

Mining Association of Canada
Towards Sustainable Mining

20th Meeting of the
Community of Interest Advisory Panel
SUMMARY REPORT

October 16-18, 2013
Sudbury, ON

Towards Sustainable Mining
Vers le développement minier durable



Prepared by:

Stratos Inc.

1404-1 Nicholas Street
Ottawa, Ontario

K1N 7B7

tel: 613 241 1001

fax: 613 241 4758

www.stratos-sts.com





100% Post-consumer content
Acid-free

TABLE OF CONTENTS

1	INTRODUCTION.....	1
2	SUMMARY OF ACTION ITEMS	1
3	BACKGROUND.....	2
4	SUDBURY MINE TOUR: GLENCORE’S NICKEL RIM SOUTH MINE	3
5	APPROVAL OF THE MARCH 2013 MEETING REPORT.....	4
6	POST-VERIFICATION REVIEWS: VALE AND TECK.....	4
7	MEETING WITH SUDBURY’S COMMUNITIES OF INTEREST	6
8	TSM UPDATE	10
9	2014 COI PANEL AGENDA SETTING	14
10	FUTURE PANEL MEETINGS.....	15
11	MEETING EVALUATION	15
	APPENDIX A: LIST OF PARTICIPANTS.....	18

1 Introduction

The Mining Association of Canada's (MAC) Community of Interest (COI) Advisory Panel ("the Panel") met for on October 16-18, 2013 in Sudbury, Ontario. The Panel, established in 2004, monitors the Towards Sustainable Mining (TSM) program's progress and serves as an external source of knowledge and experience.¹ Its mandate is to:

- Help MAC members and communities of interest improve the industry's performance
- Foster dialogue between the industry and its communities of interest
- Help achieve the goals of TSM

This report presents a summary of discussions at the October 2013 Panel meeting, including decisions on the work of the Panel and recommendations to MAC. For more information on the Post-Verification Review results, please see the 2013 Post-Verification Review Report, under separate cover.

Any dissenting views have been identified and recorded. Meeting presentations are appended to this report; content contained in meeting presentations is not duplicated in the body of this report.

2 Summary of Action Items

Below is a summary of action items arising from the past two COI Panel meetings. Action items are reported until complete.

ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS
#5 March-12	Ensure new MAC TSM communications materials are designed in such a way as to engage with non-MAC members in regional hot spots and to support these companies in improving their environmental and social performance.	Section 2 (March 2012)	MAC	2012	In progress (Ongoing)
#5 March-13	Organize webinar on the impact of regulatory changes (specifically to CEAA) on the mining industry.	Section 5.1 (March 2013)	MAC	Fall 2013 / Winter 2014	Complete
#1 October-13	Confirm with Board and all COI Panel members about extending the March 2014 meeting to 1.5 days.	Section 9 (Oct. 2013)	MAC/Stratos	Fall 2013	Complete (Keep to 1 day meeting)

¹ For more information on MAC's COI Panel, visit: <http://www.mining.ca/site/index.php/en/towards-sustainable-mining/community-of-interest-advisory-panel.html>

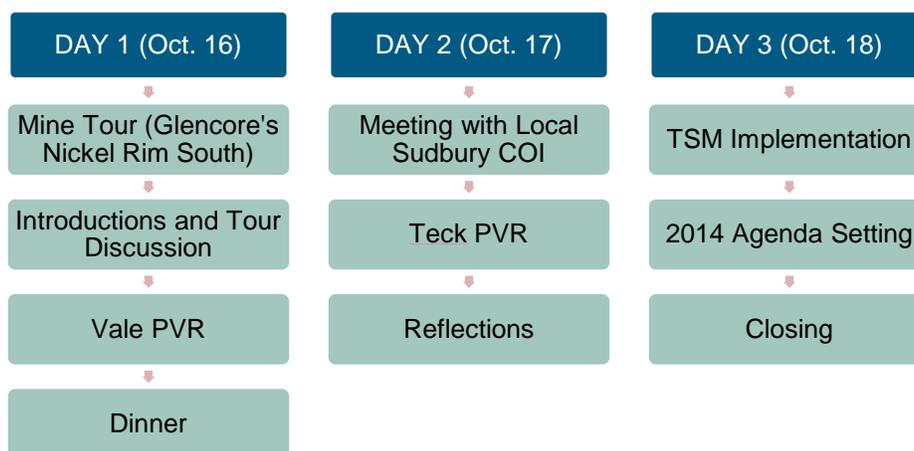
3 Background

3.1 Agenda Design

Based on the Panel's feedback from previous Panel meetings, there was a concerted effort to allow more time for dialogue during the face-to-face meetings. With this in mind, the October meeting design included:

- ✓ An extra half day (Fall Panel meetings were generally 2 days, not 2.5 days)
- ✓ Fewer agenda items during the meeting
- ✓ Addition of a webinar prior to the meeting to have the companies undergoing the Post-Verification Review (PVR) share their information before the meeting

The agenda for the October meeting included the following sessions:



3.2 Changes to the Panel

There were several changes to the Panel since the March 2013 meeting.

