

Mountain Province Diamonds

Guiding Principles for Sustainable Development



Natural, luxury diamonds sourced from arctic Canada.

Creating lasting value for our investors and local communities while delivering remarkable diamonds to our clientele around the world.

Foreword

Mountain Province Diamonds (MPVD) operates in some of the most unique places on Earth. Our projects are enveloped by open skies on a vast expanse of arctic tundra, rich with vibrant and resilient indigenous cultures.

We are proud of the relationships that we have developed with local communities and we are committed to working together to find the right balance between socioeconomic and environmental impacts. Transparency and collaboration are fundamental principles that guide our business, including our conversations with local communities, technical experts, and regulatory authorities.

MPVD is committed to limiting the negative impacts of its operations on the land, vegetation, water, wildlife, and well-being of the people whose ancestors have depended on the tundra ecosystem for many generations. We seek input from local community members, community leadership, and indigenous governments on project design and environmental management and monitoring programs across the entire lifecycle of our projects, from exploration to closure.

MPVD is also committed to leaving a lasting, positive legacy where we operate. We work with local communities to understand how the benefits of our projects can best support well-being through employment opportunities, local procurement, royalties, and charitable contributions to support social and cultural programs.

These commitments are codified in MPVD's Guiding Principles for Sustainable Development, which provides the framework for how we do business across all of our operations.

We believe there is always a way to do better and are committed to continuous improvement over time.

We welcome your feedback. Please reach out at any time.



April Hayward, Ph.D.
Vice President Kennedy North Project Sustainable Development
Kennedy Diamonds Inc.
a.hayward@mountainprovince.com

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Abbreviations

Abbreviation	Definition
De Beers	De Beers Group
GNWT	Government of the Northwest Territories
JV	Joint Venture
MPVD	Mountain Province Diamonds Inc.
MVLWB	Mackenzie Valley Land and Water Board

Mission, Vision, Values

Mission

To provide remarkable diamonds of esteemed provenance to select clientele around the world.

Vision

To generate long-term value for our business, our diamonds, and our local communities.

Values

Lasting Value

MPVD believes that the creation of value for our investors, clients, and local communities includes benefits that outlast the lifespan of a project. MPVD is committed to leaving a lasting, positive legacy wherever it operates through investment in its workforce and local communities.

Collaboration

MPVD values collaboration with members of local communities, technical experts, and regulatory authorities. We respect the people whose ancestors have lived on the land for many generations and seek to work together to find the right balance between socioeconomic and environmental impacts to ensure that MPVD's projects create long-lasting benefits for generations to come.

Diversity

MPVD understands that the inclusion of diverse people across our organisation fosters ingenuity and builds strength and resilience into our projects. MPVD is committed to diversity across all levels of our organisation and inclusion of diverse voices in decision-making processes.

Transparency

MPVD understands that transparency is the requisite foundation for inclusive collaboration aimed at producing long-lasting benefits. MPVD is committed to making information that is required for informed decision-making available to local communities, technical experts, regulators, our clients, and our investors.

Health and Safety

MPVD values the health and wellbeing of people and local wildlife. MPVD is committed to prioritising the health and safety of people and wildlife over the entire lifespan of its projects, from exploration through closure.

Continuous Improvement

MPVD believes there is always a way to do better and is committed to improving performance across all of our core values over time. Continuous improvement is buoyed by collaboration and through the inclusion of diverse perspectives.

Application

MPVD's Guiding Principles for Sustainable Development apply to all of MPVD's operations.

Environment

MPVD values the ecosystems in which we operate and respects the people who depend on them. We work collaboratively with local communities, technical experts, and regulatory authorities to ensure the long-term health of the land, air, water, and wildlife in and around our projects.

MPVD's Vice President Kennedy North Project Sustainable Development is responsible for Environmental Stewardship strategy and performance across all of MPVD's operations.

