Gahcho Kué Mine and the work we are doing towards delivering on our Building Forever commitments.

This socio-economic impact report highlights the economic and cascading positive impacts our activities have generated for almost six decades in Canada. We hope it provides you with insight into our approach, commitment and goals as we look forward to the next decade of activity in Canada as the world's leading diamond company.

Nompumelelo (Mpumi) Zikalala Managing Director

De Beers Group Managed Operations



HIGHLIGHTS

- 38% reduction in recordable injuries (medical aid and lost time injuries) in 2019 compared to 2018
- 6.8 million carats recovered
- 3.6 million tonnes of ore treated
- Third consecutive NWT/NU Overall Surface Mine Rescue championship for the Mine Rescue Team
- 76% of goods and services purchased in 2019 were made through NWT businesses and joint ventures
- The number of NWT residents working at Gahcho Kué Mine increased to 284 in 2019
- 26% of Gahcho Kué workforce is Indigenous
- 17% of the workforce is female
- \$582,000 invested in communities through a variety of corporate social investments
- \$310,000 cash and in-kind investment in renovation of Yellowknife Women's Centre
- 7,000 books provided free of charge across NWT through Books in Homes program
- 6 NWT teenagers attended University of Waterloo Impact Camp for Indigenous Girls in August
- 7 NWT women received STEM scholarships for 2019-2020
 school year

MOUNTAIN PROVINCE DIAMONDS PRESIDENT & CEO



Mountain Province Diamonds, in partnership with De Beers Group in Canada, is proud to be 49% owner in Gahcho Kué Mine, the largest new diamond mine in the world. The complexity of developing, building, and operating a diamond mine in the Northwest Territories (NWT) of northern Canada requires proven expertise and experience. We are therefore fortunate to have De Beers Group as our operating partner, a company that has been successfully producing diamonds for more than 130 years, and has helped Canada become the world's third-largest diamond producer by value.

Equally, we are proud to have a strong relationship with the Indigenous people of the NWT, who have lived here in unison with nature for many centuries. We consider it a privilege to have their trust and are thoroughly committed to the protection of this land and its environment. Gahcho Kué, since its inception, has been a collaborative undertaking and the partnership has enabled the mine to flourish, with a strong safety record and production performance.

Gahcho Kué is projected to be a diamond producer through to 2030 and hopefully beyond. Our vision naturally aligns itself with that of De Beers Group, which is to leave a lasting, positive legacy. This approach is fundamental to the way we work across all aspects of our business. When Gahcho Kué finally reaches its natural closure many years from now, the partnership will enable us to go beyond what is expected to ensure that the land is returned to its original condition as far as possible. What is left, we hope, will be the everlasting legacy of our iconic and beautiful diamonds, the communities, and their people who have been enriched by their relationships with Gahcho Kué and Mountain Province Diamonds.

Together, our team, our operating partner and our communities have created Gahcho Kué. A mine that continues to add value – and incomparable diamonds – for all our stakeholders, while also understanding that protecting the wider environment in our region is vital to our long-term success and future as a sustainable diamond mining company.

Stuart Brown

President & CEO Mountain Province Diamonds

GENERAL MANAGER - GAHCHO KUÉ MINE



Gahcho Kué Mine had another outstanding year in 2019 with many achievements to be proud of. I want to acknowledge every employee, contracting partner and team that played a significant role in our success.

I was appointed as Mine General Manager in August 2019, succeeding Allan Rodel who was project manager during construction and then appointed Mine General Manager in 2016.

I am honoured to continue the great work and spirit Allan has cultivated.

As a resident of Yellowknife for the past 11 years, I am proud of the contributions Gahcho Kué has made not only to the surrounding communities, but to the NWT as a whole.

The highlight of 2019 was the overall commitment to safety by all members of the team, which resulted in a 38% drop in injuries with zero lost time incidents. In addition, we won the NWT/Nunavut Mine Rescue Competition for Best Overall Surface Mine, the National Western Regional Mine Rescue Competition in Fernie, B.C., and the Workplace Health and Safety Award from the Yellowknife Chamber of Commerce. The Gahcho Kué team's outstanding production performance in 2019 reached 6.8 million carats, establishing the mine as one of the top process plant performers across the entire Anglo American group.

As we look toward to the future, we will have particular focus in a number of areas, including: continued safety and environmental excellence, delivering on our Building Forever commitments, improving mining and processing efficiencies, and continued growth. We're particularly looking forward to advancing the carbon capture study and new and exciting energy initiatives to further reduce our carbon footprint.

Lyndon Clark

General Manager, Gahcho Kué Mine

ECONOMICS

Business spend in the NWT reached 76% of total spend in 2019.

APPROXIMATELY \$221 MILLION WAS SPEND WITH NWT-BASED COMPANIES, INCLUDING ALMOST \$60 MILLION (27% OF NWT SPEND) WITH INDIGENOUS COMPANIES. Students from the University of British Columbia set up an experiment to test the ability of processed kimberlite to absorb carbon dioxide at Gahcho Kué Mine. De Beers Group is working with the Government of Canada on the project, looking at whether carbon sequestration technology can contribute to building a carbon-neutral mine.

> De Beers Group continues to focus on capacity building with Indigenous and NWT businesses through the mine's commitment to purchase 60% of goods and services from NWT businesses each year. In 2019, the mine's total NWT spend of 76% reached well above this target for the third consecutive year.

Of the \$292 million spent by Gahcho Kué, approximately \$221 million was spent with NWT-based companies. Of this, \$60 million (21% of the total) was spent with Indigenous companies and \$161 million (55%) was spent with non-Indigenous northern companies. The remaining \$71 million (24%) was spent outside the NWT.