Panel members who have stepped down	New Panel members
Expert category <ul style="list-style-type: none"> • Mark Podlasly (Brookmere Management Group) Alternate - International development <ul style="list-style-type: none"> • Luc Zandvliet (Triple R Alliance Inc.) Industry: <ul style="list-style-type: none"> • Anne Marie Toutant (Suncor Energy Inc.) • Craig Ford (former Inmet Mining Corporation) • Ian Pearce (former Xstrata Nickel) 	Labour/workplace core category: <ul style="list-style-type: none"> • Doug Olthuis (United Steelworkers) Industry: <ul style="list-style-type: none"> • Peter Read (Syncrude) • Leanne Hall (Noront Resources) • Mark Travers (Vale) • Glen Koropchuk (De Beers)

In addition to the Panel members, several observers attended the October meeting. From industry, Shirley Neault (Hudbay Minerals Inc.) attended as the current Chair of the TSM Initiative Leaders and

several industry representatives from Vale, Teck, and Glencore attended various sessions throughout the 3-day meeting. In addition, a three person delegation from Finland attended Day 2 and Day 3 of the meeting to learn more about the TSM program. Panel members Chief Earl Klein, Stephen Kibsey, Leanne Hall and Glen Koropchuk were unable to attend the October meeting.

A list of all attendees are provided in the Appendix.

4 Sudbury Mine Tour: Glencore's Nickel Rim South Mine

Incorporating a site tour into the Fall Panel meeting was started three years ago. In 2011, the Panel visited Kimberly, B.C., site of the former Sullivan Mine, as well as Teck Coal Ltd.'s Elkview Mine. In 2012, the Panel met in Fort McMurray and visited oil sands operations with Suncor and Syncrude as well as the community of Fort Mackay. This year, the Panel had the opportunity to visit Glencore's Nickel Rim South Mine in Sudbury, Ontario.

The Nickel Rim South tour included a welcome presentation by Peter Xavier, the Nickel Rim South Director; an underground tour – bringing all of the Panel members 1400 metres underground; a surface tour; a presentation on sustainable development at Nickel Rim South; and a final Q&A with the Panel.

The Panel provided feedback on the mine tour during the round of introductions at the Wahnapiitae Centre of Excellence in the afternoon.

The Panel's feedback addressed the following themes:

- *Design*
 - Overall, Panel members were impressed with the mine tour stating it was well designed and well thought through from a people/material flow point of view (i.e. flow of activities that miners go through from when they enter the building to start their shift to when they go underground to when they leave the mine). One noted that it was clear that sustainability was incorporated into the design from the beginning.
- *Footprint*
 - Several members commented that they were surprised by the mine's small footprint. One member noted that this should be the norm – all mines should strive to have as small a footprint as possible, however, this is not always possible for remote mines as storage becomes an issue.
- *"State of the art" operations*
 - The Panel was told that the mine received an unprecedented five-star certification for their underground maintenance shop from Caterpillar. Such a certification has never been awarded to an underground shop before and there was some question as to whether such a standard could be met in an underground environment. All participants were impressed by the level of cleanliness and housekeeping in the mine. As one Panel member explained "I didn't get dirty until I came above ground".
- *Energy use*
 - The Panel was impressed with the new Ventilation on Demand (VOD) system, which has the ability to direct ventilation air in the underground mine to the area that requires it, at the quantity needed for the local activities at that time. VOD reduces the mine's energy considerably.

- *Workplace culture*
 - The mine's safety culture and pride left an impression on many Panel members. Changing ingrained practices is difficult and it was evident that senior management did a good job in shifting the culture to one that is focused on a safe and rewarding workplace.
- *Community relations*
 - The Panel was generally impressed with how Glencore manages community outreach and relations and commented on how it seemed more transparent and open than in years' past.
- *Questions about other operations*
 - Considering how positive the experience was at Nickel Rim South, some Panel members questioned whether all of Glencore's operations had the same culture and if there was an element to the story that was missing. Some mentioned that they would have liked to see the smelter. A representative from Glencore responded that while not all of the operations are as new as Nickel Rim South, they embody similar cultures.
- *Lessons learned*
 - Considering Sudbury's past, several Panel members commented that it was clear that lessons from the past had been learned. One Panel member wondered whether these lessons could be shared more broadly with other companies and government regulators.

5 Approval of the March 2013 Meeting Report

After the tour, the panel was transported to the Wahnapiatae First Nation Centre of Excellence for the remainder of the day.

The Panel reviewed the Action Items and approved the March 2013 Meeting Report. They agreed that a webinar on the impact of the regulatory changes (related to CEAA but also inclusive of other important regulations such as the *Metal Mining Effluent Regulations*, the *Fisheries Act*, would be appreciated. MAC agreed to organize the webinar in advance of the March 2013 meeting.

6 Post-Verification Reviews: Vale and Teck

At the March 2013 COI Panel meeting, the Panel selected Teck and Vale from the list of companies verifying their 2012 TSM results to undergo post-verification review (PVR) in 2013. Vale presented their PVR results on the afternoon of day 1 at the Wahnapiatae First Nation Centre of Excellence, and Teck presented their results on the afternoon of day 2 at the Living with Lakes Centre in Sudbury. The results of the post-verification review are provided in a separate report that will be sent to Panel members and posted on the MAC TSM website. However, a review of the process and highlights of the PVR sessions are included in this report.

