



TSM Verification Mary River Mine Summary Report

Baffinland

PREPARED FOR



Baffinland

DATE

22 December 2023

REFERENCE

0708097



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ACRONYMS AND ABBREVIATIONS

Acronyms	Description
AIS	Aquatic Invasive Species
APRF	Annual Planning Review Forum
BIM	Baffinland Iron Mines Corporation
CAO	Chief Administrative Officer
CBT	Cognitive-behavioural therapy
CMP	Crisis Management Plan
COI	Community of Interest
CWS	Canadian Wildlife Service
ECCC	Environment and Climate Change Canada
EEM	Environmental Effects Monitoring
EFAB	Employee, Family and Assistance Program
EIS	Environmental Impact Statement

EOC	Emergency Operations Centre
EOR	Engineer of Record
ERP	Emergency Response Plan
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
FEIS	Federal Environmental Impacts Statement
FLRA	Field Level Risk Assessment
GHG	Greenhouse Gases
HR	Human Rights
HSE	Health, Safety and Environment
HS	Health and Safety
HSEST	Health, Safety, Environment, Security and Training
HTO	Hunters and Trappers Organizations
ICAM	Identity, Credential, and Access Management
IIBA	Inuit Impact and Benefit Agreement
ILDLP	Inuit Leadership Development Program
JEC	Joint Executive Committee
JHA	Job Hazard Analysis
JHSC	Joint Health and Safety Committee
KPI	Key Performance Indicator
LMS	Learning Management System
MEEMP	Marine Environmental Effects Monitoring Program
MEWG	Marine environmental working group
MOU	Memorandum of Understanding
MOWL	Maximum Operating Water Level
MRM	Mary River Mine
NGO	Non-Governmental Organization
NIRB	Nunavut Impact Review Board
NIS	Non-Indigenous Species
NWB	Nunavut Water Board
OBPS	Output-Based Pricing System
OHSC	Occupational Health and Safety Committee
OMS	Operations, Maintenance and Surveillance
OPEP	Oil Pollution Emergency Plan
QA/QC	Quality Assurance / Quality Control
QIA	Qikiqtani Region

RASCI	Responsible, Accountable, Supporting, Consulted and Informed
RFID	Radio-frequency identification
SPCR	Spill Prevention, Control and Response
TARP	Trigger Action and Response Plan
TEK	Traditional Ecological Knowledge
TEWG	Terrestrial environmental working group
TRFIR	Total Recordable Injury Frequency Rate
TSM	Towards Sustainable Mining
WWF	World Wildlife Fund
VSP	TSM Verification Service Provider

1. FACILITY INFORMATION

TABLE 1 SUMMARY OF FACILITY INFORMATION

Name of Company	Baffinland Iron Mines Corporation (BIM)
Name of Facility	Mary River Mine (MRM)
Address	Baffin Island, Nunavut
Country of Operation	Canada
Products/metals produced onsite	Iron Ore
Types of operations included in scope:	
Mining	The Mary River Mine operation on Baffin Island, Nunavut, consists of 1 open pit iron ore mine. Crushing and screening of ore is done onsite, and then shipped offsite for further processing. As such there is no tailings facility onsite. The MRM is BIM's only operating asset.
Concentrate blending	N/A
Smelting	N/A
Refining	N/A
Other (please explain)	N/A
Types of infrastructure included in scope:	
Roads	The 100 km Tote Road that connects the crushing area at the mine site to the Milne Port where material is stockpiled.
Rails	N/A
Ports	The Milne Port where iron ore is trucked and then loaded onto ships for transport to international markets. Shipping occurs during the ice-free season which is typically from July to October.
Other (please explain)	N/A

1.1 MAP OF MARY RIVER MINE

FIGURE 1 LOCATION OF MARY RIVER MINE



Source: Base Map: © ESRI Data and Maps (Online) (2016). Redlands, CA: Environmental Systems Research Institute.