The strong performance in this area can be attributed to a number of factors, including the tiered procurement structure implemented in 2017 (see page 12 for details) and ongoing engagement with the NWT business community by the Supply Chain and Social Performance teams to make NWT businesses aware of upcoming opportunities.

In September, a Business Opportunity Event was held in Yellowknife. Businesses based out of the NWT heard about partnership opportunities from Lyndon Clark, Gahcho Kué General Manager, and Trevor Good, Procurement Superintendent from De Beers Group's operational support centre. Attendees also heard from Kelly Brenton, Social Performance Manager, who spoke to the quarterly IBA business opportunities and potential contract opportunities.

NEW DISCOVERY AT GAHCHO KUÉ MINE

An exciting development took place at Gahcho Kué Mine in March 2019, when De Beers Group's Exploration and Technical Services teams uncovered new resources. The most promising kimberlite was named Wilson after Alice Evelyn Wilson: Canada's first female geologist, the first woman elected as a Fellow of The Royal Canadian Geographical Society in 1930 and the Royal Society of Canada in 1938 and the first Canadian woman to be admitted to the Geological Society of America in 1936. The Wilson pipe is expected to contribute positively to the life of mine.

This discovery builds on the success of the Resource Extension Program (REP) that has previously identified four additional resources throughout 2018 and 2019 that have been added to the 2020 Business Plan. These findings have added 16 million carats and have extended the life of mine to 2030. With resource expansion a priority at Gahcho Kué, De Beers Group continues to look at different mining options and continued brownfield exploration. In late 2019 and early 2020, a ground geophysical program was held to better define 11 targets of interest on the mine property, to support a drill program in Spring 2020.



The new kimberlite discovered at Gahcho Kué in 2019 was named after Alice Evelyn Wilson, Canada's first female geologist.

7

+ Cht Inst

-8

WINTER ROAD CAMPAIGN 2019

Gahcho Kué Mine successfully completed a winter road re-supply program in 2019 that safely delivered nearly 50 million litres of fuel and approximately 63,000 tonnes of cargo to the mine over 55 days.

A total of 1,735 loads were hauled to the Gahcho Kué Mine site, as part of the winter road program that brought fuel, explosives, general freight and other items northbound to the mine. Some of the larger items included two spare scrubbers for the mine's process plant, a drill and a new excavator. The program was completed with zero injuries and no environmental incidents. A re-supply of replacement motors and other spare parts for heavy equipment was another critical part of the campaign to allow the site's mobile maintenance shop to continue to service the mining fleet and avoid costly airfreight to the mine site.

HOW WE RANK COMPANIES WHEN AWARDING CONTRACTS

TIER 1: A company that is 100% Indigenous owned/equity and is associated with an Impact Benefit Agreement (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 3: 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 be based in the NWT or is not available in the NWT.

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

594 LOADS OF CARGO AND EQUIPMENT

49.9 MILLION

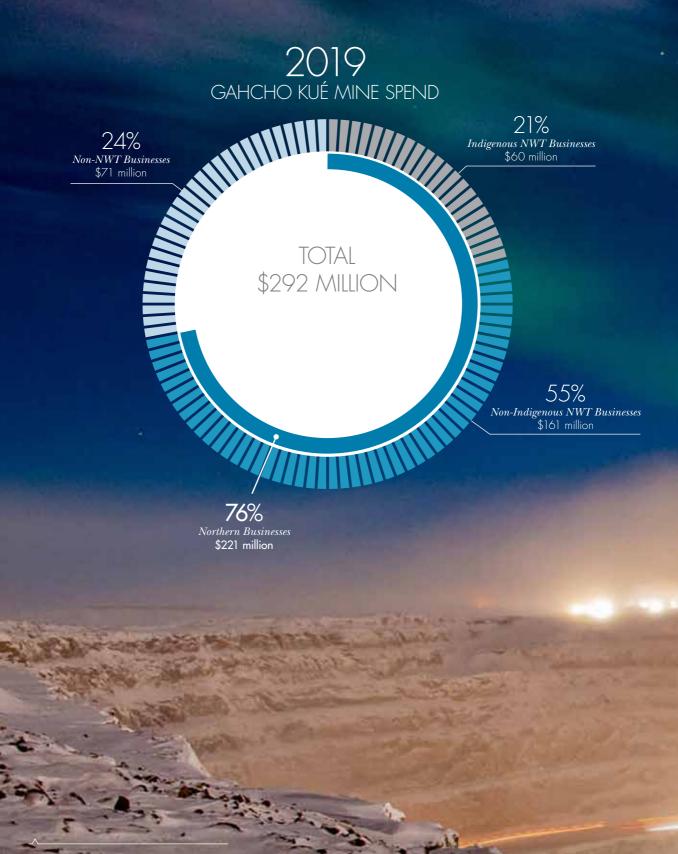
LITRES OF FUEL TRANSPORTED (1,078 TRUCKLOADS)

63 BACKHAULS (TRUCKLOADS)

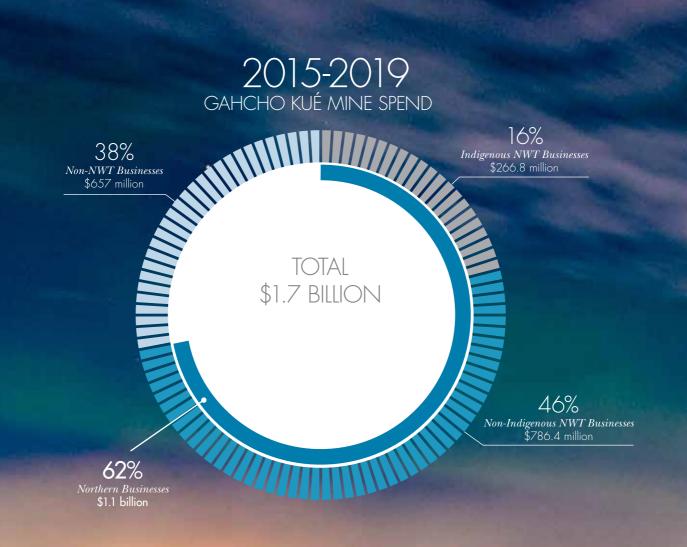
100

A loaded fuel truck passes an empty fuel truck on the Gahcho Kué winter spur road in February 2019.