The TSM verification system is based on a layered approach, and includes four elements:

1. Company self-assessments
2. Verification of company self-assessments by an external verifier

3. Letter of assurance from a CEO or authorized officer confirming the verified results, and
4. Annual post-verification review of two or three member companies' performance by the COI Advisory Panel.

As agreed by the COI Panel at the March 2007 meeting, the purpose of the post-verification review is to lend public credibility to the TSM results by:

- ✓ Improving TSM (including the verification process);
- ✓ Identifying best practices and deficiencies;
- ✓ Bringing cohesiveness in the application of the self-assessment and verification processes; and
- ✓ Driving continued performance improvements by identifying both opportunities and impediments to reaching the highest level of performance.

Upon consulting with the PVR Working Group, a few changes were made to the PVR process this year. First, companies were asked to present their materials via webinar two weeks prior to the meeting for the Panel. The purpose of the webinar was to free up time for dialogue with the PVR companies during the face-to-face meeting as well as give the Panel some time to reflect on the material. Secondly, the design of the PVR session with the companies shifted from a presentation and Q&A style to a more focused discussion based on the following topics:

1. TSM performance
2. Discussion on key sustainability issues of interest to the Panel
 - a. Energy & GHG emissions
 - b. Biodiversity
 - c. Community Development
3. Value of TSM to the company

An issue that arose during the preparations for the PVR process, was that Teck had made a decision not to undertake the facility-level TSM reporting on the two new protocols: the biodiversity conservation management and safety and health TSM protocols for 2012. This raised a number of questions for the PVR working group and the Panel as a whole, and led to a substantive discussion on the "Value of TSM" during both the Vale and Teck PVR sessions.

Highlights of the PVRs for both Vale and Teck are included below:

- *Challenges with the current global mining market conditions*
 - Mining companies are facing intense cost pressures and poor market conditions. Companies do not want to lose focus of their sustainability goals but it is a challenging time to be operating in the mineral sector.
- *Government's role in supporting sustainability*
 - The provincial and federal governments have a role to play in supporting energy and climate change by investing in infrastructure and developing supportive policy and regulations. This would help industry make informed investment decisions and have more regulatory certainty.
- *Understanding sustainability at the site-specific level*
 - The mining industry is best understood from a site-specific perspective – particularly for hard to define issues such as biodiversity and energy use. The PVR process

- helps to ground the Panel's understanding of the industry and provide context on geographical, temporal and cultural factors.
- *Sharing lessons learned and building knowledge*
 - There are several opportunities to share best practices and lessons learned through case studies.
 - Additional research and discussions could also be spent on analyzing the Panel's site visit experiences over the last three years as they have important common elements (e.g., sophisticated mining operations, support substantial human settlements, etc.)
 - *Value of TSM*
 - TSM exists to raise the bar and the program has driven companies to improve performance and be more disciplined in how they manage key sustainability issues. However, there are challenges with the program. From a corporate perspective, these may include: the rigidity of the program, interpretations of the protocols at the verification stage, and reporting requirements. From a community of interest perspective, the value of process-related performance is different from outcome-based performance and questions remain about how effective TSM is at addressing these concerns at the community level.
 - Part of the value of TSM comes from its value to the industry as a collective. Having TSM as an industry-wide standard is important for raising the bar for everyone. TSM helps companies hold each other accountable. TSM also provides value at the community level as it provides basis for looking at company performance at a facility level.
 - *What's next for TSM*
 - TSM needs to continue to evolve and be flexible to remain valuable. While the management system approach is still the foundation of TSM, companies who are succeeding at this level are placing greater emphasis and focus on embedding sustainability within the corporate culture and leadership practices.
 - One participated suggested that moving forward, MAC may wish to consider how to further encourage and enable companies to embed sustainability into their leadership practices and corporate culture.

7 Meeting with Sudbury's Communities of Interest

On the morning of Day 2, the COI Panel met with local Sudbury communities of interest at the Vale Living with Lakes Centre.

The invited guests included:

1. Mayor Marianne Matichuk, City of Greater Sudbury
2. Steven Monet, City of Greater Sudbury
3. Chair David Boyce* & Debbi Nicholson, Greater Sudbury Chamber of Commerce
4. John Gunn, Living With Lakes
5. Chief Steve Miller* and Christian Naponse, Atikameksheng Anishnawbek (formerly Whitefish Lake First Nation)
6. Michelle Toulouse*, Sagamok First Nation
7. Peter Recollet* & Cheryl Recollet, Wahnapiatae First Nation
8. Joanne Renzoni, Copper Cliff Community Action Network
9. JoAnne McNamara*, Falconbridge Citizens Committee

Those marked with an asterisk (*) were not able to attend.

Each guest was invited to share their perspectives on the mining industry in Sudbury, specifically, issues that matter most to them and their thoughts on the mining industry's role in the long-term vision for the community. This was followed by a plenary discussion with the Panel.

