Mining Association of Canada
Towards Sustainable Mining

26th Meeting of the
Community of Interest Advisory Panel
SUMMARY REPORT

October 4-5, 2016
Ottawa, ON

Towards Sustainable Mining
Vers le développement minier durable

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Executive Summary

The Community of Interest Advisory Panel (COI Panel) is an independent multi-stakeholder group that monitors the Mining Association of Canada's (MAC) Towards Sustainable Mining (TSM) initiative's progress and serves as an external source of knowledge and experience. This executive summary provides a brief account of the meeting held between October 4th and 5th, 2016 in Ottawa, Ontario.

The objectives of the October meeting were to:
1) Complete the post-verification review (PVR) process for Hudbay Minerals and Suncor Energy.
2) Engage in informative and meaningful dialogue with government officials from both Environment and Climate Change Canada and Natural Resources Canada on topics of mutual interest, including, the mining industry's approach to multi-stakeholder/multi-party engagement through the COI Panel.
3) Discuss the work and opportunities for next steps on both the Effectiveness of Community Engagement task force and Climate Change task force.
4) Reflect and asses how the Panel works together within the Terms of Reference to ensure it is engaging effectively as possible; align expectations and balance priorities with available resources; and start the agenda setting process for 2017.

Post-Verification Reviews
The Panel conducted PVRs with Hudbay Minerals and Suncor Energy. Key takeaways included the following:
- **Aboriginal and community engagement**
  - o Previously impact and benefit agreements (IBAs) were not viewed as helpful for mining operations with a long history, but this perspective has changed i.e. now seeing older mining areas with IBAs.
  - o The Panel advised continuing to attempt to engage where there may be "challenged relationships"; relationships may change at any time due to context that industry may not be privy to.
- **Reconciliation**
  - o Many Panel members suggested that MAC consider endorsing/committing to the Truth and Reconciliation Commission's Action 92 (recommendation that companies adopt the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) as a reconciliation framework and apply its principles, norms and standards to corporate policy).
  - o Industry's approach to reconciliation cannot only address Action 92; industry also needs to understand how Action 92 integrates with calls to action directed to other members of society.
  - o Aboriginal perspectives on reconciliation and their associated goals are going to change over time; reconciliation will require an ongoing conversation.
- **Energy and climate change**
  - o There are models companies can apply to understand what their fair share of GHG emissions are to keep within 1.5 or 2 degrees of global warming (e.g. 2 Degrees Investing Initiative).
  - o Some Panel members suggested engaging with power companies and communities on socio-economic impacts (i.e. increase in power bills due to mining power demand).
  - o Mining companies could work with local businesses to develop renewable power options, which could also be sustainable post-closure.

- o Mining companies could consider offsetting existing emissions by building renewable power options themselves.

Dialogue with Government Officials

The Panel met with senior public servants and elected officials from Environment and Climate Change Canada (ECCC) and Natural Resources Canada (NRCan). Key takeaways include the following:

- **Aboriginal and community engagement**
  - o The government's relationship with Aboriginal communities influences mining companies' ability to achieve social license.
  - o One suggestion was for the Government of Canada to consider creating their own version of a COI Panel that addresses the priorities and challenges of mining sustainability in Canada.
- **Environment: Climate change, energy and regulations**
  - o The Government of Canada is organizing a forum to discuss the interconnections of the Canadian energy system, e.g. between provinces.
  - o Some Panel members suggested better coordinating various government-based clean energy and green innovation funds, e.g. one window approach.
  - o When asked about the consideration of cumulative and socio-economic effects in the *Canadian Environmental Assessment Act* (CEAA) review, ECCC responded that federal-provincial cooperation is critical for cumulative effects, and that socio-economic effects could either be integrated into CEAA or require the development of separate legislation.
  - o Many Panel members noted that it was important to engage Aboriginal communities of both climate change and regulatory discussions (e.g. Species at Risk Act).
- **International Mining Corporate Social Responsibility (CSR)**
  - o One Panel member shared how some civil society organizations do not have confidence in the CSR Counsellor as it is currently structured and have been calling for an ombudsman.
  - o One suggestion was for NRCan to play a leading role in developing the CSR agenda within Canada, e.g. understanding how to implement UNDRIP and the Sustainable Development Goals.
- **Infrastructure**
  - o Some Panel members suggested that the government should develop a formal process for engagement on strategic infrastructure development with the mining industry, stakeholders and Aboriginal rights holders.