2. VERIFIER AND VERIFICATION INFORMATION

TABLE 2 SUMMARY OF VERIFIER AND VERIFICATION INFORMATION

Verification Firm	ERM Consultants Canada Ltd.
Confirmation that all verifiers involved in the verification are accredited TSM verifiers	Judy Fedorowick, Partner in Charge, is a qualified VSP. Michelle Gillen, reviewed the completed documentation and is also a qualified VSP.
Date(s) of verification activities (dd/mm/yyyy – dd/mm/yyyy)	Document Review: 25/10/2023-1/12/2023 Site Visit: 12/11/2023-16/11/2023 COI Interviews: 12/11/2023 – 16/11/2022 Reporting: 04/12/2023 –22/12/2023
Verification period	This is the second external verification of the Mary River Mine (First 2020). The VSP focused on the 2023 self-assessments provided by the site, extensive interviews and an onsite site visit.
Summary of the verification methodology	<p>The process included document review, site-based interviews, COI interviews, and reporting. Initial document review and remote interviews were conducted followed by onsite verification activities.</p> <p>There are no tailings produced at the site and this protocol was excluded from verification. The verification did not include other standards or the addition of the Responsible Sourcing Alignment Supplement.</p> <p>No external audits were conducted.</p>
Summary of the verification activities	<p><u>Planning</u></p> <p>Planning for the verification was organized with Baffinland corporate environment and social governance (ESG) staff, who also attended the site visit with a representative from the ESG team. A request for key COI representatives was made and arrangements for short interviews while onsite was completed. Some of these were face to face while others were via teleconference. A verification plan was prepared and shared with the corporate TSM coordinator. The schedule included a focused interview with the lead for each TSM protocol conducted remotely with follow up onsite. A site tour was conducted.</p> <p><u>Document Review</u></p> <p>To support the verification, a SharePoint site was set up by BIM to allow access to the self-assessment reports and associated documented evidence. The VSP reviewed this material in advance of interviews and the site visit and in several cases, requested some additional information.</p> <p><u>Site Visit</u></p>

The site visit included an overview of the Mary River Mine (MRM), interviews with knowledgeable workers, and select COI. Due to weather issues, it was not possible to visit Milne Port. Evidence was reviewed and if required, the VSP requested additional information or adjustments to the self-assessment.

Sampling of evidence was limited to certain monitoring reports, minutes of meetings, and other periodically scheduled activities.

Interviews with both operational and management staff occurred. See Appendix A for a list of participants.

COI Interviews

The COI interviews were completed both virtually and face to face due to availability of the participants. An interview protocol was developed based on virtual review of information provided by the MRM. The aim of the interviews was to verify this information over a broad range of topics. See Appendix B for a list of COI the VSP engaged with.

3. SUMMARY OF FINDINGS

This section summarizes ratings for all TSM indicators and provide brief commentary regarding these indicators and the facility's score on a given protocol.

TABLE 3 SUMMARY OF CONFORMANCE RATINGS

Criterion	ERM Verified Rating
1. Community of Interest (COI) Identification	AAA
2. Effective COI Engagement and Dialogue	AAA
3. Effective Indigenous Engagement and Dialogue	AAA
4. Community Impact and Benefit Management	AAA
5. COI Response Mechanism	AAA
Health & Safety	
1. Commitments and Accountability	AA
2. Planning and Implementation	A
3. Training, Behaviour and Culture	AAA
4. Monitoring and Reporting	B
5. Performance	AA
Crisis Management – Facility Level	
1. Crisis Management and Communications Preparedness	Yes
2. Review	Yes
3. Training	Yes
Crisis Management – Corporate Level	
1. Crisis Management and Communications Preparedness	Yes
2. Review	Yes
3. Training	Yes
Preventing of Child and Forced Labour	
1. Preventing Forced Labour	Yes
2. Preventing Child Labour	Yes
Climate Change	
1. Corporate Climate Change Management	A
2. Facility Climate Change Management	A
3. Facility Performance Targets and Reporting	A
Biodiversity Conservation Management	
1. Corporate biodiversity conservation commitment, accountability, and communications	AA
2. Biodiversity conservation planning and implementation	AAA

Criterion	ERM Verified Rating
3. Biodiversity conservation reporting	AAA
Water Stewardship	
1. Water Governance	A
2. Operational Water Management	A
3. Watershed-scale Planning	AAA
4. Water Reporting and Performance	AAA