Summaries of the local COI presentations are included below:

Mayor Marianne Matichuk

Greater Sudbury

Her Worship started the morning with an introduction to Sudbury: one of the world's largest mining complexes nested within a large community. By necessity, Sudbury has developed a sustainable mining approach that has become the gold standard. The city was even honoured by the United Nations for its community-based environmental reclamation strategies. Developing successful partnerships has been essential for Sudbury. Not only has the municipality built strong relationships with the mining companies in the area, it is now also developing partnerships with mining regions around the world as well as other companies who are looking to Sudbury for best practices on mining and restoration.

Stephen Monet, Manager – Environmental Planning Initiatives

Greater Sudbury

Before coming to Sudbury in 2002, Stephen had no experience with the mining industry. It became clear through his involvement with initiatives such as the Sudbury Soil Study, the City's Regreening Program, and the Biodiversity Action Plan for Greater Sudbury that the companies were "stepping up the plate and doing the right thing". There has been a willingness of the mining companies to create partnerships and be actively engaged in the city's regreening efforts.

Debbi Nicholson, President & CEO

Greater Sudbury Chamber of Commerce

Mining is of great significance and importance to the community – twenty-times more important economically than for the average city in Ontario. With technological innovation, jobs have declined – from ~20,000 jobs to ~5,000 jobs in the last twenty years. Although Sudbury has developed into a world class mining centre, it is a high risk industry in a tough global environment where cost escalation and market fluctuations can seriously impact the local economy. Sudbury is no longer the "moonscape" it once was, yet Sudbury still suffers from an image problem. Looking forward, the city hopes to reap benefits from the Ring of Fire development in Ontario's North and the city will have to grapple with its aging population and maintaining its skilled workforce.

Dr. John Gunn, Founding Director

Vale Living with Lakes Centre

Mining is an energy and water intensive industry. As the world population is expected to increase to over 10 billion people in the near future, there is a need to cap energy use and let the markets decide. Ecosystem services need to be the new concept for mining. It is not just about reducing the mine footprint anymore, the focus should be on ensuring the productive capacity of the land is returned – the production of healthy soil, carbon sequestration, water systems, etc. If we think of pollution as waste with a cost associated with it, more money will be invested in modernization and the pollution problem will be better managed. John also mentioned that Laurentian University is proud to now offer Massive

Open Online Courses (MOOCs) on mining restoration, complete with documentary quality films, social media and case studies.

**Christian Naponse, Consultation Coordinator & Development Officer
Atikameksheng Anishnawbek First Nation**

The Atikameksheng Anishnawbek First Nation has several partnerships with mining companies and now renewable energy companies too. This was not always the case. The towns were built around the mines and First Nations were not involved. While Christian made it clear that it is no one's fault at this point, they are glad that times have changed and they are now involved in the process. Education is of utmost importance to their community. It is essential to understand the impacts of mining, not only now, but seven generations from now. She noted how important it is that mining companies and First Nations continue to sit down at the table together and be respectful of each other's opinions. Capacity is a major challenge. While there may be several people working within the mining company, there is only one person in her office working on environmental issues – her.

**Cheryl Recollet, Environmental Coordinator
Wahnapitae First Nation**

The Wahnapitae First Nation has a good relationship with the mining industry. Sharing knowledge is important as it has taken the small community a long time to fully understand the extent of the agreements made. Similar to Christian's point, having the capacity and skills to handle the consultation requests is an ongoing struggle. Oftentimes, mining companies support them through this process and in doing so, they have built stronger relationships. In addition, mining companies have also helped them with their own environmental initiatives. Transferring knowledge to the younger generations is a priority.

**Joanne Renzoni
Copper Cliff Community Action Network**

There are 12 wards in Sudbury and each one has a community action network that works to improve the community. In the past, Sudbury's air pollution was so bad that other communities used the reference "Sudbury units" to measure air quality. While this has fortunately changed and Copper Cliff is a pleasant town to live in, there are still issues in living in a mining town with a smelter, a refinery, tailings pond and a slag dump close by. Mine blasts and train noise are frequent – however, the mining companies have worked hard to mitigate these issues. Joanne shared examples of how the mining companies have invested in their community and how the companies engage with them regularly through activities such as: annual open houses, a liaison group that meets once a month with the community, and a 24/7 community hotline.

Key discussions from the Panel and the guests include:

- *Labour voice*
 - One Panel member noted, and several agreed, that the labour perspective was missing from the local COI meeting – especially since there was a major year-long strike between the United Steelworkers and Vale that ended in July 2010. MAC and the local industry hosts agreed and apologized for the oversight.
- *Shifting social consciousness*
 - Sustainability includes social issues such as income distribution, inequality, unemployment and poverty. As automation and technology improves, a few Panel members wondered how to grapple with what the mining industry's role is in

capturing productivity and distributing in a way that improves social sustainability as employment in the industry decreases. One Panel member cautioned that hiring only a few people within a small remote community can cause strife within the community. From an international perspective, mining companies need to ensure that they are protecting human rights.