SHO.



The faint glow of Northern Lights shows in the sky over 5034 pit at Gahcho Kué Mine.



Mining department employees gather for a daily toolbox safety meeting prior to the start of their shift.

OPLE

1H

E

Ξ

AEROSU.

Gahcho Kué Mine EMPLOYED MORE NVVT RESIDENTS THAN EVER IN 2019, WITH 195 EMPLOYEES COMPARED TO 182 IN 2018 (PERSON YEARS). OF THESE NUMBERS, 53% WERE SELF-IDENTIFIED INDIGENOUS.



Gahcho Kué Mine completed its third full year of operations in 2019; a year that saw its workforce grow to 574 full-time equivalent (FTE) jobs from 527 in 2018 ⁽¹⁾. NWT residents filled 284 of these positions, which is 19 more than in 2018 and represents 49.5% of the total workforce. Employees self-identifying as NWT Indigenous residents filled 155 (26%) of the FTE jobs, which is an increase of 16 over the previous year. Despite the growth in resident employment, NWT labour participation remains just shy of the 55% employment target established as part of the Gahcho Kué Socio-Economic Agreement⁽²⁾. However, it is worth noting that De Beers predicted an average annual workforce of 524 during the mine's operations in its Environmental Impact Statement⁽³⁾, meaning that total job creation has now exceeded this prediction by 50 FTE jobs, and NWT resident employment is now just 4 FTE jobs shy of its target in absolute terms.

The majority (73%) of the people working at Gahcho Kué Mine are employees of De Beers. The number of Company employees grew to 421 FTE positions in 2019, 46% of whom were NWT residents. More than half of these NWT resident employees (103) were Indigenous.

Gahcho Kué Mine's NWT resident workforce drew employees from 17 communities representing every region in the NWT. Most (71%) live in Yellowknife ⁽⁴⁾, but also represented are some of the territory's smallest communities, including residents from Jean Marie River and Enterprise, and communities in the Beaufort Delta that are over 1,200 km away from the mine site.

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 283 FTE positions and includes most equipment operators and process plant workers. NWT residents filled 54% of these jobs. The second largest category is skilled positions with 193 FTE jobs, which includes positions that require a professional designation

- 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 DeBeers at the Gahcho Kué Project.
- ³ See Section 12: Socio-Economic Impact Assessment Section of the Gahcho Kué Diamond Mine Environmental Impact Statement.

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 29% of these positions. NWT residents filled a large majority (92%) of the 67 unskilled positions. It should be noted that the demand for unskilled labour at the mine site is falling. This is the only category of jobs that saw a decrease over last year, shrinking by 8 FTE positions.

De Beers supports and encourages the participation of women in all aspects of work related to Gahcho Kué Mine and encourages similar commitments from its contractors ⁽⁵⁾. De Beers is proud to report that women have filled 99 FTE jobs at the mine this year, 19 of whom are working in skilled, professional, or management jobs.

⁴ Designated Pick-Up Points for the mine include Łutselk'e, Gamèti, Whati, Wekweèti, Yellowknife (which includes Behchokò, Dettah, N'dilo), Hay River, Fort Smith, Fort Simpson, Inuvik, and Norman Wells. De Beers will provide a Travel Allowance to its Gahcho Kué Project employees for reside in an NWT community that is not a DeBeers designated Pick-Up Point.

⁵ See Section 4.9 of the Gahcho Kué Project Socio Economic Agreement.

¹ The majority of people working at the Gahcho Kué Mine are on a 2-week rotation, meaning they are at the mine site for 14 days and are then away for 14 days. A fulltime equivalent job 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 FTE jobs.

GAHCHO KUÉ MINING MANAGER EARNS NWT INDIGENOUS ACHIEVEMENT AWARD

In November, Shayne Paul, former Senior Mining Manager who led the Gahcho Kué mining team through construction and the first two years of operations, was the recipient of the 2019 NWT Mining and Exploration (MAX) Award for Indigenous Achievement. Born and raised in Yellowknife, Shayne is Métis and has spent the majority of his professional career working in the mining industry in the NWT, the United States and Mongolia. The MAX awards have been presented since 2017 by the NWT & Nunavut Chamber of Mines and the Government of the NWT.



DE BEERS GROUP PROVIDES 10 PICKUP POINTS TO EMPLOYEES LIVING IN THE NWT FROM WHICH THE COMPANY PROVIDES TRAVEL TO AND FROM GAHCHO KUÉ MINE

PICKUP POINTS

De Beers Group provides 10 pickup points to 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 to work at the mine.

- Yellowknife (includes residents of Behchokǫ̀, Dettah, N'dilo)
- Łutselk'e
- Fort Smith
- Hay River
- Fort Simpson
- Whatì
- Gamètì
- Wekweètì
- Norman Wells
- Inuvik

In April 2019, the Gahcho Kué Mine emergency response team hosted an ice rescue training workshop at Jackfish Lake in Yellowknife.