Minimizing our Footprint on the Landscape

MPVD is committed to minimizing the footprint of its operations. We recognize that the land supports vegetation, wildlife, and the well-being of local indigenous communities. We work with communities, regulatory bodies, and technical experts at the project design stage to minimize the amount of area required to support our operations and to reduce the potential impact on the flora, fauna, and communities that it supports.

Protected and Sensitive Areas

MPVD works with local communities and regulatory authorities to ensure our operations avoid protected areas, including environmentally or culturally sensitive areas identified by local communities. Ongoing engagement with local communities informs project design early in the project planning process to avoid sensitive areas.

Water Stewardship

MPVD is committed to protecting water sources in the areas in which it operates. MPVD takes measures to reduce freshwater requirements and to recycle water that is used in its operations wherever possible. Freshwater usage is reported on an annual basis in the Annual Water Licence Reports that are issued for each of MPVD's operations. These reports are available on the Mackenzie Valley Land and Water Board (MVLWB)'s public registry¹ and MPVD's corporate website.

MPVD and its operating partner at the Gahcho Kué mine also work with local communities and regulatory agencies to protect aquatic ecosystems from the potential effects of mining operations and exploration activities. This includes taking precautions that limit the potential effects of mining and exploration activities on aquatic ecosystems and monitoring aquatic ecosystem components (e.g., water quality, water quantity, fish, fish habitat, etc.) for potential effects. Mitigation measures that are aimed at reducing or eliminating aquatic effects are outlined along with corresponding monitoring programs in MPVD's licences, permits, and environmental management plans. The results of monitoring programs are reported publicly on an annual basis. Licences, permits, and reports are available on the MVLWB's public registry.¹

MPVD's Vice President Kennedy North Project Sustainable Development is responsible for MPVD's water stewardship strategy and performance.

¹ <https://mvlwb.com/registry>

Closure and Reclamation

MPVD works closely with local communities, technical experts, and regulatory agencies to plan for closure. Planning for closure begins with project design and MPVD and its partners aim to progressively reclaim disturbed areas during operations whenever feasible. Closure and Reclamation Plans for the Kennady North Project and the Gahcho Kué mine are available on the MVLWB's public registry¹ and our corporate website.

Closure and Reclamation Plans are reviewed on a regular basis to ensure they reflect current data and information. The plans are updated to reflect progress that has been made toward progressive reclamation, the results of studies that have been undertaken to advance closure planning or progressive reclamation, and feedback from local communities. Revisions to Closure and Reclamation Plans are publicly reviewed and feedback is incorporated into the revised plans.

Social

MPVD believes that the benefits of our operations should outlast the lifespan of our projects. We respect the people whose ancestors have lived on the land for many generations and seek to work together to find the right balance between socioeconomic and environmental impacts to ensure that our projects create long-lasting benefits for generations to come.

MPVD is committed to ensuring that the socioeconomic benefits of the project are shared locally. We prioritise local purchasing and invest in community development programs through our philanthropic programs.

Mountain Province Diamonds understands that the inclusion of diverse people across our organisation fosters ingenuity and builds strength and resilience into our projects. We invest in the people who have chosen to work with us and we work together to ensure everyone goes home safe and healthy at the end of the day.

Free and Informed Consent

MPVD is aligned with the United Nations Declaration on the Rights of Indigenous Peoples. We are committed to ensuring our local communities have provided Free, Informed, Prior Consent for MPVD activities that may affect their well-being.

Formal frameworks for community engagement are provided in the community- and regulatory authority-approved Engagement Plans Kennady North Project and Gahcho Kué mine. The Engagement Plans include an engagement log, which detail engagement activities. Engagement logs outline concerns that have been raised and how they have been addressed. Engagement Plans are available on the Mackenzie Valley Land and Water Board's Public Registry¹ and our corporate website.