Task Force Updates

The Effectiveness of Community Engagement task force provided an update on their progress. They communicated to the Panel that they were reviewing the four performance indicators of the Aboriginal and Community Outreach protocol with the TSM Initiative Leaders (ILs) to develop joint COI Panel/IL recommendations. The task force committed to keep the Panel informed on progress and opportunities for input.

The Climate Change task force produced the revised COI Panel Advisory Statement on Climate Change and received comments from the Panel. The non-industry members of the Panel approved in principle to release and publicize the statement, pending revisions based on feedback provided in the meeting. MAC suggested that the TSM Governance Team produce a response to the advisory statement and that they could support the dissemination of the advisory statement more broadly. The task force committed to revise the statement, follow up on MAC's engagement and response and the dissemination of the statement.

Panel Reflections

The purpose of this session was to ensure common understanding of the Panel's objectives and to align expectations, including the need to balance expectations with available resources. Overall, the COI Panel agreed they were comfortable with the objectives set out in their Terms of Reference. Key highlights form the discussion included:

- **Agenda setting process**
  - The Panel should consider how their priorities align with the MAC's Board's priorities.
  - The Panel discussed using a materiality process to set the agenda (see below).
- **Issue tracking / materiality process**
  - A materiality map could be used to capture and prioritize issues discussed by the Panel.
  - Select Panel members volunteered to start a task force to define this process.
- **PVR process**
  - Panel members agreed that the PVR process continues to be an important part of their role.
  - There was some discussion on how many PVRs should be conducted annually and when.
  - The Panel also asked whether companies should identify priority areas for discussion with the Panel during PVRs.
  - The PVR working group committed to discuss how to improve the PVR process.
- **Site visits**
  - Panel members agreed that local COI visits should be maintained, and linked to the priorities of the Panel and PVRs where possible.
  - There was some discussion on how often local COI visits should take place.
  - The Panel also wished to consider engaging with society more broadly e.g. government, academia, financial industry.
- **Balancing Panel activities:**
  - There was some discussion on how to best balance core (i.e. PVR, Panel renewal, Panel statement) and non-core Panel activities (i.e. emerging issues).
- **Engagement with MAC and MAC members**
  - COI Panel would like to receive updates on MAC working group and IL initiatives.
  - Many suggested that they would like their advice communicated to and integrated with MAC working groups and TSM ILs work, where possible.
- **Aboriginal participation on the Panel**
  - Several Panel members expressed concerns about Aboriginal participation at the meeting, noting that discussions do not reflect the diversity of Aboriginal interests across the country.
  - The Panel renewal working group committed to follow up on increasing Aboriginal participation on the Panel.

Summary of Key Outputs from the October 2016 COI Panel Meeting

✓ Advice provided to Hudbay Minerals, Suncor Energy, MAC and the federal government

✓ Agreement to release and publicize the Panel's Advisory Statement on Climate Change, pending incorporate of feedback provided during the meeting

✓ Creation of a Panel task force to define a materiality process for issues tracking and agenda setting

✓ Suggestions to improve the COI Panel operations, including for: PVR process (PVR working group to action); engagement with MAC and MAC members (Stratos and MAC to action); and Aboriginal participation on the Panel (Panel renewal working group to action)

1. Introduction

The Mining Association of Canada's (MAC) Communities' of Interest (COI) Advisory Panel ("the Panel") met October 4th to 5th 2016 in Ottawa. The Panel, established in 2004, monitors the Towards Sustainable Mining (TSM) initiative's progress and serves as an external source of knowledge and experience.[1] Its mandate is to:

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

This report presents a summary of discussions at the October 2016 Panel meeting. Unless indicated, Panel members' comments are not attributed. While the report captures the discussion and Panel member perspectives, should there be specific decisions and recommendations proposed by the Panel, the approach and results will be described in this report and any dissenting views will be identified and recorded. Meeting presentations were shared with Panel members and this content is not duplicated in the body of this report.

2. Summary of Action Items

Below is a summary of action items arising from the COI Panel meetings. Action items are reported until complete. Action items throughout the report are underlined.