2010	CAUCHO	KUÉ MINE TRAINING
2017	GANCHO	KUE MIINE IKAINING

16	Life of Mine Commitment	# of 2019 Trainees	Total Trainees to end of 2019	Cumulative Program Grads
Trades	16	4	12	9
Apprenticeships	10	2	3	1
Professional Development Sponsorship	4	0	0	0
TOTAL	30	6	15	10



TRAINING STORY

During 2019, four employees undertook trainee positions at Gahcho Kué Mine with two in the processing plant and two in protective services.

In addition, two apprenticeship positions, a millwright and instrumentation technician, were filled and officially began in 2019. Both employees are members of the NWT Métis Nation and are from Hay River.

Gahcho Kué is also supporting training programs with the Yellowknives Dene First Nation (YKDFN) and the NWT Mine Training Society (MTS). A heavy equipment operator course with the YKDFN included 13 participants and resulted in two members being hired at the mine. Five surface miner trainees from the MTS were hired to full-time positions at the mine.

Through the Northern Leadership Development Program (NLDP) three employees successfully completed their training. In addition, four employees took part in specific training courses offered through Anglo American, included two employees in the Anglo American Achieve Program and two others in Anglo American Project Management Excellence.

De Beers sees the value in training and apprenticeship programs as they provide valuable and transferable skills and knowledge which will contribute to success for participants in future roles. This is one way that the company ensures lasting value and a positive sustainable impact on northern communities.

34,000 HOURS OF TRAINING

482 EMPLOYEES AND CONTRACTORS ATTENDED VARIOUS COURSES

7] AVERAGE HOURS EACH EMPLOYEE SPENT IN TRAINING "I ENJOY HAVING THE CHANCE TO LEARN ABOUT AND KEEP UP WITH THE ONGOING ADVANCEMENTS OF TECHNOLOGY. I HOPE TO GET MY RED SEAL JOURNEYPERSON TICKET IN INSTRUMENTATION AND CONTINUE WORKING WITH AN ORGANIZATION SUCH AS DE BEERS GROUP."

> Dawson McMeekin Industrial Instrumentation Apprentice

GAHCHO KUÉ APPRENTICE SEES VALUE IN LEARNING NEW SKILLS

Apprenticeship positions at Gahcho Kué Mine provide NWT residents with opportunities to be trained and certified in skilled positions that are critical to the mine and often in high demand throughout the territory. In addition to the hands-on skills learned in an apprenticeship role, other important experience is gained, including the knowledge of regulation and procedures, appropriate use of tools, troubleshooting, teamwork and communication skills.

Dawson McMeekin formally began his role as an Industrial Instrumentation Apprentice at Gahcho Kué in 2019. Having no previous experience of working at a mine, Dawson saw this apprenticeship as an excellent opportunity to gain skills and knowledge for a fulfilling and lucrative lifelong career. As an Industrial Instrumentation Technician, he works hands-on assisting his team with installations, calibrations, configurations, and programming of the instruments.

Born and raised in Hay River, Dawson is a member of the NWT Métis Nation and attended SAIT in Calgary for his first year of school. When not on site, he enjoys travelling, spending time with friends and family, playing hockey, and various outdoor activities.



WHY WE ARE STANDING WITH WOMEN AND GIRLS

Advancing women and girls is a key priority for De Beers, with studies demonstrating that women return a significant amount of investment back into their communities. Since 2017, De Beers Group has invested over US\$3 million to promoting gender equality in our producer countries.

In Canada, that investment has included providing scholarships to 29 women to support their education in Science, Technology, Engineering and Math (STEM), as there continues to be a gender disparity in these fields. Among the scholarship recipients in 2019 were seven women from the NWT who each received USD\$4,800 scholarships to support their studies in 2019-2020. Furthermore, funding has gone to support 10 spaces annually at a science camp at the University of Waterloo for Indigenous girls in Grades 7 and 8. In 2019 and 2018, 18 girls attended the camps, including 15 from the NWT. In September 2019, De Beers Group, in partnership with UN Women, undertook a tour of five Canadian universities to raise awareness of the importance of diversity and inclusion.

Last year in the NWT, De Beers Group invested in renovations to the Yellowknife Women's Shelter, collaborated with industry partners to establish a Women in Mining Chapter in the NWT, and held the third annual women in mining luncheon for high school girls in Yellowknife. Internally, a volunteer-led working group has spearheaded a number of projects designed to improve diversity and inclusion across Canadian operations.

Increasing the number of women in our company continues to be a priority, especially in senior positions, because this will bring new ideas and perspectives that will contribute to business success.

This work is essential to De Beers Group, as one of the key pillars of the new Building Forever strategy at Gahcho Kué Mine — Standing with Women and Girls — with a focus on bringing long-lasting benefits to the local communities we operate in. Gahcho Kué mine rescue team members rescue a "victim" during one of the events held during the 2019 National Western Region Mine Rescue Competition held in Fernie, B.C. The Gahcho Kué team was hamed top overall surface mine rescue team during the competition

SAFETY COMMITMENT

The continued focus and dedication by all employees to health and safety practices at the mine showed significant results in overall performance this year. First aid related injuries reduced by 39% and overall the mine saw a 38% reduction in recordable injuries (medical aids and lost times) since 2018.

During 2019, the mine launched its Brothers' & Sisters' Keepers 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 program has resulted in over 12,000 safety interactions in 2019.

For the second time in four years, Gahcho Kué Mine received the Workplace Health and Safety Award from the Yellowknife Chamber of Commerce. "This award speaks to the dedication of all our employees to putting safety first," said Lyndon Clark, Gahcho Kué Mine General Manager.