- *Gaining trust and building capacity of civil society*
 - A strong and capable civil society that challenges industry is beneficial for everyone. It was clear in the presentations that First Nation communities, while happy to be involved, are struggling to keep up with the consultations. Several Panel members and industry members commented that the large binders that are required by the regulatory authorities are alienating documents that serve few people. This challenge is exacerbated when dealing with communities who work through other modes of communication such as oral communication. While it was agreed that this was a major issue, it represents a much larger issue about how the regulatory environment has evolved and how that is affecting the relationships with communities' capacity to deal with resource development. One of the First Nation's community representatives noted that as long as the information is provided in advance, chapter by chapter, it is easier to digest and trust is built with the company. To be given 40 days to review a binder is unfair, as pointed out by one First Nation representative, as much of the work must be outsourced and the information is only available in paper copy. Developing strong relationships at the onset of resource development helps to build trust. This is an issue with junior mining companies who do not have the resources for proper consultation – which inevitably leads to lack of trust and challenges in the development process. One Panel member noted that TSM helps to systematize values such as trust, and in doing so, helps build accountability into companies' practices.
- *Tourism in a mining town*
 - Sudbury still suffers from an image problem. It is often still known as the "moonscape" – a nickname from years of environmental degradation from the mining industry. Although the city has been working on this issue for years through major restoration efforts, education and networking, it takes years to change an image. Being a "mining town" can be beneficial for tourism though. Sudbury has proven this by building attractions such as the iconic "Big Nickel", and interactive science museums such as Science North and Dynamic Earth. One Panel member added that his town in B.C has also managed to balance both eco-tourism and resource development by engaging with all stakeholders openly and working with all three pillars of sustainability (economic, social and environmental) simultaneously.
- *Sharing lessons learned – across the supply chain, domestically and internationally*
 - While there are several "good news stories" now in Sudbury, this was not always the case, from an environmental and social perspective. It was not until there was a crisis (being tagged the moonscape) that community leaders got together to find solutions and begin to shift the culture. Several Panel members agreed that there are lessons to be learned and shared broadly across the supply chain, domestically and internationally. From a supply chain point of view, several Panel members commented on the need for major mining operators to share their experiences and influence the junior companies to improve their performance. From a domestic standpoint, one industry member noted that other mining centres in Canada have a lot to learn from Sudbury, but the image issue remains an obstacle. From an

international perspective, Canada has a lot of knowledge to share with developing countries involved in mining operations, particularly on soft issues such as community readiness and working in remote communities.

7.1 Lunch speaker - David Pearson

Over the lunch hour, Dr. David Pearson, Professor of Earth Sciences at Laurentian University, shared his research on climate change impacts for First Nations in the Far North of Ontario. He described to the Panel the results of his research through a climate change matrix that included: observations from elders, technical observations, risks, and options for adaptation. Through his visits to the remote communities in the Far North, Dr. Pearson and his colleagues are focused on engaging the whole community on their scientific findings and helping the community learn about science. There are no graduates of science in the Far North. Finding unique ways to engage youth is critical for building scientific understanding in the community.

8 TSM Update

8.1 TSM Performance

On the morning of Day 3, Ben Chalmers presented a summary of the 2012 TSM Results which will be available online in November, 2013.

<i>Crisis Management</i>	Slight improvements in all indicators except for the "Training" where there was a 2% drop from 82% to 80% - which was due to new members joining MAC.
<i>Tailings Management</i>	10% plus improvement from last year in the percent of facilities achieving level A or higher. This is due, in part, to substantial effort by MAC over the past three years to provide more training and guidance on tailings management.
<i>Energy and GHG</i>	Great improvements with a 16% increase from last year but there is still a long way to go. MAC has not yet led awareness training as it has with the tailings protocol.
<i>Aboriginal and Community Outreach</i>	Always the strongest protocol and it continues to improve. The small dip in the past year is due to new facilities joining MAC.
<i>Biodiversity</i>	Only aggregate data is shown as this is a new protocol. Managing biodiversity is challenging for companies and MAC is focusing on building capacity through delivering workshops and supporting its members.
<i>Health and Safety</i>	Only aggregate data is shown as this is a new protocol. Scores are high in the first year as companies generally have good health and safety management practices.

Key points of discussions included:

- *Improving the visual representation of the data*

- It was suggested that the charts include more detail to better understand the data (e.g., breakdown of the number of facilities at each score for each indicator).
- *How will MAC raise the bar and set the next level of high performance in the protocols?*
 - While discussing the Tailings Management protocol, one industry member noted that best practices change over time and these are not included in the tailings protocol (e.g., having an external advisory board, etc.). Some wondered how MAC would deal with the next level of performance improvements, as in what comes after AAA. Should protocols be taken to the next level (e.g., AAAA) or should MAC focus on other components to strengthen performance results (e.g., include water as a focus area, which is a component of tailings)? MAC informed the Panel that this is something they are discussing at Initiative Leaders meetings. One idea raised was that after AAA companies can demonstrate further leadership by mentoring others in the industry.
- *Concerns with tailings management*
 - One Panel member noted that there are concerns about Tailings Impoundment Areas (TIAs), particularly as the *Metal Mining Effluent Regulations* are being revised, and wanted to know if these concerns fit anywhere with TSM. An industry member replied that the protocol is focused on management and can be applied to any technology. The Panel member also noted that it is important to capture when there are significant technical challenges or risks for a long-term tailings management plan. Understanding what data is being tracked in the long-term would be beneficial.
- *Comments on biodiversity*
 - Understanding how to manage biodiversity for existing sites is a challenge. One Panel member noted that there is information to glean from other sectors. For instance, a mine shares some characteristics with a park: small areas of disturbed land in a large area of undisturbed land. MAC can learn from Parks Canada's approach to biodiversity management systems. MAC has been working with a former Parks Canada biodiversity management system expert to help deliver training workshops for biodiversity management.
 - The topic of biodiversity offsets is becoming increasingly important.
- *Comments on safety and health*
 - One member noted that the topic of health as a component of the environment is becoming increasingly important as shown through human health risk assessments and impact assessments.
- *Inclusion of best practice case studies per protocol*
 - There was one suggestion to include case studies of leaders in the industry for each protocol within the TSM Progress Report.