ACTION ITEMS					
#	**ITEM**	**LINK TO REPORT**	**RESPONSIBLE**	**TIMELINE**	**STATUS** (as of October 2016)
#1 March -16	MAC will provide a visual (graphic) of recommendation 9.1 from the Independent Tailings Task Force regarding the options for how to include community engagement requirements in the TSM protocols	4.3	MAC	Spring 2016	Complete
#3 March - 16	The Climate Change task force group will review the comments provided by the Panel and will draft a second version of the statement	5.3	Climate Change task force group	TBD	Complete
#4 March – 16	The Effectiveness of Community Engagement task force group will share their work with the MAC Initiative Leaders (ILs) to see how it might be incorporated into TSM	6	Effectiveness of Community Engagement task force group ILs	TBD	Complete
#1 October – 16	MAC will share the letter that they submitted in May 2016 on the federal government's corporate social responsibility strategy with the Panel.	6.2	MAC	TBD	

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

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ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS (as of October 2016)
#2 October - 16	The Effectiveness of Community Engagement Task Force will schedule calls with the Panel at appropriate milestones to keep them informed on progress and any opportunities for input.	7.1	Effectiveness of Community Engagement task force group	TBD	
#3 October - 16	MAC will explore whether there is interest from PDAC in having a session on the Panel's Advisory Statement on Climate Change at the PDAC Convention.	7.2	MAC	March 2017	Complete
#4 October - 16	The Climate Change task force will continue to incorporate additional comments, follow up on MAC engagement and response, dissemination, and consider monitoring/ evaluation mechanisms for the Advisory Statement on Climate Change	7.2	Climate Change task force group	October 2017	Complete
#5 October – 16	Luc Zandvliet, Tim Johnston, Cory McPhee, Scott Yarrow and Michel Julien volunteered to start a COI Panel Task Force to define an issue tracking and materiality process.	9.0	Issue Tracking and Materiality task force group	TBD	In progress
#6 October – 16	The PVR Working Group will meet to discuss how to improve the PVR process, based on Panel comments received.	9.0	PVR working group	Winter 2017	In progress
#7 October – 16	Stratos will re-distribute Alan Penn's note on past site visits and lessons learned to the Panel.	9.0	Stratos	March 2017	Complete
#8 October – 16	Stratos will discuss with MAC how to improve the meeting report format (e.g. brevity, highlighting insights) and how to disseminate the meeting report to relevant parties (e.g. MAC members, COI networks)	9.0	Stratos	March 2017	Complete
#9 October – 16	The Panel Renewal Working Group will discuss Aboriginal participation on the Panel, based on Panel comments received.	9.0	Panel Renewal working group	TBD	In progress
#10 October – 16	Stratos will follow up with Tim Johnston, Dan Benoit, and Alan Penn on the onboarding experience	10.2	Stratos	Winter 2017	Complete

3. Overview of the Meeting

3.1. Meeting Objectives

The objectives of the October meeting were to:

1. Complete the post-verification review process for Hudbay Minerals and Suncor Energy

2. Engage in informative and meaningful dialogue with government officials from both Environment and Climate Change Canada and Natural Resources Canada on topics of mutual interest, including the mining industry's approach to multi-stakeholder/multi-party engagement through the COI Panel.

3. Discuss the work and opportunities for next steps on both the Effectiveness of Community Engagement task force and Climate Change task force.

4. Reflect and asses at how the Panel works together within the Terms of Reference to ensure it is engaging effectively as possible; align expectations and balance priorities with available resources; and start the agenda setting process for 2017.

3.2. Overview of the Agenda

The primary focus of the agenda was the post-verification reviews of Hudbay Minerals and Suncor Energy. The meeting also included engagement with the federal government. This is a departure from the format the fall meeting has followed for the past several years and is the first time in many years that the Panel has engaged with the federal government. The Panel Task Forces on Climate Change and the Effectiveness of Community Engagement provided the Panel with an update on their work. Finally, time was set aside to allow the Panel to reflect on how objectives are set, align expectations and balance priorities with available resources.