The mine's dedication to safety continues to be demonstrated through impressive performances by the Gahcho Kué's Mine Rescue Team. In September the seven-member team earned the title of Overall Surface Winner at the National Western Region Mine Rescue Competition in Fernie, B.C., winning the Surface Smoke Search and First Aid challenges and placing second in the Fire competition. For the third year in a row, the team took home the Best Overall Surface Mine at the NWT/ Nunavut Mine Rescue Competition in June.

TYPE	2017	2018	2019			
First Aid	43	44	27			
Medical Aid	12	14	10			
Lost-Time Injury	0	2	0			
Property Damage	122	90	115			
Near-Hit ⁽¹⁾	6,494	5,695	6,601			
TRIFR*	8.75	9.33	6.51			
* Total Pacardable Injury Fraguency Pate (TPIEP) is calculated to 1,000,000 hours						

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

¹ A Near Hit is a proactive report of a

potential hazard that could, if not addressed,

result in an incident or injury.

HEALTH AND WELLNESS EDUCATION

Justin Fabella, the health and wellness coordinator at Gahcho Kué Mine, continued to educate and support employees through different programs and activities in 2019. Despite being in the role for just two years, Justin's efforts have expanded the focus of health and wellness at work, and also provided information that can be applied at home when employees leave the job site.

- Walk to Tuk For the second year, 180 employees walked the equivalent distance from Fort Providence to Tuktoyaktuk between January and March, more than four times the number of the 40 participants in 2018.
- Blood Pressure Campaign

 Blood pressure readings were offered to employees, followed by explanations on how to interpret the readings and how to improve their results.
- Know Your Numbers Campaign – By taking a look at blood pressure, cholesterol (HDL and LDL), triglycerides, blood sugar, body fat percentage and muscle mass readings, employees can learn more about their personal risk of diabetes and cardiovascular disease. With a 10% increase in participation from 2018, over 190 employees learned more about their health numbers in 2019.
- New Canada's Food Guide Campaign – With the release of the new Food Guide, posters, table topper cards, and discussions were held to educate employees on the changes. A quiz was held to test employees on their newfound knowledge.
- **Health Fair** Multiple health care practitioners visited site to inform employees of the options available to better their health.
 - o Custom Molded Hearing Protection – over 200 employees received custom molded hearing protection



- o Morneau Shepell shared information about the Employee Assistance Program
- o Anytime Fitness provided information on their gym in Yellowknife to employees who live there
- o Dene Wellness Warriors educated site-based employees on mental health issues and strategies
- Brenegan Training provided employees with easy strengthfocused stretches and yoga poses
- Mental Health Awareness Presentations – To help kick off Gahcho Kué's upcoming 2020 mental health programs, a guest speaker from Yellowknife Health and Social Services department visited site to talk about mental health and mental illness.
- STI Awareness Campaign
 - Due to the recent outbreak in Sexual Transmitted Infections across the NWT, education material was created and circulated around site to promote safe sex and encourage employees to get tested.
- Yellowknife Slo-Pitch Team

 To further promote healthy living offsite, the Arctic Hares Slo-Pitch team was created in Yellowknife enabling employees to play sports and socialize on their time off.

Inuit and Dene Games Demonstration – Gahcho Kué Mine invited guests from the Aboriginal Sports Circle in Yellowknife to demonstrate and teach employees about the traditional Northern Sports and Dene Games in celebration of Indigenous Peoples Day. Sports included high kicks (one-foot, two-foot, Alaskan, one-arm reach, two-person-two-foot), swing kicks, muskox push, triple jump and skipping rope games.

In addition, Bouwa Whee Catering offers a variety of healthy food options with every meal and employees have access to weight and cardio equipment at the mine's fitness centre. A gymnasium with a combined basketball/volleyball/ badminton court, a running/walking track, and two squash courts are available to all employees 24/7.

EMPLOYMENT REPORT

OVER HALF (53%) OF GAHCHO KUÉ'S NORTHERN EMPLOYEES AND CONTRACTORS IDENTIFIED AS INDIGENOUS, WHICH REPRESENTS 26% OF THE TOTAL WORKFORCE. THE NWT EMPLOYEES FLEW IN FROM 17 COMMUNITIES, REPRESENTING EVERY REGION IN THE NWT.

A welder with Paul Bros. NEXTreme, a Yellowknife-based contractor, repairs a bucket from one of the mine's excavators.

In Classification



TABLE 1: EMPLOYMENT BY HIRING PRIORITY, TO THE END OF 2019	

	2015	2016	2017	2018	2019	
PERSON-YEARS						
NWT Indigenous	47	70	119	135	151	
Other NWT Residents	94	102	117	131	133	
Subtotal NWT Residents	142	172	236	265	284	
Non-NWT	762	455	247	262	290	
GRAND TOTAL	903	628	483	527	574	
		Р	ercent of tota	L		
NWT Indigenous	5%	11%	25%	26%	26%	
Other NWT Residents	10%	16%	24%	25%	23%	
Subtotal NWT Residents	16%	27%	49%	50%	49%	
Non-NWT	84%	73%	51%	50%	51%	
GRAND 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.

	De Beers	Contractor	Total
	PERSON-YEARS		
NWT Indigenous	103	48	151
Other NWT Residents	92	41	133
Subtotal NWT Residents	195	89	284
Non-NWT Indigenous	26	4	30
Other Non-NWT Residents	200	60	260
Subtotal Non-NWT Residents	226	64	290
TOTAL	421	153	574
		PERCENT OF TOTAL	
NWT Indigenous	24%	31%	26%
Other NWT Residents	22%	27%	23%
Subtotal NWT Residents	46%	58%	49%
Non-NWT Indigenous	6%	3%	5%
Other Non-NWT Residents	47%	39%	45%
Subtotal NWT Residents	54%	42%	51%
TOTAL	100%	100%	100%

TABLE 2: 2019 EMPLOYMENT BY HIRING PRIORITY - DE BEERS AND CONTRACTORS

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.