TABLE 4 DETAILED COMMENTS ON CONFORMANCE RATINGS

Criterion	Rating	Comments
Indigenous and Community Relationships		
1. Community of Interest (COI) Identification	AAA	<ul style="list-style-type: none"> Five impacted Inuit communities were identified that are formally represented in the negotiated Inuit Impact Benefit Agreement (IIBA) which was signed in 2018. The Qikiqtani Region Inuit (QIA) which is the landowner of Mine Site, Milne Port, most of Tote Road, and first 26km of South Rail represent and negotiate on behalf of the five Inuit communities. The process by which the COI are identified must follow the requirements of NIRB. The VSP reviewed the IIBA to confirm the above. Other communities of interest are identified and outlined in the Stakeholder Engagement Plan. This includes communities with diverse set of interest including local hunter and trappers associations, as well as more global NGO’s such as the World Wildlife Fund and Oceans North. There are several working groups which have representation from multiple COIs. This includes the MEWG (Marine environmental working group) and TEWG (Terrestrial environmental working group). There are formal terms of reference for these working groups.
2. Effective COI Engagement and Dialogue	AAA	<ul style="list-style-type: none"> There are documented engagement and dialogue processes in place that are formally reported on as per commitments in the IIBA. MRM covers reasonable costs associated with travel, accommodations, and incidentals to representatives from various Inuit community organizations. Resource Guides as well as community liaison officers are in each of the five impacted communities providing direct contact to the MRM. Other forums of communication include additional channels during the shipping season, broadcasting on radio shows and through face book. Community engagement, as well as concerns that may be received, is tracked with unique identifiers, and include follow up and remedies as needed. This engagement

Criterion	Rating	Comments
		<p>tracker is consolidated and publicly shared on an annual basis through the NIRB reporting process, such that engagement and follow up is transparent.</p> <ul style="list-style-type: none"> • Inuit Cultural Awareness Training is required for all employees at the MRM. The Inuit Leadership Development Program (ILDLP) is a culturally based program that gives Inuit employees the opportunity to advance to leadership roles within Baffinland and are direct examples of capacity building programs. • Mechanisms for resolving any disputes are written into the IIBA. The joint executive committee (JEC), co-chaired with BIM and the QIA, seeks resolutions on issues and includes an escalation process for unresolved disputes. • There is a corrective action plan that includes those that have been accepted and is tracked to completion. Other effectiveness review processes include the review of the IIBA Implementation Guide which is conducted every three years.
<p>3. Effective Indigenous Engagement and Dialogue</p>	<p>AAA</p>	<ul style="list-style-type: none"> • The IIBA sets the requirements that are followed by the MRM in terms of Indigenous engagement and dialogue with multiple formal processes including how communication and engagement will function, consultation processes, contracting and business opportunities, training, education, and economic sharing opportunities. The IIBA includes mutually agreed on objectives which are formal and measurable. These are reviewed, tracked and reported on annually. • Traditional knowledge holders are directly employed by the MRM which results in consistent and close interaction with the Inuit. Their knowledge is incorporated into various programs. • The VSP interviewed Michael Salomonie the new Manager of Community Relations based in Iqaluit, who has expanded the local team to include Inuit Resource Guides in addition to the community liaison officers (CLOs) and have now added the Resource Guides. They work closely with the traditional knowledge to create a shared state of agreement. Other Inuit employees on this team were interviewed and included Janet Merkosak, Manager Corporate Services and Paul Quassa, Senior Advisor. • To verify the above information the VSP interviewed the Mayor of Pond Inlet, Joshua Arreak, and the CAO of Pond Inlet, David Stockley. • Onsite, the VSP interviewed one of the environmental monitors directly employed by the QIA.

Criterion	Rating	Comments
4. Community Impact and Benefit Management	AAA	<ul style="list-style-type: none"> • There are formal roles at both MRM and BIM responsible for community engagement and monitoring. • There is a social and economic monitoring plan that includes an annual review to understand performance against impact predictions on an annual basis. The indicators that are monitored were established in the original federal environmental impacts statement (FEIS). The MRM socio economic working group, which includes QIA and the Nunavut government, reviews the reports and identifies any priority actions for the following year. • Action plans associated with the social and economic monitoring plan are reviewed annually and every 3 years a more in-depth review is conducted to determine whether the delivery of the program is effective. • Many mitigation programs are in place to address food security in the communities, training and employment (new training facility funded by MRM in Pond Inlet), and mental health. MRM provides access 24/7 to an onsite mental health counsellor. • MRM contributions are formally tracked in the IIBA and include community development contributions. • The IIBA requires preferential contacting with Inuit firms and a process for conducting contracting reviews. MRM also provides training opportunities for local Inuit to learn trades that both benefit the Mine as well as the communities in which they live. MRM also funds a program that is managed by the QIA that provides support to any new start-up business by the local Inuit. • To verify the above information the VSP interviewed the Mayor of Pond Inlet, Joshua Arreak, and the CAO of Pond Inlet, David Stockley.
5. COI Response Mechanism	AAA	<ul style="list-style-type: none"> • A response mechanism is in place with a clear process to receive, manage and respond to COI grievances, comments, and requests. The IIBA and the terms of reference from the working groups (TEWG and MEWG) outline various specific processes on how to receive COI request and the mechanism for response. • The processes for collecting feedback also include Facebook, the inquiry line (dedicated email monitored by the communications group), and a confidential Whistleblower policy that is monitored by a third party. These communication mechanisms were observed to be clearly advertised at the MRM. • Concerns received during community meetings, through formal working groups, or through CLOs, are all centrally tracked and then reported on in the annual NIRB report which is made public.

