

D. Verification Report Template

TSM Verification Report

Facility Information

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| Name of company | Tata Steel Minerals Canada Limited (TSMC) |
| Name of facility | DSO Timmins |
| Address | Km.20, Knob Lake Road, Menihek Region, Labrador West, NL, Canada |
| Country of operation | Canada |
| Products/metals produced on site | Iron ore mining and processing |
| Types of operations included in scope: | |
| Mining | <input checked="" type="checkbox"/> |
| Milling | <input checked="" type="checkbox"/> |
| Smelting | <input type="checkbox"/> |
| Hydrometallurgical | <input type="checkbox"/> |
| Refining | <input type="checkbox"/> |
| Other (please explain) | |
| Types of infrastructure included in scope: | |
| Roads | <input type="checkbox"/> |
| Rails | <input type="checkbox"/> |
| Ports | <input type="checkbox"/> |
| Other (please explain) | |

Verifier and Verification Information

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| Verification firm | Tetra Tech QI Inc. |
| Confirmation that all verifiers involved in the verification are accredited TSM verifiers | Yes, they both are. |
| Date(s) of verification activities (dd/mm/yyyy – dd/mm/yyyy) | 24/01/2024-08/03/2024 |
| Verification period | 24/01/24-08/03/24 |
| Summary of the verification methodology | Information can be found in the Tetra Tech Report attached: <i>Towards Sustainable Mining (TSM) External Verification Report: Tata Steel Minerals Canada Limited</i> |
| Summary of the verification activities | Information can be found in the Tetra Tech Report attached: <i>Towards Sustainable Mining (TSM) External Verification Report: Tata Steel Minerals Canada Limited</i> |
| Was a site visit conducted? | No |

Summary of Findings

| Criterion | Rating C, B, A, AA or AAA (unless otherwise indicated) | Comments |
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| Biodiversity Conservation Management | | |
| 1. Commitment, Accountability and Communications | AA | There is no independent verification/ review (internal or external) for biodiversity conservation commitment and its implementation. |
| 2. Biodiversity Conservation Planning and Implementation | B | There are no action plans developed and implemented to specifically address biodiversity objectives and no responsibility assigned specifically to the person in charge. |
| 3. Biodiversity Conservation Reporting | C | Reports on biodiversity conservation from the facility are not sent to facility-level senior management on a regular basis. |
| Climate Change | | |
| 1. Corporate Climate Change Management | C | TSMC needs to implement a corporate action plan to meet the level A requirements of this indicator. Also, only scope 1 data are kept. Data on scope 2 need to be kept to achieve level B and then level A (question 2). |
| 2. Facility Climate Change Management | C | TSMC needs to implement a corporate action plan to meet the level A requirements of this indicator. Also, GHG emissions of non-energy sources must be identified and estimated to achieve level B, as per question 1c. |
| 3. Facility Performance Targets and Reporting | C | TSMC needs to implement a corporate action plan to meet the level A requirements of this indicator. |
| Crisis Management and Communications Planning - CORPORATE (YES or NO) | | |
| 1. Crisis Management and Communications Preparedness | No | There is no notification mechanism in place to involve the Corporate Crisis Management Team in the event of a crisis, and roles and responsibilities have not been defined in the documentation. |
| 2. Review | No | The Emergency Management Plan is reviewed but there is no specific crisis management plan. |
| 3. Training | Yes | Tabletop crisis simulations are conducted annually at the corporate office. |

| Criterion | Rating C, B, A, AA or AAA (unless otherwise indicated) | Comments |
|---|--|---|
| Crisis Management and Communications Planning - FACILITY (YES or NO) | | |
| 1. Crisis Management and Communications Preparedness | Yes | Threats and risks are identified and “Risk Quarterly Reports” on risks and mitigation are updated weekly. Related documents are updated to insure good preparedness. Community of interest (COI) is involved in the crisis management process. |
| 2. Review | Yes | Crisis management and communications process are reviewed and updated. External resources are used for communication with the media. |
| 3. Training | Yes | It was demonstrated at the facility level that tabletop crisis simulation exercises took place last July (tabletop) and September. The facility covers the needs to train its employees and other individuals on site. |
| Indigenous and Community Relationships | | |
| 1. Community of Interest (COI) Identification | B | The identification of all COI has not been demonstrated. The referenced COI were first identified in the environmental impact assessment from 2009. Since then, TSMC made a lot of efforts to maintain relationships with First Nations and City of Schefferville representatives, but there are no registers or records showing that all COI were reviewed regularly or updated. Consequently, level A has not been attained. |
| 2. Effective COI Engagement and Dialogue | AAA | At level A, there is a statement regarding processes to identify the needs of COI for capacity building to allow them to participate effectively on issues of interest or concern to them. This was self-evaluated as level B because all the requirements for level A were not satisfied. However, the evidence provided demonstrated that COI are included in various processes and involved in different committees, allowing the latter to get involved in issues that concern them. Consequently, level A is achieved. All the other requirements are satisfied. Therefore, the mark has been upgraded to AAA. |