8.2 TSM Communications

MAC showed the Panel a communications video that highlights the key elements of TSM. The purpose of the video was to describe TSM in a short visual presentation that could be shared broadly.

Comments from the Panel included:

- *Video's effectiveness with communities of interest*
 - Several Panel members felt that the video was targeted to industry and were concerned that the video, in its current state, would not resonate with MAC's communities of interest. While the Panel understood that this was the first video of

possibly many TSM videos that could be targeted to different audiences, suggestions for improvement included having more trust-building statements about why TSM is beneficial for communities and having more images that relates to communities. One Panel member also wondered what the pitch for government would be.

- *Caution on how the video is released and shared*
 - Several Panel members cautioned MAC to be careful on how the video is shared. While there is likely not a risk in offending anyone, the video should be properly described before being shared with COI.
- *Specific comments on the design and narrative of the video*
 - The text with people's names and titles was too small and flashed on the screen too quickly
 - Use fewer "I think" statements
 - Stratos' role may come across as biased – suggest not including a consultancy perspective for a video targeted to COI
 - Nice to have gender balance in the video
 - The music and lighting of the film could be improved – the video seems too dark if the purpose is to "bring mining into the light"
 - The video can come across as "exclusive" – which may work against the strategy if its purpose is to attract industry members to MAC
 - Would be beneficial to have a miner's perspective of TSM (e.g., How TSM has made a difference in the day-to-day)
 - Use the "explorer quotient" framework from the tourism industry (i.e. to make a video resonate with a group, make it so that a person feels like he or she could be the person in the video)
 - The last frame of the video should include a statement on where to go for more information (i.e. MAC's website)

8.3 TSM Awards

As described in the TSM Implementation Briefing Note and the TSM Awards Proposal, MAC is currently developing two new awards that would be included as part of the annual Canadian Institute of Mining, Metallurgy and Petroleum (CIM) awards gala. The proposed awards (Community Engagement Award and the Environmental Excellence Award) will be more publicly accessible and will help expose TSM to a constituency within the industry that is not already a part of MAC.

MAC is inviting three COI Panel members to be on the selection committee for both awards. The work will include a review of the materials one week prior, a phone call to discuss the applicants, and a follow-up call. The work may be slightly higher this year as it is the first year of the awards and the selection committee will need to validate the criteria. Claudine Renaud, Victor Goodman and Philip Oxhorn were interested in participating on the selection committee.

8.4 TSM Governance and TSM 2.0

On September 5th and 6th two sub-committees made up of members of the TSM Governance Team met to discuss TSM as a condition of MAC membership and the ways in which TSM could evolve moving forward. Ben shared the results of this meeting and the proposed changes to TSM with the Panel.

Condition of Membership:

- Member companies endorse the TSM Guiding Principles and commit to reporting on TSM performance elements within three years.
- MAC members commit to ensuring assistance is provided to members in achieving these conditions
- Members are expected to demonstrate continuous improvement over time (PROPOSED ADDITION)

The proposed changes to TSM include:

1. Changes to TSM governance
 - a. Implement a formalized conformance process to address issues with any member not meeting the membership commitment
 - b. Add an element to the current condition of members to require members to demonstrate continuous improvements over time.
2. Evolving TSM
 - a. Reduced reporting for facilities that are consistently assessed at a level A or better
 - b. Alignment of TSM requirements with other standards and frameworks

The Panel had the following feedback:

- *What is MAC compliance beyond TSM?*
 - One Panel member wondered if a MAC member could lose its membership over an issue outside the scope of TSM (e.g., major human rights offence). MAC responded that members cannot be revoked for those issues at this time. Others noted that membership is about peer pressure and influencing others to improve performance by providing them with support; evicting a company from MAC is a last resort after all attempts to bring the company into conformance have failed.
 - The Panel wondered if there were other companies who were not interested in reporting on all protocols and MAC responded that no other companies, aside from Teck, that have expressed concern. One Panel member suggested that companies should not have the option of not reporting on all protocols, which was supported by other Panel members.
- *Focus on reduced reporting and verification burden*
 - Some members expressed concern over the reporting and verification requirements of the program, considering the reporting burden that currently exists for companies. Many were glad to hear that MAC was interested in aligning TSM with other systems by building in recognition of other accreditation such as OHSAS 18001 certification. As long as MAC monitors the implementation closely, the Panel agreed that it makes sense to move forward.
- *What does the evolution of TSM look like?*
 - An industry member of the Panel suggested that in considering the evolution of TSM, MAC needs to consider a wide variety of performers, to balance breadth and depth and the link between performance and outcomes.

