Mining Association of Canada
Towards Sustainable Mining

Summary Report

**14th Meeting of the
Community of Interest Advisory Panel**

**September 15-16, 2010
Montreal, Quebec**

Towards Sustainable Mining
Vers le développement minier durable

Prepared by:

STRATOS

Stratos Inc.
1404-1 Nicholas Street
Ottawa, Ontario
K1N 7B7
tel: 613 241 1001
fax: 613 241 4758
www.stratos-sts.com

TABLE OF CONTENTS

1   Introduction

This report presents a summary of discussions from the September 15-16, 2010 meeting of the TSM Community of Interest (COI) Advisory Panel ("the Panel"), including decisions on the work of the Panel and recommendations to the Mining Association of Canada (MAC). Any dissenting views have been identified and recorded.

2   Summary of Action Items

Below is a summary of action items arising from the meeting:

NEW AND OUTSTANDING ACTION ITEMS				
ITEM	**IDENTIFIED**	**RESPONSIBILITY**	**TIMELINE**	**STATUS**
Follow-up with IAMGOLD on the letter that the non-industry representatives of the Panel sent in July 2010 in response to IAMGOLD's post-verification review.	September 2010	G. Gibson	Fall 2010	G. Gibson asked Stratos to follow-up.
Create a draft schedule of annual tasks / timelines to ensure timely composition of the Panel statement for the TSM Progress Report.	September 2010	Stratos	January – February 2011	For testing with the COI Panel at the March 2011 meeting
Circulate the next version of mine closure indicators to the COI Panel.	September 2010	J. Gelfand	December 2010	MAC to circulate once working group is comfortable with language
Convene a discussion on mine closure indicators via teleconference.	September 2010	Stratos	January – February 2011	Pending approval and circulation of draft indicators
Circulate CBSR report on standards in extractive sector to COI Panel.	September 2010	J. Gelfand	Fall 2010	
Circulate MAC CSR tools survey results to COI Panel.	September 2010	J. Gelfand	December 2010	
Invite Marketa Evans (CSR counsellor) and Carlos Rojas-Arbulú (OECD national contact point) to March 2011 to give presentations on international context.	September 2010	G. Peeling	Fall 2010	
Convene a Panel renewal working group.	September 2010	L. Haber	November 2010 – February 2011	Present recommendation to COI Panel at March 2011 meeting
Ask the MAC Board or TSM Governance Team: What broader issues are you experiencing that you would like the COI Panel's input on?	September 2010	G. Peeling	November 2010	MAC to report back at March 2011 meeting

.

NEW AND OUTSTANDING ACTION ITEMS				
ITEM	**IDENTIFIED**	**RESPONSIBILITY**	**TIMELINE**	**STATUS**
Notify IOC and DeBeers about COI Panel selection for September 2011 post-verification review.	September 2010	Stratos	January 2011	
Follow-up with AFN Panel members to discuss absence from Panel meetings.	September 2010	Stratos	Fall 2010	
Set next meeting of the Panel.	September 2010	J. Gelfand	ASAP	Tentatively set for March 9, 2010, with possibility of an evening session on March 8

3 Welcome and Approval of March 2010 Panel Meeting Report

3.1 Welcome

The facilitator welcomed Panel members to the 14th Panel meeting, and introduced Anne-Marie Toutant, Vice President, Mining, Suncor Energy Inc. (not in attendance) as a new industry representative who replaced Gordon Ball of Syncrude as of July 2010.

Due to travel and schedule conflicts, Gordon Peeling of the Mining Association of Canada was the only industry representative in attendance at the meeting; however, company alternates participated in place of the industry representatives:

- **Damian D'Aguiar**, General Manager Environment, Iron Ore Company of Canada
- **Gilles Couture**, Manager, Environment and Quality, ArcelorMittal Mines Canada (Port-Cartier)
- **Jonathan Fowler**, Vice President, Aboriginal Affairs and Sustainability, De Beers Canada Inc.
- **Liam Mooney**, Director, Environmental Affairs and Regulatory Relations, Cameco
- **A.J. Nichols**, Director, Corporate Affairs, Vale Inco Limited
- **Marcia Smith**, Vice President, Corporate Affairs, Teck Resources Limited

The participation of these individuals was much appreciated; however, the participation of permanent industry Panel members is key to the credibility and effective functioning of the Panel and MAC and the Panel facilitator will work hard to avoid scheduling conflicts for future meetings.