Criterion	Rating	Comments
		<ul style="list-style-type: none"> The annual NIRB report, which includes the feedback summary is reviewed and responded to by various regulatory and community stakeholders like the QIA and the hunters and trappers associations. Through this annual process the COI have the ability to identify if they are satisfied with current engagement processes or if continuous improvement is necessary.
Safety and Health		
1. Commitments and Accountability	AA	<ul style="list-style-type: none"> The MRM has a signed HSE policy (April 2023) and has established 9 life safety rules that are included in Site orientation required of all visitors, contractors, and new employees. The health and safety team consists of a Senior Director of Health, Safety, Environment, Security and Training (HSEST) that is supported by a team of eleven individuals including an H&S Superintendent, H&S analysis as well as H&S coordinator and ERT trainers. Commitments to safety are further displayed through posters and communications boards observed onsite. Through safety interactions, coaching process, and competency sign offs it is verified that accountabilities are understood. There are several review processes completed by MRM including audits of completed JHAs (KPI of 5/month), review of completed FLRAs by Supervisors (quantity and quality), and safety interactions which are interdepartmental peer to peer reviews. At this time, there is no external audit program that would include the intent of the Indicator.
2. Planning and Implementation	A	<ul style="list-style-type: none"> Site investigation procedures have been developed that include incident notification and investigation type depending on severity of the incident. For category C3 a 5 whys investigation is performed with ICAMs conducted for C4 and above. The MRM has the elements of a health and safety management system. Standard operating procedures have been developed for the most common tasks, including industrial hygiene, and are managed through a document management system (CDMS). During the site visit, the VSP interviewed the industrial hygiene contractor who is a certified Industrial Hygienist contracted to the MRM. Leading and lagging indicators have been established to monitor performance. Targets are set annually, based on the historical performance, (TRFIR), and progress to KPIs is reported weekly. Risk control tools have been developed and include the essential steps related to nine lifesaving rules. JHAs are

Criterion	Rating	Comments
		<p>required to be performed for specific tasks with field level risk assessments (FLRAs) performed daily. Workplace inspections are completed through I-auditor, as well as by the OHSC committee.</p> <ul style="list-style-type: none"> There is a risk management policy and departmental risk registers that have been developed with risks ranked based on a standard 6 by 6 matrices. The register outlines controls to manage the risk; however, there is no distinction between critical controls, mitigation controls and underpinning controls. There is no internal audit to all the elements in Level A.
<p>3. Training, Behaviour and Culture</p>	<p>AAA</p>	<ul style="list-style-type: none"> There is a learning management system (LMS) in place hosted on a third-party platform (Cognibox) which is used to track training, record completion include E-learning and scanned documents. Training needs have been identified and assigned. Trainers are evaluated through surveys and questionnaires. Onsite trainers receive train-the-trainer course while specialized training would be delivered with SMEs that are brought to the mine site. Hazard identification is part of the site orientation with more in-depth training provided through induction. Hazard identification is further reinforced through completion of FLRAs and JHAs. There is a dedicated onsite mental health service provided at the MRM. One of the two mental health counsellors were interviewed where it was confirmed that there is both scheduled and ad hoc support provided to mine employees through two cross shift employees. In 2023 the MRM issued a safety in design program to ensure that all project risks are proactively identified and managed. This also includes purchasing decisions. There is a safety interactions program that requires leaders to have one on one interactions with employees. While onsite the VSP observed that safety and health is visibly embedded. This included safety notification boards, emails to all employees, and morning meetings that started with a safety moment.
<p>4. Monitoring and Reporting</p>	<p>B</p>	<ul style="list-style-type: none"> Health and safety performance metrics have been established at the MRM, are tracked and reported to facility management on a monthly basis. On an annual basis this information is considered when developing the annual safety management programs. Monitoring programs include industrial hygiene aspects.