Local Purchasing & Indigenous-owned Businesses

Local purchasing is prioritised at the Gahcho Kué mine and Kennady North project, with indigenous-owned businesses receiving the highest priority in procurement decisions. Local purchasing targets have been set in the Gahcho Kué Socioeconomic Agreement; actual procurement from local and indigenous-owned businesses is tracked as a % of total procurement and presented in the annual Socio-economic Report for the Gahcho Kué mine. The Government of the Northwest Territories (GNWT) also tracks socioeconomic impacts of the mining industry in the Northwest Territories, with outcomes presented in the GNWT's Annual Socioeconomic Agreement Report.²

² <https://www.iti.gov.nt.ca/en/newsroom/2020-socio-economic-agreement-report-numbers>

Workforce Diversity

MPVD understands the value of including diverse voices in our workforce. We aim to employ a workforce that reflects the communities in which we operate and foster inclusion and participation across all levels of organisation.

Local & Indigenous Representation

Local and indigenous hiring are prioritised at the Gahcho Kué mine and Kennady North Project, with indigenous people receiving the highest priority in hiring decisions. Local and indigenous hiring targets have been set in the Gahcho Kué mine Socioeconomic Agreement; actual employment statistics are tracked as a % of total employees and full-time contractors and presented in the annual Socioeconomic Report for the Gahcho Kué mine. The GNWT also tracks employment statistics for the mining industry in the Northwest Territories, with outcomes presented in the GNWT's Annual Socioeconomic Agreement Report.²

MPVD works with local communities to increase indigenous representation in its workforce. Job opportunities for seasonal work at the Kennady North Project are discussed with local communities in advance of project activities and community members are prioritized for hiring whenever possible.

Women and other Underrepresented Groups

MPVD is striving toward gender parity. Our relatively small senior leadership team and Board of Directors includes a diverse array of voices from typically underrepresented groups including women, persons of colour, persons with disabilities, and members of the LGBTQ+ community.

Philanthropy

MPVD and its operating partners invest in community development programs through our charitable giving programs, providing direct financial and in-kind support for culture and heritage, sport, community development, education, training, and health programs. Recipient programs are identified and selected in collaboration with communities and recognise the diversity of the communities with whom we share the land.

Donations to community development programs through our JV partnership are summarised in the annual Socioeconomic Report for the Gahcho Kué mine. MPVD also provides charitable contributions independently through its Community Contribution Program.

Health & Safety

Above all else, MPVD is committed to prioritising health and safety across the lifespan of our projects. We work together with our workforce to cultivate a culture of workplace safety. We strive to empower individual workers with the policies, practices, tools, training, information, and authority they require to perform their work safely. One of our key focuses is sharing knowledge, information, and lessons learned from safety incidents and near misses among workers at all levels of our organisation to ensure that our safety practices are ever-improving.

MPVD is committed to a target of zero lost time injuries across all of its operations.

MPVD's CEO and President is responsible for health and safety strategy and performance.

Governance

Ethics

All employees and contractors are expected to adhere to MPVD's Business Conduct Policy. All employees receive training on MPVD's Business Conduct Policy.

Human Rights

All of MPVD's operations are conducted in accordance with the United Nations' Universal Declaration on Human Rights. All employees receive training on the protection of human rights.

MPVD has a zero tolerance policy on the use of child or forced labour in any of its operations. This policy applies across MPVD's supply chain and contractors.

MPVD supports the rights of its employees to freedom of association.

Conflict-Free Diamonds

MPVD complies with Kimberly Process.³ Our diamonds are certified as "conflict free" under the Kimberley Process Certification Scheme.

Harassment and Violence

MPVD is committed to creating a safe work environment, free of harassment and violence. All employees and contractors are expected to comply with MPVD's Business Conduct Policy. All employees receive training on MPVD's Business Conduct Policy.

Whistle-blower Policy

All directors, officers, employees, and consultants are encouraged to promptly report either orally or in writing to the CEO, all evidence of activity by a director, officer, employee, or consultant that may constitute questionable accounting practices, inadequate internal accounting controls, the misleading or coercion of auditors, disclosure of fraudulent or misleading financial information, or instances of corporate fraud. Further details, including reporting procedures, are outlined in MPVD's Whistleblower Policy.

³ <https://www.kimberleyprocess.com>