3.2 Approval of March 2010 Panel Meeting Report

Panel members approved the March 2010 report without additional amendments.

4 Post-Verification Review

The companies chosen for the 2010 post-verification review were Breakwater Resources Ltd. and Iron Ore Company of Canada (IOC). In June of 2010, IOC requested that its post-verification

review be delayed until September 2011 to allow it to reach its goal of maintaining and achieving TSM scores of 4's and 5's in all performance areas by the end of 2010. IOC was granted a delay, and Teck Resources Limited volunteered to undergo post-verification review at the September 2010 meeting.

Post-verification reviews were undertaken on the following facilities:
- Myra Falls, Breakwater Resources Ltd.; and
- Highland Valley Copper, Teck Resources Limited.

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.

5   TSM Implementation

5.1   TSM Update

Julie Gelfand provided the following TSM update:

New Protocols: In November 2009, the MAC Board approved three new protocols: Safety and Health; Aboriginal and Community Outreach; and Biodiversity Conservation Management. Public, aggregate reporting of results against these new protocols will begin in 2012 for 2011 performance.

Mine Closure: The MAC Board approved a mine closure framework in November 2008. A mine closure working group of 15 technical experts is currently developing a Mine Closure Protocol. The working group has prepared draft "level 3" for 4 indicators:
1. Planning for Closure;
2. Progressive Reclamation;
3. Engaging with Communities; and
4. Financial Assurance.

The working group will be participating in four webinars in the fall of 2010 to develop the wording for each indicator. The working group plans to present the draft wording to the MAC Governance Team in November 2010. MAC will engage the COI Panel once further work has been completed on the draft indicators.

One Panel member cautioned MAC against moving forward too quickly with protocol development, without the input of the COI Panel. Another Panel member indicated that mine closure is the least well understood issue in the financial community. MAC communicated its interest in wanting to move the issue forward and that once the working group is comfortable with the draft language, MAC will circulate the next version of the indicators to the COI Panel. Stratos will canvas the COI Panel for interest in participating in a conference call and will coordinate a teleconference before the March 2011 COI Panel meeting.

One Panel member inquired about the drivers that are leading to MAC's involvement in mine closure, particularly given the different regulatory systems in which member companies operate across Canada. Responses from MAC, other Panel members and the Panel facilitator suggested that MAC is:

.

- Attempting to respond to gaps and pursue best practices, in light of the patchwork of requirements across jurisdictions in Canada;
- Trying to establish good practices for new operations; and
- Not trying to introduce prescriptive requirements, but an approach that will allow companies to address community expectations for mine closure.

***Water*:** Initiative Leaders discussed a scoping presentation on water and mining in May 2010 during an in-person meeting. MAC intends to pursue the development of a water protocol and will seek input from the COI Panel as the development progresses. MAC recognizes that the International Council on Mining & Metals (ICMM) is also working on water – MAC will refer to the ICMM work to help frame the issue, and will avoid duplication of the ICMM work.

***External Verification*:** The following companies will verify their 2010 results in 2011:
- ArcelorMittal
- Barrick
- DeBeers
- Diavik
- Rio Tinto IOC
- Syncrude
- Teck (Duck Pond and Trail)
- Xstrata Copper
- Xstrata Nickel
- Xstrata Zinc

Due to the postponement of the IOC post-verification review from September 2010 to September 2011, panel members were invited to make recommendations on one additional company that would undergo post-verification review in 2011. After a discussion about the selection of possible companies and the timing and number of post-verification reviews that could be accommodated in 2011, it was decided that:
- IOC and DeBeers would undergo post-verification review in September 2011;
- It would be difficult to accommodate more than two post-verification reviews in a single meeting; and
- The COI Panel could invite companies to do presentations at Panel meetings on issues that are not covered through the post-verification review process (e.g., the Panel suggested that they might like to discuss the international application of TSM with Barrick at a future meeting).

Trend Data: *In* 2009, MAC began to analyze TSM performance trends based on three years of comparable TSM results (2006-2008). The results of this analysis indicate that there is fairly strong performance across the membership on Crisis Management and External Outreach, but weaker performance on Tailings Management and Energy Use and GHG Emissions Management. Improving MAC member performance in these areas was identified as a top priority by the Governance Team in June 2009. MAC completed a detailed review of Tailings Management results and Energy Use and GHG Emissions Management results. Preliminary findings suggest that senior management support and dedicated financial resources are needed to improve performance. MAC expects that results will improve substantially in the next two years; 70-80% of facilities are expected to achieve a level 3 on each tailings management indicator in the next two years.