The majority of people working at the Gahcho Kué Mine are on a 2-week rotation, meaning they are at the mine site for 14 days and are then away for 14 days. A fulltime equivalent job 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 FTE jobs.

	NWT Indigenous	Other NWT Residents	Subtotal NWT Residents	Non-NWT Residents	grand Total
		(PERSON-Y	(EARS)		
Management	2	6	9	5	13
Professional	0	4	4	14	18
Skilled	19	37	56	136	193
Subtotal	21	48	69	155	224
Semi-Skilled	87	66	153	130	283
Unskilled	42	20	62	5	67
Subtotal	129	86	215	135	351
TOTAL	151	133	284	290	574
	PERG	CENT OF TOTAL BY J	OB CLASSIFICATION		
Management	16%	48%	64%	36%	100%
Professional	0%	21%	21%	79%	100%
Skilled	10%	19%	29%	71%	100%
Subtotal	9%	21%	31%	69%	100%
Semi-Skilled	31%	23%	54%	46%	100%
Unskilled	63%	29%	92%	8%	100%
Subtotal	37%	25%	61%	39%	100%
TOTAL	26%	23%	49%	51%	100%
	PE	ERCENT OF TOTAL BY	' HIRING PRIORITY		
Management	1%	5%	3%	2%	2%
Professional	0%	3%	1%	5%	3%
Skilled	13%	28%	20%	47%	34%
Subtotal	14%	36%	24%	53%	39%
Semi-Skilled	58%	50%	54%	45%	49%
Unskilled	28%	15%	22%	2%	12%
Subtotal	86%	64%	76%	47%	61%
TOTAL	100%	100%	100%	100%	100%

TABLE 3(A): EMPLOYMENT BY HIRING PRIORITY AND JOB CLASSIFICATION, 2019

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.

Allison Baetz and Jarrett Vornbrock, environmental technicians at Gahcho Kué, are both from Yellowknife.

	NWT Indigenous	Non-NWT Indigenous	Total Indigenous	Other NWT Residents	Other Non-NWT Residents	GRAND TOTAL
		(PE	RSON-YEARS)			
Management	2.2	0.0	2.2	6.4	4.8	13.3
Professional	0.0	0.0	0.0	3.8	13.9	17.7
Skilled	19.0	9.2	28.2	37.4	127.0	192.6
Subtotal	21.2	9.2	30.4	47.5	145.6	223.6
Semi-Skilled	86.9	20.9	107.8	66.1	109.2	283.2
Unskilled	42.5	0.0	42.5	19.8	5.2	67.4
Subtotal	129.4	20.9	150.3	85.9	114.4	350.6
TOTAL	151	30	181	133	260	574
		PERCEN	t of total by J	OB CLASSIFICAT	ION	
Management	16%	0%	16%	48%	36%	100%
Professional	0%	0%	0%	21%	79%	100%
Skilled	10%	5%	15%	19%	66%	100%
Subtotal	9%	4%	14%	21%	65%	100%
Semi-Skilled	31%	7%	38%	23%	39%	100%
Unskilled	63%	0%	63%	29%	8%	100%
Subtotal	37%	6%	43%	25%	33%	100%
TOTAL	26%	5%	31%	23%	45%	100%
		PERCE	ENT OF TOTAL BY	Y HIRING PRIORI	ΓY	
Management	1%	0%	1%	5%	2%	2%
Professional	0%	0%	0%	3%	5%	3%
Skilled	13%	31%	16%	28%	49%	34%
Subtotal	14%	31%	17%	36%	56%	39%
Semi-Skilled	58%	69%	60%	50%	42%	49%
Unskilled	28%	0%	23%	15%	2%	12%
Subtotal	86%	69%	83%	64%	44%	61%
TOTAL	100%	100%	100%	100%	100%	100%

TABLE 3(B): EMPLOYMENT BY HIRING PRIORITY AND JOB CLASSIFICATION (NWT AND NON-NWT INDIGENOUS), 2019

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.

	Person Years	% of Total Employment	% of NWT Employment
Yellowknife	200.9	35.0%	70.7%
Hay River	28.5	5.0%	10.0%
Behchokờ	19.2	3.4%	6.8%
Łutselk'e	0.3	0.1%	0.1%
Whatì	1.2	0.2%	0.4%
Wekweètì	0.7	0.1%	0.2%
Fort Resolution	2.3	0.4%	0.8%
Fort Simpson	0.0	0.0%	0.0%
Fort Smith	13.8	2.4%	4.9%
Fort Good Hope	1.7	0.3%	0.6%
Fort McPherson	1.1	0.2%	0.4%
Fort Providence	1.2	0.2%	0.4%
Gamètì	1.7	0.3%	0.6%
Inuvik	3.5	0.6%	1.2%
Enterprise	0.9	0.2%	0.3%
Norman Wells	1.9	0.3%	0.7%
Délįnę	0.9	0.2%	0.3%
Jean Marie River	2.4	0.4%	0.9%
NWT Not Identified	1.7	0.3%	0.6%
TOTAL NWT	283.9	49.4%	n.a.
Non-NWT	290.2	50.5%	n.a.
TOTAL	574	49.4%	100%

TABLE 4: EMPLOYMENT BY NWT COMMUNITY

Note: figures may not add up due to rounding.