Post-Verification Reviews
• Hudbay Minerals
• Suncor Energy

Government Meetings
• Envirnoment and Climate Change Canada
• Natural Resources Canada

Task Force Updates
• Effectiveness of Community Engagement
• Climate Change

Panel Reflections & Agenda Setting

Figure 1: Agenda topics for October 2016 COI Panel Meeting

3.3. Meeting Attendance

Attendees are listed in the Appendix, however, the following should be noted:

- This was the first meeting for two new Panel members: Michel Julien (Agnico Eagle's Industry representative) and Cory McPhee (Vale's Industry representative – note Cory has attended previous meetings but this was the first time as an official Panel member)
- Earl Klyne, Theresa Hollett, Maya Stano, and Chief David Walkem were unable to attend
- Stephen Hazell has been nominated for the Environmental position
- Claudine Renauld stepped down after the March 2016 Panel meeting
- This was Alan Penn's last meeting as a Panel member
- Observers and guests who attended various sessions through the day, included representatives from Hudbay Minerals, Suncor Energy, Natural Resources Canada and Environment and Climate Change Canada
- Leah Henderson from Stratos joined as rapporteur

4. Welcome and Introductions

4.1. Welcome and Introductions

The meeting began with roundtable introductions of all Panel members. One Panel member suggested beginning future meetings by sharing stories relevant to your COI. It was agreed that these stories would be shared during future meetings.

4.2. Confirmation of Environment category nomination

Prior to beginning the Hudbay post-verification review, the Panel confirmed Stephen Hazell's nomination for the Environmental category on the Panel. No concerns or questions were raised regarding his nomination.

The Panel renewal working group emphasized the importance of interviewing candidates, even if there is only one top candidate. They indicated it is a very helpful step to clarify who is best placed to fill Panel vacancies.

5. Post-Verification Reviews (Hudbay Minerals & Suncor Energy)

5.1. Background on the Post-Verification Review Process

One of the three elements of the TSM verification system is an annual post-verification review (PVR) of two or three member companies' performance by the COI Panel. The PVR is not a "verification of the verification" undertaken by the verification service providers for each company. Rather, it focuses on:

- Strong dialogue between member companies and the Panel to gain a better understanding of the successes and challenges regarding the key environmental and social issues in mining;
- Challenging the companies on their performance;
- Assessing whether verification is working as the Panel expected; and
- Increasing the Panel's understanding in how the TSM indicators translate into real action and build confidence in the verification process.

The Panel selected Hudbay Minerals and Suncor from the list of companies verifying their 2015 TSM results to undergo post-verification review in 2016. **A separate report titled "Post Verification Review Report**

2016" contain the full results of the PVR sessions and can be found on the MAC website at http://mining.ca/towards-sustainable-mining/community-interest-advisory-panel.

6. Dialogue with Government Officials

Over the past several years, the fall Panel meetings have been hosted in communities near mining operations and have included engagement with local Communities of Interest (COI) and mine tours. This year, the Panel agreed to depart from this format and the meeting was held in Ottawa. Senior public servants and elected officials were invited to meet with the Panel, making this the first time in many years that the Panel has engaged with the federal government. Given the government's strong commitment to renewing multi-stakeholder dialogue and public participation in decision making, this was an opportunity for informative and meaningful dialogue between the Panel and the federal government.

Officials from Environment and Climate Change Canada and Natural Resources Canada met with the Panel on October 4th and 5th, respectively. The key points of discussion are summarized below.

6.1. Dialogue with Environment and Climate Change Canada

Environment and Climate Change Canada (ECCC) government officials met with the Panel to discuss the government's work in the areas of biodiversity conservation and climate change. The following government officials were present:
- Jonathan Wilkinson, Parliamentary Secretary to the Minister of Environment and Climate Change
- Ben Hartley, Policy Advisor to the Parliamentary Secretary
- Jesse McCormick, Director of Indigenous Relations and Regulatory Affairs, Office of the Minister of Environment and Climate Change