8.5 International Social Responsibility

Ben provided a brief update on the International Social Responsibility (ISR) Committee's work, which includes the transparency initiative and human rights.

The draft revenue transparency report was published on the Publish What You Pay-Canada website on June 14th for public consultation. The Revenue Transparency Working Group (MAC, PDAC, Publish What You Pay-Canada, and the Revenue Watch Institute) is now incorporating the comments received into the final draft, which will be brought to the four participating organizations for endorsement. One Panel member asked if the report would be confidential or if there would be an opportunity to share the report once finalized. MAC responded that it would be shared.

On the human rights front, Ben mentioned how the ISR Committee will be focusing on overcoming common implementation hurdles of site level grievance mechanisms as that seems to be a challenge for the industry. He also mentioned that the committee will continue to think about the human rights defender declaration that was discussed at the March 2013 meeting. However, upon doing more research, MAC will take a more cautious approach as there are many nuances that will need to be better understood if MAC wishes to move in this direction.

9 2014 COI Panel Agenda Setting

With the renewal of the COI Panel Terms of Reference in 2012, a formalized COI Panel agenda setting process was included to enable annual, collaborative, strategic priority setting of issues for discussion at COI Panel meetings. The Panel facilitator noted that the goal of this discussion was to obtain input from both industry and non-industry representatives on key issues of importance to the mining industry and of relevance to MAC members for the COI Panel to address in 2014. Based on the ideas generated, the Panel would then select two to four topics that could be reasonably accommodated on 2014 meeting agendas.

A number of potential topics were raised for the COI Panel to address in 2014. These topics included: labour relations, community development, community relations (e.g., involvement of COI in TSM results), Aboriginal relations (e.g., FPIC, IBAs and resource revenue sharing), international social responsibility, Human Rights, Net Positive Benefit (i.e. do no harm), regulatory issues, water quality and water management issues, mine closure, disaster management, and the future of TSM.

The two main topics that seemed to generate the most interest were:

1. **International social responsibility**
 - a. human rights
 - b. water issues
2. **Engagement with communities and community development**
 - a. Net Positive Benefit,

Upon narrowing down the list of topics, the Panel shared the following perspectives:

- *MAC member case study*
 - One member noted that it would be interesting to have a MAC member case study on community development throughout the life cycle of the mine, similar to the approach taken during the March 2013 meeting session on biodiversity across the life cycle.
- *Partnering with civil society*
 - During the Panel agenda setting discussion, one participant noted that some civil society groups feel singled out by the actions of the current Federal government, and that this could create other opportunities for the mining industry and these groups to work together.
- *Possibility of extending the March meeting*
 - One member noted that they would be interested in extending the March meeting to 1.5 days to allow for more dialogue. MAC agreed to ask the Board if this would be possible. Before committing to 1.5 days, it was agreed that MAC and Stratos would confirm with all Panel members if this would be possible.
- *What does it all add up to?*

- One member wondered what sustainable mining looked like on the larger scale. Not just about “do no harm” – but for what purpose? What do we want mining to be?
- *Will discussions on the future of TSM (TSM 2.0) be carried on in other parts of the MAC structure?*
 - MAC confirmed that the topic of TSM 2.0 will carry on through discussions with the Initiative Leaders, Governance Team and Board of Directors.
- *What is the foundation of TSM?*
 - One Panel member wondered if the group was venturing too far into topics that were distant from MAC and wanted to know if MAC had a good sense of the foundation and principles on which it lies. The Panel facilitator explained how TSM is founded on specific guiding principles which lay the foundation for the protocols, which are then translated into positive outcomes.
- *Selecting the PVR companies*
 - The PVR company selection for the Fall 2014 meeting should align with the chosen meeting topics
- *Using video-conferencing*
 - The Panel should utilize video-conferencing to save time and costs.

The next step in the process will be to scope these topics with COI Panel members for inclusion on 2014 meeting agendas. Initial scoping ideas generated at the meeting (for all topics) are noted below:

10 Future Panel Meetings

MAC has scheduled the meeting to coincide with the 2013 Prospectors and Developers Association of Canada (PDAC) Convention. The full-day meeting is proposed for **Wednesday, March 5, 2014** at the Novotel Toronto Centre in **Toronto, ON**.

11 Meeting Evaluation

Panel members evaluated the Panel Meeting through four alternative mechanisms:

- Completion of hardcopy meeting evaluation form (10 member);
- Completion of electronic meeting evaluation survey (2 members); and
- Submission of post-meeting written comments (1 member)

The evaluation form was designed for Panel members but all meeting attendees were invited to share their thoughts on the process.