TABLE 5: EMPLOYMENT BY GENDER

	(PERSON-YEARS)	(PERCENT)
Men	475	83%
Women	99	17%
TOTAL	574	100%

TABLE 6: EMPLOYMENT BY JOB CLASSIFICATION FOR WOMEN

	(PERSON-YEARS)	(PERCENT)
Management	3	3%
Professional	1	1%
Skilled	14	14%
Subtotal	19	19%
Semi-Skilled	53	54%
Unskilled	27	28%
Subtotal	81	81%
GRAND TOTAL	99	100%

Note: figures may not add up due to rounding.

	De Beers	Contractor	Total
NWT Indigenous	15	15	29
Other NWT Residents	10	11	21
Subtotal NWT Residents	25	26	50
Non-NWT Resident	26	13	40
TOTAL	51	39	90

TABLE 7: NEW HIRES BY EMPLOYER, 2019

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

	(PERSON-YEARS)	(PERCENT)
Management	3	4%
Professional	3	4%
Skilled	32	36%
Subtotal	39	43%
Semi-Skilled	33	37%
Unskilled	18	20%
Subtotal	51	57%
GRAND TOTAL	90	100%

TABLE 8: NEW HIRES BY SKILL CATEGORY, 2019

Note: figures may not add up due to rounding.

COMMUNITIES

FUNDING FOR PROJECTS IN NWT COMMUNITIES REACHED \$581,000 IN 2019, BRINGING THE TOTAL TO \$2.4 MILLION SINCE THE START OF OPERATIONS.

The Yellowknives Dene First Nation Spring Carnival was one of the community events supported by funding from De Beers Group and Gahcho Kué Mine in 2019.



Two women who were residents of the Yellowknife Women's Centre shelter remove wall panelling during the demolition phase of the shelter renovation project. One of the women was hired on a full-time basis by Kasteel Construction, the Yellowknife company hired to undertake the renovation, jointly funded by the NWT Housing Corporation and De Beers Group.

652

i.



SOCIAL INVESTMENT PROGRAM

Community contributions funded important initiatives that will lead to improvements in health, wellness, culture and business. Here is a selection of community projects supported by Gahcho Kué during 2019.

- 1. Tree of Peace Friendship Centre Annual Talent Show (H&C)
- 2. Wood Buffalo Frolics Society Carnival (H&C)
- 3. Thebacha Dog Mushers Assoc. Dog Sled Event (H&C)
- 4. YKDFN Indigenous Cultural Gala, Spring Carnival (H&C)
- 5. Long John Jamboree Inspired Ice Title Sponsorship (H&C)
- 6. DKFN Territorial Dog Sledding Race (H&C)
- 7. Yamozha Kue Society Annual Youth Gathering (H&C)
- 8. Century 21 Annual Golf Tournament (Sport)
- 9. St. Patrick High School Dry Grad (E&T)

- 10. NWT/NU Chamber of Mines Career Booklet (E&T)
- 11. Alzheimer Society AB/NWT walk for Alzheimer's (Health)
- Northern Arts and Cultural Centre (NACC) Sponsorship for 19/20 Season (H&C)
- 13. Ruth Inch Memorial Pool Safety swim sponsorship (Safety)
- 14. Ryfan/Aldair Women's Charity Golf Tournament (Sport)
- 15. NWT Skills Canada Blue Collar Gala (E&T)

2019 CORPORATE SOCIAL INVESTMENT

Heritage & Culture	\$299,000
Education & Training	\$196,600
Sport	\$22,210
Health & Safety	\$63,530
TOTAL:	\$581,000

NOTE: The \$310,000 cash and in-kind contribution to the Yellowknife Women's Centre renovation is not included in this total because it was provided by the Anglo American Community Foundation.

YELLOWKNIFE WOMEN'S SHELTER RENOVATION

Through the collaborative efforts of De Beers Group, the Northwest Territories Housing Corporation (NWTHC) and the Yellowknife Women's Society, a new women's shelter was renovated and opened in late December. With the aim to create healthy, viable communities and to build sustainable development that will last well beyond the life of the mine, the project addressed the barriers facing long-term housing for women in need.

The renovation of the women's shelter began in August 2019 and successfully met the four-month work schedule, enabling clients to move back into the shelter just in time for Christmas.

The construction's new layout included 16 single-room occupancy bedrooms, a doctor's office, nurse's office and renovations to the kitchen and common areas. This allows for independent living while providing easy access to trauma and addiction treatment services. Electrical, mechanical, and plumbing systems were replaced or improved, and new energy and heating efficiencies were implemented. The building also received new fire detection, alarm and suppression systems, new appliances and furnishings including a larger oven, additional laundry machines and new large commercial style fridges and freezers.

With on-site access to health and social services, improvements to physical and mental wellbeing have increased. A stronger focus can now be placed on the individuals and addressing the needs that brought them to the shelter. The renovation allows women to rent rooms using income support, and help them build a rental and credit history. This is a significant step towards gaining financial independence, being able to rejoin society.

Through the combined efforts of the general contractor Kasteel Construction of Yellowknife, the Women's Society and the Women in Trades Partnership, two women were placed on the team as full-time employees during construction. Both women had previously lived in the women's shelter and received on-the-job training and experience to help with the renovation. One of the women was successfully able to secure her own housing before the renovation project was complete.

The Women's Shelter project was jointly funded by NWTHC, which contributed \$750,000 through its Community Housing Support Initiative, and \$250,000 from De Beers Group through the Anglo American Group Foundation. Gahcho Kué Mine provided in-kind project management expertise to oversee the renovation.





BOOKS IN HOMES 2019

The Books in Homes program was once again a great success in 2019 providing books free of charge to children attending schools in Behchokǫ, Whatì, Wekweètì, Gamèti, Dettah, Ndilo, Łutselk'e, Fort Resolution and for the first year, expanding to include Fort Smith. A record 7,000 books were delivered to 11 schools throughout the communities, enabling the students to build their own home libraries. Since the program began in 2003, De Beers has provided over 57,000 books to youth, as part of a commitment to improving literacy rates in the NWT.