Criterion	Rating	Comments
		<ul style="list-style-type: none"> • A formal incident management program is in place that includes identification, reporting, investigation, and corrective action tracking. • An inspection schedule has been developed which includes reviewing select areas at the Mine and Port, and completing a form in I-auditor on hazards that are identified and the controls in place. There are also audits of JHAs which include a form and scoring system that is completed and is tracked as one of MRM's leading indicators. The above are considered internal audits of some of the management system components of the MRM. • There was no formal compliance audit completed at the mine and none of the above review processes included reference to legal requirements. An audit plan has not been established. • Data that are collected is reviewed by the Superintendents and the HSEST VP prior to being reported publicly. At this time there is no safety and health audit on the safety and health data and information collected, compiled, and reported.
5. Performance	AA	<ul style="list-style-type: none"> • Health and safety performance metrics have been established at the MRM, are tracked and reported to facility management on a monthly basis. These targets were observed posted at the MRM. • The MRM sits on the Northern Mining Committee that includes other peer mining companies. During meetings health and safety performance is openly discussed. • The site has been fatality free over the four-year period. A total recordable incident frequency target has been set since 2019 and the MRM has met this rate over that time period. • The MRM has not conducted an external health and safety audit of its safety and health performance.
<i>Crisis Management and Communications Planning – Facility and Corporate Level</i>		
1. Crisis Management and Communications Preparedness	Y	<ul style="list-style-type: none"> • A crisis management plan (CMP) has been established for the MRM and BIM. The threats and risks that could create a crisis are outlined in the site-based emergency response plan (ERP) while the CMP outlines how these threats or risks could escalate to a crisis and how they would be managed. • The CMP is a controlled document and only accessible to CMT with a copy observed in the onsite Emergency Operations Centre (EOC). • All communications regarding a crisis would be through the Corporate trained media spokesperson

Criterion	Rating	Comments
		<ul style="list-style-type: none"> An EOC has been established onsite and was well equipped with maps, duty rosters, and satellite radios. This included key media contact and telephone log sheets. The EOC includes information sheets for the different scenarios that could occur that are related to the different stakeholders that need to be informed.
2. Review	Y	<ul style="list-style-type: none"> The crisis mgt plan is originally dated January 22, 2019, and was reviewed in 2022 and most recently in November 2023. At that time, contact information, maps and roles and responsibilities were updated. Superintendents and Managers are required to review the ERP and CMP at least once a year. If there is a change in position, there is a handover document completed that would require new members to review the CMP. MRM uses a rotating on-call sheet to identify which person fills a certain role during their shift onsite. This includes identification of the person that would be the contact for an emergency or escalating an emergency to the Corporate office to declare a crisis. Due to the fly in and fly out nature of operations, these roles can change. During the annual tabletop testing of the Milne Inlet Oil Pollution Emergency Plan (OPEP) the crisis management team and EOC is invoked. The ERP is tested at the mine site at least once a year. Onsite testing of the ERP communications method is tested at least twice a year. This would be the same mechanisms that is used to warn onsite employees of a crisis. The MRM could not provide a process that would ensure that new members of the CMP are made familiar with the contents of the CMP Within two months of joining the team.
3. Training	Y	<ul style="list-style-type: none"> Response to the COVID-19 pandemic resulted in full scale use of the crisis management plan. In 2021 a blockade of the airport runway at the MRM also included a temporary stoppage of work and invoking the crisis management plan. This was within the last three years and meets the requirements for a full-scale simulation once every three years. An annual tabletop testing of the Milne Inlet Oil Pollution Emergency Plan (OPEP) is conducted. The most recent exercise occurred July 16, 2023, and included an effectiveness review.
Preventing of Child and Forced Labour		
1. Preventing Forced Labour	Yes	<ul style="list-style-type: none"> The Mary River Mine operates in an area that does not have a high risk of forced labour. The MRM uses a third-