One member noted that mine tailings are subject to external regulation and inquired about the interplay between regulations and the TSM system. The Panel facilitator highlighted that MAC's Tailings Management Protocol was developed to respond to a number of dam failures internationally and the protocol is meant to go beyond regulation in order to respond to community interests. An industry representative indicated that while regulations focus on effluent quality and reporting, MAC's Tailings Management Protocol focuses on dam safety (i.e., issues of management) and that MAC is currently filling a void that no other standards address. The same representative suggested that this could be why TSM scores are lower for tailings indicators.

Communications: The new format for the TSM Progress Report was presented to the panel. MAC pointed out that it is trying to put more and more information on its website. MAC welcomes feedback from the Panel on the new format and layout. In addition, all TSM materials are now available in Spanish.

5.2 Proposed New TSM Rating System

Stephen Kibsey, member of the COI Panel, delivered a short presentation on a proposed new rating system for TSM that would use letters rather than numbers to communicate facility-level performance on TSM indictors. The proposed change is considered cosmetic, as the meaning of the levels would not change:

5	AAA	
4	AA	
3	A	Level "3" or "A" is considered good performance.
2	B	
1	C	

Several reasons have been documented for changing from numbers to letters:
- The number system can be confusing (i.e., it is not clear whether a "1" is high or a "5" high).
- At mine sites, "level 5" incidents are often considered bad performance, rather than good performance (i.e., a "5" could mean a fatality).
- If using numbers, the financial community might be tempted to calculate an average; however, the results are not meant to be interpreted this way.
- Stakeholder groups won't be negatively affected as a result of the change.

In response to this presentation, one Panel member indicated a preference for the letter system because it is easier to understand. No Panel members raised any concerns about the proposed change to a letter system. Another member suggested that if moving to a lettering system inspired companies to improve performance, then MAC should proceed. The same member noted that the meaning of each level may need to change in the future to encourage performance improvement (i.e., as the majority of companies achieve level "3" or "A" across the set of indicators, this ranking may need to become the new level "1" or "C").

6   International Application of TSM

Julie Gelfand provided an overview and update on MAC's discussions and efforts to explore the issue of international application of TSM.

The topic of international application of TSM has been a long-time, on-going discussion at MAC, and there is continued debate among Board members about the best way to proceed. MAC members are required to apply TSM to Canadian facilities; however, application to international facilities is currently voluntary. Some members think there is value in applying TSM to all facilities (regardless of location), because financial institutions look at the performance of the entire company, rather than simply on a facility-basis. However, some members are concerned because they have many operations outside of Canada and training, capacity building and navigating different languages could be expensive. Also, TSM was originally designed to respond to four key priorities in the Canadian context, which may not be the same priorities in other countries. For example, Aboriginal / Indigenous rights have been growing in other countries and human rights issues are a focus internationally, so TSM may have some gaps relative to international priorities. In addition, many companies are applying several CSR standards (TSM was created when few CSR tools existed, but now there are many), and consequently facilities have expressed concern about auditing and reporting fatigue.

The MAC Governance Team approved an Initiative Leader task of looking at equivalency (with other standards) and integration (of TSM self-assessment with other audits). To date, a working group of volunteers from Syncrude developed a survey on CSR standards that are being applied by MAC members. Draft survey results have been circulated to the MAC Governance Team. Detailed analysis will be available in November.

Panel members were given the opportunity to provide perspectives and input on the international application of TSM in a roundtable discussion. A summary of the input is provided below and separated based on comments from non-industry Panel members and industry representatives.