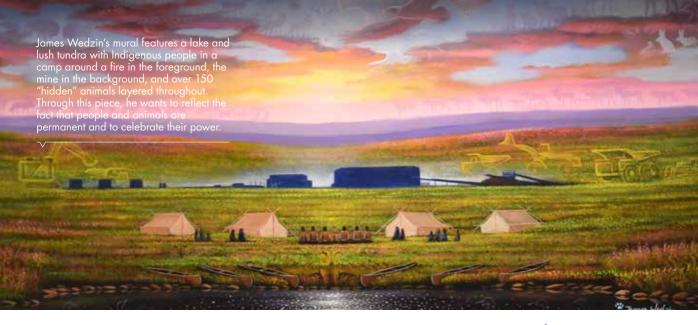


INSPIRED ICE CARVING CHAMPIONSHIP

De Beers committed \$150,000 over five years (2018 – 2022) in support of the De Beers Inspired Ice Carving Championship and the Long John Jamboree in Yellowknife, NWT. The \$30,000 annual sponsorship provides long-term financial stability that allows organizers to focus on putting together an event that attracts the world's top ice carvers.

One of the goals at De Beers is to make long-lasting contributions to the communities in which we live and work. The company is proud to support the Jamboree, which draws tourism attention to Yellowknife and celebrates the uniqueness and beauty that is life in the North. Applications for De Beers Inspired Ice Carving Championship come from across Canada and internationally.

The ice carving competition takes place during the Long John Jamboree at the end of March, a highlight of the winter calendar in Yellowknife.





"WE WANTED TO RECOGNIZE OUR CONNECTION TO LOCAL INDIGENOUS COMMUNITIES AND THE LAND AROUND THE MINE BY HAVING ORIGINAL WORKS OF ART CREATED."

Kelly Brenton Social Perfomance Manager

GAHCHO KUÉ MINE COMMISSIONS INDIGENOUS ARTISTS TO CREATE ORIGINAL WORKS OF ART

In 2019, two Indigenous artists from the NWT were commissioned by De Beers Group to paint original works of art to be displayed on the walls at Gahcho Kué Mine. Creations by well-known Tłįchǫ painter James Wedzin and up-andcoming Łutselk'e artist Michael Fatt provide reminders about the importance of the mine's coexistence with the natural world.

Wedzin and Fatt worked side-by-side over a weekend at the mine, encouraging, supporting and learning from each other.

<complex-block><complex-block>

AMBASSADORS FOR GOOD

Launched in 2019, the Ambassadors for Good (AFG) is a program offered through Anglo American which gives employees the ability to give back to their communities by participating in projects or assisting charities they hold close to their hearts.

In Yellowknife, the AFG invested \$9,000 each to two projects selected for the 2019 program – the Rainbow Coalition of Yellowknife's (RCYK) Pride Barbeque, and the repair and redesign of an accessible garden for the NWT Disabilities Council.

Pride Barbeque

In August, Ambassadors from Gahcho Kué Mine hosted a barbeque as part of the Pride activities to celebrate the LGBTQ2S+ community in Yellowknife. The plan was to expand the single event celebrations from a parade to a larger festival with several events taking place around town over an entire week.

The AFG committee coordinated tables and canopies, food supplies, recycling and compost disposal areas as well as staffed the tent with a dozen Gahcho Kué Mine volunteers who cooked and served over 500 festival participants.

Disabilities Council Garden

A team from De Beers' AFG program will redesign the existing garden to become more inclusive to those of all disabilities and will expand it to increase access for gardeners with mobility restrictions. New signage will be created and a celebration barbeque will be hosted by De Beers Group volunteers on opening day.

The project also provides the opportunity for students to obtain community service hours through volunteerism, and continues to provide employment opportunities to youth with disabilities. The building materials have been purchased, cut and brought to the garden shed. Due to a number of factors, including weather conditions, the construction is expected to take place during 2020.



Gahcho Kué Mine volunteers, Erin MacPhail and Justin Fabella, serve up hot dogs during a barbecue hosted during the Rainbow Coalition Pride event in Yellowknife. The barbecue was the first employee-led project in Canada held under De Beers Group's Ambassadors for Good program.

DE BEERS GAON

(DB

GOOD

Close to 30 Gahcho Kué Mine employees participated in a midnight run on the mine airstrip in June 2019, one of the various employee activities held during the year.

YOUR VOICE

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

This is an independently managed program.

Concerns can be raised about, but are not limited to, the following:

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

All complaints made in good faith will be fully investigated and the outcomes reported back. People can raise complaints anonymously using enhanced technology to protect personal information.

CONTACT INFORMATION

www.yourvoice.debeersgroup.com

Telephone: 1-855-303-7713

OUR 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.

Coordinator Keith McNeill, centre, presents the championship trophy to the brother team of Ross Baisas of Montreal and Tony Baisas of Ottawa. Taking part in the presentation are Allan Rodel, left, former General Manager of Gahcho Kué Mine, and Ken Diederich, lead judge and executive director of the National Ice Carving Association, right. De Beers Group Inspired Ice International Ice Carving Championship provided \$41,000 to the Long John Jamboree in 2019, including a previously-committed \$30,000 and an additional \$11,000 to help pay off debt incurred the previous year.

0

DE BEERS GROUP SUITE 300, 5120 49 STREET YELLOWKNIFE NT X1A 1P8

www.debeersgroup.com/canada @debeerscanada #buildingforever