Criterion	Rating	Comments
		party firm, Mintz Global Screening, to screen all potential candidates prior to being offered employment.
2. Preventing Child Labour	Yes	<ul style="list-style-type: none"> MRM’s policy is that all employees must be at least 18 years of age. Mintz Global Screening reviews new employees’ birth certificate to confirm age requirements. Employees, visitors and contractors that go the Site via the Charter for the first time are required to conduct onsite induction which includes providing copies of identification which confirm age requirements.
Energy and Greenhouse Gas Emissions		
1. Corporate Climate Change Management	A	<p>Since BIM has only one asset the Corporate assessment for this Indicator focuses on the MRM.</p> <ul style="list-style-type: none"> Scope 1 emissions are calculated and reported through Environment Canada’s Output-Based Pricing System (OBPS) program. As a remote mine site all energy is produced onsite and there are no material scope 2 emissions. The OBPS report is independently verified. Climate change strategy to consider 2023-2028 horizon was completed in 2023 and submitted as part of the annual 2022 NIRB report. The strategy considered the material risks facing BIM and included consultation process of local COI near the MRM. Guiding Principles and a monitoring and reporting framework for the strategy has been developed. Roadmaps to operationalize the 2023-2038 climate change strategy were developed and are in the process of being endorsed with roles and responsibilities, specific targets, monitoring expectations and communication channels. The VSP reviewed the climate change strategy. The roadmaps need to be actioned to advance in this Indicator.
2. Facility Climate Change Management	A	<ul style="list-style-type: none"> Since 2019 there has been an energy management group (renamed to power and distribution group) at the MRM focusing on continuous improvement and a fuel reduction program. While this group is responsible for measuring and tracking energy to understand what reduction steps can be taken, the Sustainable Development group is responsible for reporting resulting GHG emissions through regulatory program. While onsite the VSP verified that RFID tags are in place in the small (frost fighters) and large engines (for energy production) and are used to understand the energy use at significant sources of energy consumption. A fuel reduction target has been set and fuel consumption is reviewed and reported on a weekly basis to identify

Criterion	Rating	Comments
		<p>trends that are used and presented during Superintendent meetings.</p> <ul style="list-style-type: none"> Physical climate impacts were assessed as part of the technical support for Phase 2 and the proposed increased production of the mine site. The assessment included estimating increased GHG emissions from permafrost disturbance. The Continuous Improvement Superintendent was interviewed onsite and outlined various programs being considered to reduce energy consumption and include in business planning. Reports on climate change initiatives are included as part of the NIRB report that is reviewed by the COI. Although the GHG reporting through OBPS is audited, there is no other internal or external audit of the energy and GHG emissions management system.
<p>3. Facility Performance Targets and Reporting</p>	<p>A</p>	<ul style="list-style-type: none"> With the ability to now measure fuel use more effectively through the RFID tagging system, a fuel reduction target of 10% (6.2 M annualized) has been set and is reviewed on a weekly basis. As this is a new indicator, the MRM has yet to report on progress towards meeting this target. Through the OBPS system GHG emission in terms of CO2E are calculated, reported and subject to third party verification. These are performance-based targets set by the OBPS scheme and based on the production of iron ore in tonnes and the generation of electricity in gigawatt hours. Standard quantification methods are used to calculate these emissions. Through public reporting of the OBPS, MRM is sharing information on calculated GHG emissions.
<p>Biodiversity Conservation Management</p>		
<p>1. Corporate biodiversity conservation commitment, accountability, and communications</p>	<p>AA</p>	<ul style="list-style-type: none"> The commitment to biodiversity management is outlined through its public environmental stewardship statement, through its commitments to managing and monitoring terrestrial and aquatic species as expressed in the annual NIRB reports, and its commitments outlined in the IIBA. The MRM works closely with the local communities represented by the QIA in the IIBA, as well as the hunters and trappers organizations. Roles and Responsibilities for biodiversity management cascade from the Corporate office to the Environmental Team at the Mary River Site. The NIRB annual reports which include the results of the biodiversity management are reviewed by stakeholders and are the matter of public record.