Panel Member Evaluation of the Meeting

Meeting participants noted that the most enjoyable part of the meeting was engaging in substantive discussions with fellow COI Panel members. Comments specific to various components of the meeting include:

- **Meeting expectations:** Most participants felt that the outcomes of the meeting were met with a rich and balanced discussion on a number of key issues. One participant added it sometimes felt that the Panel would “discuss to discuss” without an objective and conclusion.
- **Meeting organization:** Most participants felt the meeting was very well-organized. Considering the challenges of trying to cut off dialogue, one person remarked that the Panel facilitator did a good job in keeping close to within the designated time periods. As discussed in the meeting, one participant noted the absence of the labour perspective and felt that, overall, the meetings could include more COI who are critical about the challenges of local mining operations.
- **Meeting facilitation:** Most participants felt the meeting was well-facilitated. The Panel facilitator listened well, stayed calm and gave everyone a chance to speak. He also struck the right balance of ensuring a quality discussion without avoiding the elephants in the room. Another participant noted that less time could be spent on the summaries.
- **Quality of materials:** In general, the participants felt that the quality of the material received were good to excellent. One noted that it would have been nice to have the presentations printed as part of the materials.
- **Opportunity to express interests:** All participants felt that they had adequate time to express their views. In general, several Panel members commented that the renewed focus on giving time to dialogue was beneficial. The pace and flow of the agenda allowed for much richer and in-depth conversations.
- **Feedback on the revised Post-Verification Review process, including the webinar:** Most participants felt that the additional PVR webinar held prior to the meeting was beneficial. One noted that it was an excellent tool to start the discussion. A few people mentioned that they were not able to or did not watch the webinar. One participant felt that the Panel was not given sufficient opportunity to question Teck during their PVR as too much time was spent on the presentation from Teck. From the PVR company perspective, one person commented that the objectives and process for the PVR were not clear from the beginning. One participant suggested that in the future, a more sophisticated company selection process should be put in place and there should be a balance between what Panel members would like to know and what the companies are able to provide.
- **Most enjoyable parts of the meeting:** Several participants enjoyed spending time in Sudbury – touring the mine, meeting local stakeholders and building relationships with the Glencore and Vale company representatives in Sudbury. Having time to meet with their peers and engage in high quality discussions was also a highlight. Several participants thought that the Teck PVR was the most enjoyable as it highlighted the critical issues with TSM. They enjoyed the frank and constructive discussions and noted that this is likely where MAC needs the COI’s input. However, one person felt that there was too much repetition during the Teck PVR.
- **Least enjoyable parts of the meeting:** One participant felt that more time should be focused on the “why” behind the company’s PVR results. Another noted that the meeting

seemed to be missing out on key discussions of local contentious topics. The Vale worker deaths, Vale labour strike and the impact of mergers and takeovers on the town were generally absent from the discussions. One participant added that the TSM Update on Friday morning seemed to be too informal. The objectives of the Panel for each topic were not clear. More time for networking would always be beneficial.

- **Overall opinion of the meeting:** Participants felt that the meeting was very good to excellent. One participant thought that this meeting was very satisfying and more effective than last fall's COI panel meeting. One noted that if the Panel is to continue doing site tours of mines, the Panel should visit ones with best practices, but also ones that demonstrate the more challenging aspects of mining.

Appendix A: List of Participants

Name	Organization
Dan Benoit	Métis National Council
Barrie Ford	Makivik Corporation
Victor Goodman	Campbell River Economic Development Corp.
Joy Kennedy	Independent (formerly The United Church of Canada)
Nathan Lemphers	Pembina Institute (Associate)
Philip Oxhorn	Institute for the Study of International Development, McGill University
Alan Penn	Cree Regional Authority
Claudine Renauld	Sandoz Canada Inc. (formerly Executive Director of Minalliance)
Doug Olthuis	United Steelworkers
Alan Young	Boreal Forest Initiative
Pierre Gratton	Mining Association of Canada
Louise Grondin	Agnico Eagle Mines Canada
Peter Read	Syncrude
Mark Travers	Vale
Regrets	
Leanne Hall	Noront Resources
Stephen Kibsey	Caisse de Dépôt et Placement du Québec
Chief Earl Klyne	Seine River First Nation
Glen Koropchuck	De Beers
Other	
Ben Chalmers	Mining Association of Canada
Tara Shea	Mining Association of Canada
Michael van Aanhout	Stratos Inc. (facilitator)
Jane Porter	Stratos Inc. (rapporteur)

Additional Attendees	Organization
Markus Kröger	Finnish Association for Nature Protection
Pekka Suomela	Finnish Association of Extractive Resources Industry

Sylvie Fraboulet-Jussila	SITRA
Chad Pearson	Glencore
Charlene Easton	Glencore
Christine Bertoli	Glencore
Doug Conroy	Glencore
Iyo Grennon	Glencore
Joe Fyfe	Glencore
Marc Boissonneault	Glencore
Peter Xavier	Glencore
Roger Emdin	Glencore
Shirley Neault	Hudbay Minerals
Ed Kniel	Teck Resources
Mark Edwards	Teck Resources
Angie Robson	Vale
Chantal Clement	Vale
Kelly Strong	Vale
Lisa Lanteigne	Vale
Mitch Medina	Vale
John Mullally	Vale
Christian Naponse	Atikameksheng Anishnawbek
Mayor Marianne Matichuk	City of Greater Sudbury
Stephen Monet	City of Greater Sudbury
Joanne Renzoni	Copper Cliff Community Action Network
John Gunn	Vale Living With Lakes
Debbi Nicholson	Sudbury Chamber of Commerce
Cheryl Recollet	Wahnapiatae First Nation

Chief Ted Roque	Wahnapitae First Nation
Peter Recollet	Wahnapitae First Nation