Comments from Non-industry Panel members:

- TSM should remain voluntary for international facilities, but companies should attempt to apply TSM principles in other countries, while endeavouring to understand the regulatory and socio-political context in that country. The public wants to know that Canadian principles and policies are being followed internationally.
- The global public wants companies to do the right thing. Regulatory requirements and practices may not be as advanced in some other countries, but this doesn't mean companies should exploit these situations. TSM is about leading, demonstrating excellence, and going above and beyond what is required. A mining company may be demonstrating good performance at Canadian facilities through TSM, but may not be performing as well in other countries.
- TSM has created a standard for company performance – if a company behaves differently abroad, it will diminish the standard.
- International application of TSM is a complex issue. Some issues (e.g., Aboriginal engagement / rights) will need to be addressed by every company in every country, so it would make sense to adopt TSM protocols for such issues if they are already developed; however, TSM must be adopted as an entire package.
- The financial community likes to see the entire picture of performance for a company. If companies are serious about sustainability, then MAC shouldn't have to push companies to

adopt TSM internationally. The application of TSM to international facilities could be considered a test for companies to determine whether they are serious about sustainability. The meaning of voluntary application of TSM to international facilities could shift from "don't do it" to "take this on".

- It is important for companies to communicate that they operate in the same way all over the world and MAC needs to think about how best to do this. TSM may help to measure (and thus prove) what a company is doing, but it's not directly comparable in all contexts, so MAC needs to think about differences, priorities and the tough question of equivalency.

- It only makes sense that a company working in Canada would also apply TSM to international facilities (or MAC could provide a list of endorsed standards that companies could use).

- TSM is very much about how a company operates internally, so there aren't many constraints about applying it internationally. Even within Canada, discussion occurs about the application of TSM in different regulatory contexts (i.e., across provinces and territories).

- This is a complicated issue – political conditions in other countries are very different than in Canada. There is value in applying standards internationally, but we need to see value in applying *TSM* internationally.

- For a Canadian company operating from scratch and new to TSM, applying TSM internationally won't teach that company how to work with communities of interest and government.

- Many international problems are created through exploration and by small companies, who are not MAC members.

- MAC and/or the COI Panel need to have a fulsome discussion with companies to understand their concerns about international application. Since TSM indicators are primarily related to internal processes and management systems it shouldn't be difficult to apply these internationally. If certain protocols are tougher, or there are concerns about particular issues (i.e., GHG targets), or applying the protocols internationally would cause companies to be less competitive, then let's have a discussion. However, if there are no good reasons for not adopting protocols, then they should apply.

Comments from Industry Representatives:

- As an international mining company, most of the things we do for TSM we already report to other places and we are experiencing reporting and auditing fatigue. For example, for this month alone we have nine audits. Equivalency is quite important to us so that we can avoid "death by audit". Many of the standards we apply are comparable to TSM, but some are higher; however we have to report differently for these standards. Challenges that we would experience in applying TSM internationally include:
    - We deal with companies and governments in other countries that have very different perspectives than we do in Canada.
    - We would need to mesh and integrate reporting (for different requirements).
    - Other countries may have lower standards currently, but are introducing new requirements over time.
    - There will be a lot of effort required to implement, including addressing issues of capacity and training.
- The context is different for every company. For example, TSM may have been a tough sell for some MAC members, so it may be difficult to convince some companies to apply TSM to international operations.

- Companies need to behave the same way in other countries as they do in Canada (and this behaviour needs to be demonstrated) but the question is: Is TSM the best way to do this? TSM may not be perceived as credible outside of Canada.
- We need to understand what the TSM standard means globally, and how that standard (i.e., the TSM brand) becomes one that is recognized and credible internationally, so that companies want to buy into it. However, research on equivalency might show that companies are already meeting comparable TSM standards in other countries.
- Companies are suffering from reporting fatigue, and there is no easy solution. Equivalency will be a tough issue and a lengthy one. We need to achieve a balance between implementing sustainability and process and reporting. We need to be able to apply results.
- From an operational perspective, the comment "death by audit" resonates. Equivalency – even between jurisdictions in Canada (provinces / territories and federal government) – needs to be resolved, let alone equivalency with international standards.
- Our facility has an "audit room", but we often have to find a second room, because we have two audits taking place at a given time. We want to be able to meet all the TSM requirements abroad, but it's a practical issue. We'd like to spend less time reporting so that we can actually get more done on sustainability.
- Not applying TSM to international facilities doesn't mean that companies are not doing anything abroad. TSM may not be the best standard to apply internationally. An employee at an overseas operation might ask: Why should we apply a Canadian standard? Why is that standard best?