Criterion	Rating	Comments
		<ul style="list-style-type: none"> While there are some compensation elements of MRM's biodiversity management programs, there is not a stated commitment to no net loss to achieve level AAA.
2. Biodiversity conservation planning and implementation	AAA	<ul style="list-style-type: none"> The biodiversity management system including biodiversity monitoring is a requirement of the Project Certificate with progress to targets reported publicly in annual NIRB reports. Extensive aquatic and terrestrial monitoring programs exist including but not limited to the Mammal Aerial Survey Programs, Bruce Head Shore-based Monitoring Program, Underwater Passive Acoustic, the Marine Environmental Effects Monitoring Program (MEEMP), and Non-Indigenous Species, /Aquatic Invasive Species (NIS/AIS) Monitoring Program, freshwater monitoring and terrestrial monitoring programs. For each of the monitoring programs there is a stated objective in alignment with the requirements of a Project Certificate specific Condition. The results of the monitoring related to the objective, including identification of any trends, is included in the annual NIRB report. Visitors to the site (including contractors and consultants) must undergo orientation training which includes awareness of the unique biodiversity in the area. During the site visit, posters regarding biodiversity including identification of species, setbacks to approach to caribou, and results of monitoring programs were observed posted in various locations. There is a marine environment working group (MEWG) and terrestrial environment working group (TEWG) which meets and includes opportunities for COI to comment and contribute to biodiversity management system. BIM has partnered with other organization such as the World Wildlife Fund, Marine Mammal Observations Network, universities and ECCC-CWS to support arctic bird research as well as other programs.
3. Biodiversity conservation reporting	AAA	<ul style="list-style-type: none"> Reporting on biodiversity management is required by the Conditions of the Project Certificate. The federal departments, territorial government, QIA, and the HTOs, Hamlets, NGOs (WWF, Oceans North) review and comment on the NIRB report. These are considered independent reviewers of public reporting.
Water Stewardship		
1. Water Governance	A	<ul style="list-style-type: none"> Commitments to water stewardship are made through the IIBA, the Project Certificate and various Water Licenses. The environmental team at MRM are responsible for the multimedia monitoring programs which include water

Criterion	Rating	Comments
		<p>related projects. Management Plan(s) includes a section that clearly outlines roles and responsibilities.</p> <ul style="list-style-type: none"> Through the regulatory process, MRM is required to track its commitments and report on any non-compliance through the quarterly Water License Reports as well as the Annual NIRB report. A corrective action register was reviewed onsite that showed any non-compliances identified during inspections and tracked till resolved. Commitments to the COI are communicated through the IIBA and in the annual NIRB report whereby the results of water management activities are reported. MRM has not yet conducted internal or external audits related to water management and the TSM Water Stewardship Framework.
<p>2. Operational Water Management</p>	<p>A</p>	<ul style="list-style-type: none"> Risk registers include relevant water related risks. A data management system, EQuIS, is used to track sample collection, shipment and analytical results for all water quality samples collected. Water quantity is tracked and recorded in multiple spreadsheets. While onsite the VSP reviewed EQuIS and the data management sheets. All results for water quality and quantity are reported in the 2022 NIRB and Water License reports. The reports include a review of potential trends. There is a systematic process for operational water management which is fundamentally outlined in various water management plans that include surface water, aquatic ecosystems, sampling QA/QC fresh water supply, sewage, snow management etc. A site wide water block diagram/balance was developed as part of the original FEIS and was updated in 2021 for Phase 2. Through the block diagrams flows and storage areas for water are depicted. As part of the 2021 study the predicted quality of water diverted and change in mean annual discharge was calculated based on proposed additional features. There are several response and contingency plans in place including an overall Emergency Response Plan, plus specific spill contingency plans. As part of the MRM's license at the Milne Port an Oil Pollution Emergency Plan (OPEP) is required. Records indicate that exercises of the OPEP occur on an annual basis. All workers and contractors are required to complete an MRM orientation which includes general awareness of the marine environment. At this point in time the MRM does not conduct internal or external audits of all water management practices.