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| 3. Effective Indigenous Engagement and Dialogue | AAA | An Inuit Impact and Benefit Agreement (IIBA) covering the requirements has been entered into. Multiple workshops and committees with COIs are taking place. Communications with the provinces of Québec and Newfoundland and Labrador involving projects with First Nations are taking place. |
| 4. Reporting | B | Baseline data on prioritized adverse impact, action plans and metrics to achieve level A are missing. |
| 5. COI Response Mechanism | AA | The response mechanism is implemented with an internal complaints procedure, but this mechanism does not include all COIs. The AAA result in the self-evaluation could not be achieved. |
| Preventing of Child and Forced Labour (Indicate YES or NO) | | |
| 1. Preventing Forced Labour | Yes | TSMC has implemented a transparent and documented talent acquisition process that prevents any kind of forced labour. |
| 2. Preventing Child Labour | Yes | TSMC does not hire people under the age of 18. Verification of the applicants' age is part of the pre-hiring process. |
| Safe, Healthy and Respectful Workplaces Protocol | | |
| 1. Commitments and Accountability | A | TSMC demonstrates an obvious commitment to maintain safe, healthy, and respectful workplaces. It has implemented a H&S program which identifies responsibilities and ensures employees training and commitment. Because internal audits had not been conducted yet, TSMC could not go further than Level A for this indicator. |
| 2. Planning and Implementation | A | TSMC has implemented a H&S management system driven by their H&S program and produced a H&S manual that includes Process safety management, hazard assessment, incident reporting process, site inspection, etc. It covers all the Level B and Level A obligations. Because internal audits had not been conducted yet, they could not achieve the next levels. |

| Criterion | Rating C, B, A, AA or AAA (unless otherwise indicated) | Comments |
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| 3. Psychological Safety and Respectful Behaviour | A | TSMC's Code of Ethics Counsellor can handle complaints independently. The TATA Code of Conduct also covers dignity and respect values. There is a Health Center on site with an occupational health nurse who provides educational session. There is also a Diversity and Inclusion onboarding program and weekly communications to the employees. Because TSMC has not set performance objectives relating to psychological safety and respectful behavior, level AA could not be achieved. |
| 4. Training, Behaviour and Culture | A | TSMC held a H&S Site Orientation which covered their H&S culture and all its processes. It kept training records. It also holds weekly safety meetings that include everyone on site. Various topics are discussed, including psychological safety and respectful behaviour. TSMC must improve the integration of H&S requirements into operational processes and practices to achieve level AA. |
| 5. Monitoring and Reporting | B | TSMC has implemented a Safety Management Database to monitor H&S data. The Weekly Safety Meeting is a tool used to report and communicate the data. Some data on psychological safety and respectful behaviour is collected, but there is no monitoring and no analysis for that kind of data. Also, TSMC needs to implement a physical safety and health audit program to achieve level A. However, an action plan is in place, so level B has been achieved. |
| 6. Physical Safety and Health Performance | B | TSMC has identified H&S performance targets and communicates them through the Weekly Safety Meeting. All the workers on site, including the contractors, are included in the data and are involved in the Weekly Safety Meeting, where all the information about the targets and performance results is communicated. However, a fatality did occur on the facility for the reporting year and that is why level A cannot be achieved. |
| Tailings Management | | |