Based on the perspectives communicated by non-industry Panel members and industry representatives, a spectrum of ideas were identified for addressing this topic:

- The COI Panel is very influential in the mining community. International application of TSM could be voluntary, but encouraged by the COI Panel in the TSM Progress Report. Companies and employees are competitive in nature and want to do good things.
- When developing new frameworks and protocols, MAC should think about redundancy and look at existing measures.
- MAC could create a framework that allows MAC to endorse other protocols (e.g., Level 1 – nothing in place; Level 3 – produce a GRI report at Level B; Level 5 – apply TSM).
- International application can't be implemented in one go, so we need to proceed in a step wise manner.
- We need to look at what's required in each country.
- TSM should avoid duplication with other standards.
- As a starting point, MAC could conduct a check-box exercise/inventory to show the different standards being applied by companies or facilities and report this publicly.
- A variety of groups/standards/issues are struggling with their relevance for a variety of reasons including: public confusion and company reporting fatigue. MAC is part of a global trend of relevance, equivalency and integration. MAC could consider adopting a "meet it or beat it" approach.
- The law of diminishing returns begs the questions: What are companies getting from this? What can companies digest?
- There is a danger that standards won't mean anything; MAC should to do some branding with TSM.
- TSM is administratively focused and process heavy, taking the industry away from real progress.

- The public sees documentaries that suggest that the behaviours of mining companies operating internationally are different from behaviours at Canadian operations. International behaviour needs to be verified.
- Companies need to communicate the context in which they operate internationally and how they handle community outreach, for example, when regulatory requirements are different than in Canada. Companies can't expect the public to know all about various operating contexts.
- MAC could conduct a case study with a company to trial the application of TSM in another country to determine the value of application. International and national grievance mechanisms are developing, so it will be important not to waste the time of companies and communities of interest.
- Some companies are already applying TSM internationally. In one instance an overseas operation reported higher scores than all Canadian operations for that same company, creating a competition between facilities.
- MAC and/or the COI Panel could have a discussion with a MAC member that is not applying TSM internationally to better understand challenges / perspectives.

7   Impact and Benefit Agreement (IBA) Community Toolkit

Ginger Gibson, member of the COI Panel, provided an overview of the Impact and Benefit Agreement (IBA) Community Toolkit, a free resource for First Nation, Inuit and Métis communities in Canada considering impact and benefit agreements, such as those with mining companies. The toolkit can be downloaded for free from www.ibacommunitytoolkit.ca/, and is currently provided in English only (funding is being sought for translation into French).

The vast majority of IBAs are confidential, so the goal of the toolkit is to provide materials, tools and resources for communities to help them address the process and content issues relevant to negotiating agreements in Canada.

The authors had previously noted three challenges with IBAs:

1. Information is power;
2. Unfair agreements don't get implemented; and
3. Unfair agreements cause conflict.

Therefore the intent of the toolkit is to get information into the hands of negotiators and facilitate the development of agreements that will be implemented and that will build and strengthen unity within and between communities.

The toolkit was developed by reviewing publicly-available literature on agreements in Canada and Australia. The manual was tested in two stages with a group of Aboriginal people who negotiate and implement agreements, as well as consultants and lawyers who work with them.

The toolkit is composed of five sections that can serve as a reference for communities and negotiators:

1. Introduction;
2. Analyzing the Project and the Wider Environment;

3.   Preparing for Negotiations;
4.   Conducting Negotiations and Reaching Agreements; and
5.   Implementing Agreements and Maintaining Relationships.

Each section provides examples of the approaches or options that communities might choose, with an explanation of pros and cons or risks and benefits. Communities can then use this information to choose a suitable approach.

Training on the toolkit will be offered this year and next year, with a focus on encouraging regional learning in Ontario, British Columbia, Alberta and the North. Communities are the first priority for training; however, training will be offered to CANNOR and could be provided to INAC, if invited. In addition, Ginger will be running a workshop on how to select the right financial mechanism in a community.

Panel members and alternates noted the following points of interest in relation to the presentation:

- Implementation of agreements is essential, but is often weak. It can be very difficult for companies to deliver on the agreement if the community doesn't have capacity to deliver on the agreement. A potential solution is to assign implementation responsibility to one person on each side of the agreement (i.e., one company member and one community member).
- Community representation at both the political and administrative level is needed over the lifespan an agreement, so that continuity can be provided when there is a change in political representation.
- The political, jurisdictional and contextual conditions of a community need to be understood to determine the approach that can be applied in any particular setting. For example, some conditions facilitate IBAs, and some conditions do not, which poses distinct issues by region and by community. The question: "What do we need to know about communities?" may need to be answered in order to advise them on choosing an approach.
- One Panel member recently visited a site, for which the company's early engagement with the community was done so well that the community is not interested in participating in follow-up activities and is not making time for follow-up meetings.