Criterion	Rating	Comments
3. Watershed-scale Planning	AAA	<ul style="list-style-type: none"> The MRM is the only operator within the Watershed. The federal EIS (FEIS) included assessing the entire watershed where the MRM operates including the Tote Road and Milne Port, as well as the surrounding oceans potentially impacted by Shipping. Commitments to water stewardship are also made through Marine Environment Working Group (MEWG) required by the Project Certificate. The purpose of the MEWG is to establish an advisory oversight body providing advice, guidance and enforceable recommendations to enhance baseline conditions, mitigation measures and monitoring programs for the marine environment Based on the Terms of Reference all minutes of meetings and resolutions are publicly communicated through bi-annual reports. Through the MEWG watershed goals are tracked and communicated to the water related COI.
4. Water Reporting and Performance	AAA	<ul style="list-style-type: none"> Through the FEIS and Project Certificate, the MRM is required to report on their performance related to the terms and conditions (TCs) of the Certificate as well as any other Approvals such as issued Water Licenses. The annual NIRB report is public and open to review and consultation prior to being finalized. Water reporting and performance against objectives and targets is variable and include reporting against water use (daily, monthly, annual water withdrawal quantity limits), effluent discharge criteria, (which is regulated through various instruments), hydrogeology, surface water targets, as well as environmental effects monitoring on marine and freshwater biology. These objectives and targets are reported on in terms in the annual NIRB report. The report outlines if a condition is not met, actions taken to manage a situation as well as an impact evaluation on whether the issue is expected to have an impact on the original FEIS predictions. Through the NIRB review process the MRM is subject to scrutiny in terms of the reported information. The Project Certificate requires the MRM to resource and support a third party to conduct biannual performance audits of commitments relating to environmental management of the Tote Road component or environmental management related to shipping. The protocol includes the requirements from Resolutions & Commitments, the Project Certificate and the IIBA Commitments. These biannual audit reports, which include the water management targets and objectives, are completed by BDO Canada LLP on an annual basis with results outlined in the NIRB report.

4. STATEMENT OF VERIFICATION

TABLE 5 SUMMARY OF STATEMENT OF VERIFICATION

<p>The external verification was conducted in accordance with the <i>Terms of Reference for Verifiers</i> and, accordingly, consisted primarily of interviews, data analysis, and examination (on a sample basis) of other evidence relevant to management's assertion of conformance to the requirements of the TSM performance indicators.</p>	
<p>The scores indicated in this report are verified as being accurate based on the evidence reviewed during the external verification of this facility.</p>	
<p>Limitations</p>	<p>Due to poor weather conditions during the site visit, the Tote Road and Milne Port were not visited. No other limitations on how this verification was to be planned and completed were encountered. Some rescheduling of interviews was required but this did not impede the process.</p>
<p>Additional Comments</p>	<p>NA</p>
<p>Name of Lead Verifier</p>	<p>Judy Fedorowick</p>
<p>Date of Statement of Verification</p>	<p>December 22, 2023</p>
<p>Signature of Lead Verifier</p>	



APPENDIX A PERSONNEL INTERVIEWED

APPENDIX CONTENTS LIST



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Protocol	Interviewees - Position
Biodiversity	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Lauri Corlett – <i>Environmental Monitoring Specialist</i>
Energy and GHG	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Roland Hardy – <i>Superintendent of Power and Distribution</i> • Brian Thiessan – <i>Superintendent of Continuous Improvement</i> • Steve Borcsok – <i>Approvals Manager</i> • Bradford Connor – <i>Superintendent of Power and Distribution</i>
Water Stewardship	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Katie Babin – <i>Environmental Superintendent</i>
Crisis and Communications	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Tim Sewell – <i>Senior Director Health, Safety, Environment, Security and Training</i>
Indigenous and Community	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Udlu Hanson – <i>Senior Manager, Environmental Social Governance</i> • Krista Johnson – <i>Socio-Economic Specialist</i> • Adam Akpik – <i>Manager, Community and Strategic Development</i>
Child and Forced Labour	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Annu Sira – <i>Senior Director, Human Resources</i>
Safety and Health	<ul style="list-style-type: none"> • Cortney Oliver – <i>Senior Manager, Environmental Social Governance</i> • Blaine Taylor – <i>Health Safety and Security Superintendent</i> • Tim Sewell – <i>Senior Director, Health, Safety, Environment, Security and Training</i> • Stephane Champagne – <i>Training Superintendent</i> • Sheila Fitzgerald – <i>Mental Health Counsellor</i>



APPENDIX B

COMMUNITY OF INTEREST (COI)
PARTICIPANTS IN THE VERIFICATION
PROCESS



ERM

Name	Organization	Protocol Association
Joshua Arreak	Mayor of Pond Inlet	Indigenous and Community Relations
David Stockley	CAO, Pond Inlet	Indigenous and Community Relations Biodiversity
Jonas Arreak	QIA Environmental Monitor	Biodiversity Water Stewardship
Michael Solomonie	Manager of Community Relations, Mary River Mine	Indigenous and Community Relations
Janet Merkosak	Manager Corporate Services, Mary River Mine	Indigenous and Community Relations
Paul Quassa	Senior Advisor Mary River Mine	Indigenous and Community Relations



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Kenya	US
Malaysia	Vietnam
Mexico	
Mozambique	

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