| Criterion | Rating C, B, A, AA or AAA (unless otherwise indicated) | Comments |
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| 1. Tailings Management Policy and commitment | C | A "Tailing Handbook" is used for tailings management. It has not been demonstrated that the tailings management system includes the actions of Tata's contractors and consultants. |
| 2. Assigned Accountability and Responsibility for Tailings Management | C | Regarding roles and responsibilities, an Engineer-of -record has not been identified. Tailings management performance needs to be evaluated in management reviews. Action plans need to be developed and must include reviews and revisions of the plans, processes and systems. |
| 3. Tailings Management System and Emergency Preparedness | C | There is no up-to-date tailings management plan. The update of the Tailing handbook 2015 is ongoing. Risk management, including risk assessment, needs to be updated. There is no emergency response plan specific to tailings management. |
| 4. Operation, Maintenance and Surveillance | C | The <i>OMS Manual</i> is included in the Tailings Handbook 2015. Regular reviews and updates have not been undertaken. |
| 5. Annual Tailings Management Review | C | Annual management reviews of the tailings management system are not conducted. |
| Equitable, Diverse and Inclusive Workplaces | | |
| 1. Leadership and Strategy | C | The TSMC Code of Conduct and Harassment & Discrimination Policy is an appropriate commitment to foster an equitable, diverse, and inclusive workplace. An action plan to achieve level A needs to be implemented, specifically to meet the need to define a process for the annual management review of the strategy and to advance towards the achievement of internal objectives, with results reported to corporate leadership. |

| Criterion | Rating C, B, A, AA or AAA (unless otherwise indicated) | Comments |
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| 2. Advancing Equity, Diversity, and Inclusion | C | According to the TSMC Code of Conduct and Harassment & Discrimination Policy, initiatives such as First Nations cultural exchanges, have been made. There is an Impact Benefit agreement in place that includes First Nations employment and contractor agreements. There is also a First Nations Coordinator that verifies the First Nations candidates. An action plan to achieve level A must be implemented to meet the need to clearly define roles, responsibilities, accountability, and resources to promote shared responsibility for equity, diversity, and inclusion at the facility. |
| 3. Monitoring, Performance, and Reporting | C | TSMC collects data on demographic diversity and communicates them through the Employee Benefits Plans Annual Renewal Report. Although TSMC has not defined the preliminary scope, data collection methods and has not reported on equitable, diverse, and inclusive workplaces yet, it must implement an action plan to achieve Level A requirements. |
| Water Stewardship | | |
| 1. Water Governance | A | TSMC does demonstrate a commitment and accountability regarding water stewardship through its Environmental Policy and Environmental Induction. An Environmental Monitoring Plan ensures that water-related regulatory compliance is tracked. Because internal audits had not been conducted yet, it could not go further than Level A for this indicator. |
| 2. Operational Water Management | B | Several studies were carried out in the EIA process to develop operational plans and monitoring programs that identify and assess facility-level surface and groundwater risks. Water quality is tracked and recorded daily. However, level A cannot be achieved because a water balance has taken place but was not updated. |
| 3. Watershed-scale Planning | AA | TSMC has identified watershed boundaries and related COIs and can demonstrate its commitment with the COI based on watershed governance through its interactions and monitoring program. |

| Criterion | Rating <i>C, B, A, AA or AAA (unless otherwise indicated)</i> | Comments |
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| 4. Water Reporting and Performance | B | TSMC has set water-related risk and opportunity targets and objectives. However, level A was not achieved because there is no evidence of public reporting regarding water management performance. |

| Statement of Verification | |
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| The external verification was conducted in accordance with the <i>Terms of Reference for Verifiers</i> and, accordingly, consisted primarily of interviews, data analyses, and examinations (on a sample basis) of other evidence relevant to the management's assertion of conformance to the requirements of the TSM performance indicators. | <input checked="" type="checkbox"/> The external verification was conducted in accordance with the <i>TSM Verifier Terms of Reference</i> . |
| The scores indicated in this report have been verified as being accurate based on the evidence reviewed during the external verification of this facility. | <input checked="" type="checkbox"/> The scores in this report are considered accurate based on this verification. |
| Limitations: | |
| Additional comments: | |
| Has an additional assurance statement been provided by the verifier? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Name of lead verifier: | Éric Gladu |
| Date of statement of verification: | 2024-04-09 |
| Signature of lead verifier: |  |