8   Panel Activities and Work Plan

8.1   Panel statement exercise and comment on TSM progress report

Based on the 2010 panel statement writing exercise and the new format of the TSM Progress Report, the Panel facilitator asked for feedback on how to improve the process in future years. The Panel members that wrote the statement in 2010 identified that it was helpful to have one Panel member hold the pen on the statement, with support from other members and that it is important to have one or more industry representative participants, so that the statement reflects the views of the Panel as a whole, rather than just the non-industry members.

The Panel members also stated that it was a source of frustration to create a shorter statement out of the longer statement that they originally wrote. Panel members continue to be interested in

including issues in the statement that extend beyond TSM. One Panel member suggested that there might be different audience(s) for different components of the Panel statement (e.g., public, COI, MAC members, MAC Board, etc.). The Panel facilitator suggested that the Panel might like the opportunity to submit a formal letter to the MAC Board each year, with no constraints on space on content. One industry representative indicated that the industry would welcome comments from the Panel that extend beyond TSM, and that perhaps the MAC website could be used for this purpose or the COI Panel could be given an additional page in the TSM Progress Report mini-booklet to address these issues.

Some challenges were also raised regarding the timing of panel statement writing activities (i.e., MAC would prefer to have the statement earlier in the year; however, the Panel needs the complied TSM data in order to write the statement). The Panel facilitator suggested that Stratos could draft a formal, annual schedule that ensures that activities take place in a timely fashion each year. In addition, one Panel member suggested that it would be helpful for the non-industry panel members to have dedicated time for an in camera session at the annual March meeting to discuss and create key messages for the Panel statement each year.

8.2   Panel renewal

Larry Haber, member of the COI Panel, provided a brief overview of the objectives and process that have existed previously on panel renewal. During the first panel renewal process, it was agreed and incorporated into the Panel Terms of Reference that membership on the Panel would be renewed at a rate of 2-3 members every two years to provide continuity and stability in Panel membership while allowing new ideas and interests to be brought to the table over time. The last Panel renewal occurred in March 2009.

It was suggested that in order to look at the issue of Panel renewal in 2011, a working group of Panel members should be convened prior to the March 2011 meeting, and that the working group could bring forth a recommendation on how to proceed at the March 2011 meeting. The proposal was made that previous Panel renewal committee members (Larry Haber, Ginger Gibson and Doug Horswill) could lead the Panel renewal process with support from other interested Panel members.

8.3   Panel work plan

In a roundtable discussion at the March 2010 Panel meeting, Panel members identified a list of issues that they would be interested in including in a Panel work plan for 2010. The purpose of the Panel work plan is to focus the Panel's efforts by considering MAC's needs (based on the annual TSM work plan) and the potential areas of greatest contribution by the Panel.

At the September 2010 meeting the Panel facilitator presented four categories of activities for which the Panel's responsibilities and interests could be divided:

1.   Core TSM activities (e.g., post-verification review, Panel statement);
2.   TSM continuous improvement (e.g., mine closure and water protocols);
3.   Broader mining issues (e.g., international application of TSM); and
4.   Panel processes (e.g., Panel renewal).

Two Panel members suggested that in order to maintain greater continuity of Panel activities between Panel meetings, the Panel would benefit from more interim processes to keep certain issues moving forward.

Discussion about COI Panel priorities for the remainder of 2010 and for 2011 lead to the agreement on three key focus areas with the following interim activities:

1. **Mine closure**
   o   Distribute draft wording to Panel in December (if ready).
   o   Canvas Panel for interest in participating in a discussion on draft wording.
   o   Convene teleconference once draft wording has been distributed.
   o   Report back to entire Panel at March 2011 meeting.
2. **International application of TSM**
   o   Circulate MAC CSR tools survey results to Panel when ready.
   o   Circulate CBSR report on standards in extractive sector to Panel.
   o   Invite Marketa Evans (CSR counsellor) and Carlos Rojas-Arbulú (OECD national contact point) to March 2011 to give presentations on international context.
   o   Develop questions to ask MAC member companies about perspectives on international application of TSM (following March 2011 meeting).
   o   Invite one company to the September 2011 meeting to respond to questions and discuss international application (e.g., Barrick).
3. **Panel renewal**
   o   Convene working group (see Section 8.2 above).
   o   Develop recommendations on renewal to present to Panel at March 2011 meeting.

