2017 Statement from the Community of Interest Advisory Panel

The Community of Interest Advisory Panel (COI Panel) was established in 2004, and has played a key role in the design, and subsequent implementation and evolution of the *TSM* initiative. The Panel is composed of individuals who are nominated based on the community of interest they represent, including the mining industry. The communities represented on the Panel are directly or indirectly impacted by the activities of the mining industry. As Panel members, individuals from the mining industry actively engage in Panel discussions, provide company insights, and help connect the Panel's work to the MAC membership. The current COI Panel includes 18 individuals from Indigenous communities, people working in international development, economic and community development organizations, environmental and social NGOs, the finance/investment sector, organized labour, as well as individuals with issue-specific expertise and industry members.

🕆 See here for more information: www.mining.ca/towards-sustainable-mining/community-interest-advisory-panel.

This Panel statement offers an independent reflection from the non-industry members of the COI Panel on key areas of interest and progress since the previous statement. It covers the October 2017 meeting at the site of the Glencore Raglan Mine and the March 2018 meeting in Toronto, as well as interim Panel activities.

MATERIALITY PROCESS

In 2017, a working group was created to clarify the agenda setting process for the COI Panel and enable more transparent decision making around why the Panel prioritizes certain issues. This working group built an online survey for industry and non-industry panel members to identify potential priorities. Based on the intersection of the priorities of industry and the priorities of non-industry Panel members, a matrix was created that ranked the material issues for the COI Panel. The top three issues were: recognizing and respecting Indigenous rights, reconciliation and employment for Indigenous peoples. Climate change-related issues, notably regarding loss and damage and a just transition, were the fourth and fifth most pressing issues out of the 12 issues identified in the 2017 survey.

POST-VERIFICATION REVIEW DISCUSSIONS

The Panel's October 2017 post-verification review (PVR) meeting took place at Glencore's Raglan Mine, located in the Nunavik region of northern Quebec. As part of this meeting PVR's were conducted for both Raglan (see next item) and Rio Tinto's Diavik Diamond Mine, which is similarly located in a subarctic region. Much of the discussion of both mines focused on closure planning, including social and environmental aspects, tailings management and the potential impacts of climate change. Several key points emerged in the discussion. Firstly, while little change in the permafrost had been observed to date, both companies recognized the potential for global climate change to affect the stability of the permafrost in the future. They have both begun aggressively modeling potential future climate scenarios and their implications for post-closure monitoring, with the shared goal of minimizing long-term monitoring and maintenance post-closure. Rio Tinto shared that the scenarios they modeled demonstrate the region will remain an arid Arctic desert climate. Glencore emphasized its efforts to minimize post-closure contamination of local water supplies from tailings and shared that post-closure monitoring will continue for a minimum of 10 years. Glencore also noted that all open pits will be backfilled and contoured back to the natural landscape.

While discussing social aspects of closure, Rio Tinto explained how it was examining the capabilities of local suppliers and contractors to create new business opportunities, including through discussions with the Canadian Council for Aboriginal Business. Rio Tinto also noted that Diavik posted the largest reclamation bond in Canadian mining history when it first submitted its closure plan, which includes two bonds to meet regulatory requirements and a third bond defined through a monitoring agency established by Diavik. The government will release portions of the reclamation bonds back to Rio Tinto as reclamation progresses and liability therefore diminishes. It is in ongoing conversations with the Government of the Northwest Territories and regulators to determine how this relinquishment process will ultimately end.

The general discussion, including the opportunity for Panel members to ask questions of industry that reflect the community interests they represent, was a good example of the rich dialogue Panel meetings can generate. The discussions revolving around mine closure and climate change underscored the importance of viewing relations between mining companies and COI as ongoing processes that will take years to unfold.

Biannual Panel meetings, including fall meetings on the site of at least one of the mines participating in the PVR, are integral to maximising these positive interactions.

THE COMMUNITY AND SITE VISIT AT RAGLAN MINE

As part of Raglan's PVR, the Panel was brought on a tour of the Raglan Mine site and was interested to view first-hand Glencore's wind turbine and energy storage facility. The 3-megawatt facility with a 120-metre tall turbine has saved 7.5 million litres of diesel fuel and reduced GHG emissions by 21 kilotonnes since installation in August 2014, and had won the 2016 *TSM* award for Environmental Excellence.

The Panel also very much appreciated the opportunity to visit the local Indigenous community. The community had benefitted quite noticeably from the revenues it received from mining as evidenced, for example, by the amount of new construction. The Panel meeting coincided with an annual event in which Glencore engaged in a variety of community activities. Several Panel members had the opportunity to observe a workshop on translating Glencore activity terms and concepts (e.g. tailings) into the local Indigenous language. The workshop highlighted the importance of developing effective communications strategies that minimize potential sources of confusion. It also demonstrated the need for flexibility from company organizers, as community members would occasionally use the public event to voice concerns not originally on the planned agenda.

More generally, the visit contributed to a discussion concerning the quality and extent of community participation and engagement with Glencore. This was particularly important given Glencore's experience of offering incentives such as prizes to encourage community participation, only to discover that community members were more interested in the announcement of the prize winner than the topic of discussion. Panel members were able to offer several suggestions to improve the quality of participation, including having conversations household to household and the importance of Glencore having an ongoing presence in the community to build trust. This was followed by a discussion of how Glencore could help increase local employment and contribute to community development. Finally, several Panel members suggested that future meetings provide an expanded dialogue with local communities of interest in order to better understand their perspectives.