In addition, some other issues of importance were discussed by the Panel and MAC provided some feedback on whether these issues should be addressed, and if so, how they could be addressed and in some cases, when. These issues and decisions were:

- *Artisanal and small scale gold mining* – MAC indicated that the International Council on Mining & Metals (ICMM) is working on this issue with the United Nations Environment Programme (UNEP), and that MAC would like to avoid duplication of effort.
- *Environmental policy issues* – MAC suggested that the Panel might benefit from a presentation from the Canadian Environmental Assessment Agency (CEAA) and the Major Projects Management Office (MPMO) as context for future discussion.
- *Understanding why TSM results are not improving* – MAC is currently undertaking some analysis, and the Panel suggested that MAC could ask the MAC TSM Governance Team: What broader issues are you experiencing that you would like the COI Panel's input on?
- *Communications and outreach* – The MAC Board would like to incorporate the TSM and MAC communications plan and could give a presentation to the Panel when ready.
- *Incorporating First Nations representation into COI Panel meetings* – One Panel member raised the issue of making the MAC work more applicable to communities. Another Panel member suggested that it was the responsibility of the Panel to follow-up with AFN representatives about why they have not attended COI Panel meetings.

In response to these issues and interests, one industry representative indicated that if the COI Panel is planning on asking MAC members to participate or interact with the Panel in ways that are

not currently occurring, members will need to know what commitments are expected of them and how these commitments might evolve and change over time.

9   Information Items

A session on sharing information items was built into the September meeting agenda; however, due to time constraints, this session has been postponed to the March 2011 meeting. Prior to the September meeting, two Panel members identified particular information items that they would like to raise with the rest of the Panel:

- The possibility of conducting of a TSM implementation survey to provide companies with a formal opportunity to express their views and honest feedback about the TSM process; and
- An introduction to the organization, Ornge, which is Canada's leading innovator in the emerging field of transport medicine and operates from a number of bases across the province of Ontario and performs approximately 20,000 admissions annually.

These information items and others identified by the Panel will be addressed at the March 2011 meeting.

10 Future Agenda Items

Future agenda items discussed for possible inclusion in the March 2011 meeting include:

Core TSM Activities
• Panel statement (in camera session to identify key messages)
• Information items (moved from September 2010 to March 2011)
TSM Continuous Improvement
• Mine closure (follow-up on work undertaken by COI Panel in teleconference)
Broader Mining Issues
• International application of TSM (presentations from Marketa Evans (CSR counsellor) and Carlos Rojas-Arbulú (OECD national contact point)
Panel Processes
• Panel renewal (recommendations from Panel renewal working group)

Additional items that the Panel might like to consider at future meetings include:
- Invitation to a member company (e.g., Barrick) to discuss international application of TSM (with the Panel to prepare some questions in advance).
- Breakwater has extended its invitation to conduct a mine tour at Myra Falls to a later date.
- Presentation from the Canadian Environmental Assessment Agency (CEAA) and the Major Projects Management Office (MPMO) on environmental policy issues.
- Presentation from MAC on the incorporation of the TSM and MAC communications plan.

Panel members are welcomed to provide suggestions about future agenda items to the Panel facilitator throughout the year.

.

11 Next Panel Meeting

The next COI Panel meeting date and location has been tentatively booked to coincide with the Prospectors and Developers Association of Canada International Convention. The March 2011 COI Panel meeting will be held in Toronto, Ontario on Wednesday, March 9, 2011. The option of coordinating an evening reception with the COI Panel and the MAC Board is currently under consideration for Tuesday, March 8, 2011 (also in Toronto).

12 Meeting Evaluation

Panel members provided evaluation of the Panel Meeting through two mechanisms:

- Submission of Meeting Evaluation Forms (7 members)
- Submission of post-meeting written comments to the facilitator (1 member)

Panel Member Evaluation of the Meeting

All of the Panel members who evaluated the meeting stated that the meeting met or exceeded their expectations, and that the meeting was well organized and facilitated. Comments specific to various components of the meeting include:

- **Timing:** One Panel member thought that the meeting was a bit rushed and that it would be nice to avoid having such a hard stop to the meeting. Another member suggested that the meetings could be longer in order to accommodate a greater variety of issues or presentations.
- **Facilitation:** One Panel member suggested that the facilitator may need to watch a little more closely for people who want to speak. Another member suggested that a "Parking Lot" for thoughts and ideas could be utilized if there isn't sufficient time to address everything in a meeting.
- **Meeting Logistics:** One Panel member indicated a preference for a larger meeting room with a roundtable set up. However, another Panel member indicated a preference for the "kitchen table" set-up used at the meeting because it encouraged more frank and intimate discussions. Another Panel member stated that healthy snacks are appreciated. Panel members stated that they appreciated the use of the FTP site; however, some members would like to continue to receive a hardcopy of the briefing binder prior to meetings.
- **Value of Input and Content:** Panel members indicated that they feel MAC is adequately responding to their input; however, one member noted that while MAC is responding to input on TSM, that there is a need to respond to issues beyond TSM. One member stated that they would appreciate more information on government initiatives related to sustainable mining. In addition, one member indicated that there is limited scope for follow-up on issues between meetings. For example, mine closure has been identified as an agenda item for MAC; however, in the present work plan, there may only be a few opportunities at regular meetings of the COI Panel to offer some substantive input into the treatment of this issue by MAC.

One panel member provided a number of comments/suggestions in writing concerning TSM including:

.

- As a panel, we tend not to discuss the material requirements for meeting certain score levels and what they imply for different companies with different corporate structures and communication channels.
- There is ambiguity around the concept of 'performance'. The comment made by one company at the meeting that TSM indicators do not drive performance should be acknowledged and thoroughly discussed.
- It is very difficult to interpret the existing TSM scoring system (and, for that matter, performance indicators based on external environmental or social metrics) without a parallel understanding of the regulatory environment in which companies operate.

Appendix 1: List of Participants

NAME	TITLE AND ORGANIZATION
Dan Benoit	Métis National Council
Barrie Ford	Makivik Corporation
Ginger Gibson	Individual member
Larry Haber	Executive Director, Kimberley Community Development Society
Brenda Kelley	Community Development Coordinator, Bathurst Sustainable Development
Stephen Kibsey	Senior Portfolio Manager, Caisse de Dépôt et Placement du Québec
Soha Kneen	Inuit Tapiriit Kanatami
Christy Marinig	Manager, Timmins Economic Development Corporation
Alan Penn	Lands and Environment Science Advisor, Cree Regional Authority
Alan Young	Director of Corporate Programs, Canadian Boreal Initiative
Gordon Peeling	President, Mining Association of Canada
REGRETS	
Roger Augustine	Assembly of First Nations, Regional Chief, NB/PEI
Richard Briggs	President, Mining Council, Canadian Auto Workers
David Mackenzie	United Steelworkers of America
Eric Morris	Assembly of First Nations, Regional Chief, Yukon
Craig Ford	Vice President, People and Environment, Inmet Mining Corporation
Doug Horswill	Senior Vice President, Environment and Corporate Affairs, Teck Resources Limited
Chantal Lavoie	Chief Operating Officer, De Beers Canada Inc.
Eira Thomas	President and Chief Executive Officer, Stornoway Diamond Corporation
Anne Marie Toutant	Vice President, Mining, Suncor Energy Inc.
OTHER ATTENDEES	
Damian D'Aguiar	General Manager Environment, Iron Ore Company of Canada
Morry Brown	President, MorCom Inc.
Robert Carreau	Vice President, CSR and Sustainability, Breakwater Resources Ltd.
Gilles Couture	Manager, Environment and Quality, ArcelorMittal Mines Canada (Port-Cartier)
Jonathan Fowler	Vice President, Aboriginal Affairs and Sustainability, De Beers Canada
Mark Freberg	Superintendent, Environment & Community Affairs, Teck Resources
Liam Mooney	Director, Environmental Affairs and Regulatory Relations, Cameco
A.J. Nichols	Director, Corporate Affairs, Vale Inco Limited
Marcia Smith	Vice President, Corporate Affairs, Teck Resources
Carmen Turner	Leader, Sustainability and Community Engagement, Teck Resources
Julie Gelfand	Mining Association of Canada
Michael van Aanhout	Stratos Inc.
Vicky Weekes	Stratos Inc.

.