PANEL RENEWAL AND DIVERSITY

The Panel raised the importance of gender equality during the fall 2017 meeting. This topic was discussed at the February 2018 Panel Renewal Working Group meeting, which also addressed the larger theme of Panel member diversity, particularly the importance of youth representation. It was agreed that gender equality would be taken into consideration during the 2018 recruitment and selection process for the environmental and international development community representatives.

INDIGENOUS RECONCILIATION PANEL

As a result of the Panel materiality process, at the March 2018 meeting a panel of Indigenous representatives was convened to share their perspectives on Indigenous reconciliation and the Truth and Reconciliation Call to Action #92, and their implications for the mining sector. The following panelists shared their perspectives with the Panel: Daniel Benoit, Métis COI Panel member; Will David, representative from Inuit Tapiriit Kanatami (ITK); Theresa Baikie, Inuit COI Panel member; and Chief David Walkem, Community COI Panel member, from the Cooks Ferry Indian Band. Several key themes emerged from the presentations and plenary discussions. Panelists stressed the importance of meeting an Indigenous community where they are at, aligning with where they want to go, reflecting on biases, and implementing programs to foster reconciliation. Panelists also discussed the importance of government ensuring Indigenous peoples are treated equally and fairly, despite government often looking to industry to fulfill the Crown's duty to consult and maintain relationships with Indigenous peoples. The need for cultural awareness education and training for mining management and staff was raised as well as the need for gender-balanced relationships between Indigenous communities, but there was a shared resolve for reconciliation.

CLIMATE CHANGE CALLS TO ACTION PROGRESS

In 2016 the COI Panel issued an Advisory Statement on Climate Change, challenging MAC and its members to increase its engagement on climate change-related issues. In October 2017, MAC released its official response to the Panel Statement, noting thirteen specific actions that MAC commits to undertake in response. At the March 2018 meeting, Brendan Marshall, MAC's Vice President of Economic and Northern Affairs, provided an update on these commitments, including the good news that a MAC proposal to Natural Resources Canada for research on climate adaptation was successful.

Brendan also noted the heavy demands for industry engagement on climate change and shared that MAC will prioritize one action at a time with the understanding that once an action was initiated, MAC could reassess available capacity and the need for advancing other commitments.

The Panel noted that demands for industry engagement on climate change will only increase and that resources may need to be shifted or supplemented to meet these demands. Brendan and three Panel members (Joy Kennedy, Nathan Lemphers and Mark Wiseman) were also able to share their experience with the Advisory Statement on Climate Change at the March 2018 Prospectors and Developers Association of Canada Convention, which helped to increase awareness about the value of COI engagement. The Panel looks forward to receiving regular updates on the implementation of MAC's climate change commitments.

ABORIGINAL AND COMMUNITY OUTREACH PROTOCOL UPDATE

At the March 2018 meeting, MAC sought feedback on the proposed scope of a revised *Aboriginal and Community Outreach Protocol.* Much has changed since this Protocol was initially developed, such as the adoption of the United Nations Declaration on the Rights of Indigenous Peoples, the legal principle of free, prior, and informed consent, Canada's Truth and Reconciliation Commission recommendations, as well as a growing number of legal rulings and rising public expectations regarding relations with Indigenous communities. Panel members shared comments on the Protocol broadly, as well as comments specific to the four existing indicators. The Panel looks forward to providing additional feedback on the next iteration of this Protocol.

WATER MANAGEMENT PROTOCOL DEVELOPMENT

A new Protocol for water management is currently under development. At the March 2018 meeting, MAC presented the draft *Water Stewardship Protocol* for review. Advice given to MAC included: incorporating more explicit references to climate change and adaptive management, considering both absolute and intensity targets, suggested improvements for Level AAA criteria, collaborating with Indigenous communities on watershed issues and improving clarity on what constitutes a Level C. Overall, this Protocol will be a very positive addition to *TSM* and is aligned with the concerns of many stakeholders.

REFLECTIONS FROM EXITING PANEL MEMBERS

Nathan Lemphers, an environmental representative on the Panel, is leaving after serving two terms. He shares the following comments:

"It has been a rewarding experience to serve on the COI Panel. Over the course of six years, I have seen the Panel evolve in the type of advice that it shares with MAC, with less focus on the specifics of the PVR and more focus on alerting and pressing MAC on issues of importance to the COI. MAC has evolved, as well. They have invested in educating Panelists through mine site and community visits and have shown receptiveness in listening to more critical voices from these local communities. I am particularly proud of the commitments made by MAC to increase the scope of its climate change-related work. I look forward to seeing how these and other commitments help to strengthen TSM and the overall sustainability of mining in Canada. Many thanks to Stratos for their excellent facilitation."

Phil Oxhorn, a member of the international development community will also be completing his second term on the Panel. His reflections echo many of the themes mentioned by Nathan:

"I have enjoyed being on the Panel for the past six years. It was an invaluable opportunity to engage in a dialogue not only with the mining industry, but also with the other members of the Panel who represent a rich diversity in experiences related to mining. The Panel provides MAC with a unique resource for addressing a variety of issues revolving around the TSM initiative, and MAC should be proud of the fact that it has created the Panel as an important source of invaluable insights. I was particularly pleased to contribute to the Panel's own evolution, as it began focusing less on the technical aspects of the PVR in favor of broader discussions on the issues of concern to Panel members. Finally, I would also like to thank Stratos, whose facilitation helped make this evolution feasible, and the MAC team for providing me with this enriching opportunity."