Presentation from ECCC

Jonathan Wilkinson began the discussion by sharing updates from the federal government to the Panel. The following key points were raised:
- **Climate Change**
  - o Responsibility for climate change is shared between provincial and federal governments
  - o There are four federal- provincial climate change working groups:
    - Mitigation: examining the most leveraged areas to decrease GHG emissions e.g. oil and gas, industrial, transportation, buildings, power generation, agriculture, forestry;
    - Adaptation;
    - Clean technology jobs and innovation; and
    - Carbon pricing.
  - o A First Minister's meeting (focused on Regulatory Ministers) is scheduled for December 8, 2016.
  - o Canada is also working with U.S. to increase renewable energy and reduce GHG emissions.
- **Canadian Environmental Assessment Act (CEAA) Review**
  - o The purpose of the review is to create a robust and transparent process that achieves social license and has reasonable timeframes.
  - o A panel has been appointed for the CEAA review; the COI Panel was encouraged to engage with the CEAA review panel to share specific ideas and concerns.
- **Species at Risk**

- o This is an area of shared responsibility between federal and provincial governments.
  - o The federal government may intervene if provincial governments are not meeting their responsibilities (e.g. emergency protection order for Québec's western chorus frog).
  - o ECCC is working to understand and address cumulative effect impacts on species at risk.
- **Mining and Metal Effluent Regulations (MMER)**
  - o ECCC plans to issue one more consultation document for the proposed MMER amendments soon.

Panel discussion with ECCC

Following the update from Jonathan Wilkinson, Panel members shared their comments and had a discussion with the government officials. The following key points were raised in the discussion with the Panel:

- **Aboriginal Engagement**
  - o It is important to engage Aboriginal communities of interests for climate change and other related environmental discussions, now and into the future. ECCC is considering creating advisory groups for specific issues, e.g. reconstituting the species at risk advisory committee that used to exist. It was suggested that Aboriginal peoples should be involved in the *Species at Risk Act*, as a part of the reconciliation process.

- **Climate Change**
  - o The government has a challenging target to meet: They have 14 years to move from a projection of 10% GHG emissions growth above 2005 emissions towards the target of a 30% reduction from 2005 emissions. They are looking at novel financial instruments to accelerate deployment of carbon-friendly technology (may come out of next Minister's Meeting), in addition to international commitments. The "deliverology" approach means that the federal government will evaluate and track progress against measurable targets. One Panel member suggested that ECCC consider 'leaving the door open' to increase targets when signing international agreements.
  - o One Panel member noted the importance of focusing on direct mitigation before discussing carbon offsets, which are difficult to communicate to the public.

- **Cumulative Effects**
  - o Cumulative effects have been raised in environmental assessments for individual projects, however, cumulative effects applies to all industries, not just mining which is generally when they are considered by CEAA. Federal-provincial cooperation is critical when discussing cumulative effects.

- **Socio-economic Effects**
  - o Currently, CEAA only allows an evaluation of socio-economic effects if they are related to environmental effects. Federal government is considering whether socio-economic effects should be integrated into CEAA, or if a separate tool needs to be developed for socio-economic effects. A benefit of CEAA is the consultation and engagement process.

6.2. Dialogue with Natural Resources Canada

Natural Resources Canada (NRCan) government officials met with the Panel to discuss the government's priorities in the areas of Aboriginal and community engagement and climate change. The following government officials were present:

- Guillaume Julien, Regional Policy Advisor for the Minister of Natural Resources Canada Office
- Deborah Elson, Senior Policy Advisor for the Minister of Natural Resources Canada Office

- Marian Campbell-Jarvis, Assistant Deputy Minister, Minerals and Metals Sector
- Stefania Trombetti, Director General, Policy and Economics Branch, Minerals and Metals Sector

Presentation from NRCan

NRCan provided a brief overview of their role and priorities:

- NRCan's role is to champion sustainable resource development, which reconciles environment, economy, social and international interests and includes both support and challenge roles when interacting with the mining industry
- NRCan's top priorities are:
  - clean innovation and technology to transition to a low-carbon economy, improve environmental performance and productivity,
  - building public confidence in the regulatory system through environmental assessment and regulatory reviews,
  - supporting the junior exploration sector to increase discoveries,
  - reconciliation with indigenous people, and
  - corporate social responsibility (CSR) internationally.
- NRCan is interested in identifying the mining industry's top priorities and understanding where minor changes may have larger impacts

Panel discussion with NRCan

The following key points were raised in the discussion with the Panel:

- **International Mining Corporate Social Responsibility (CSR)**
  - Global Affairs Canada (GAC) is taking the lead on CSR issues related to mining, but works closely with NRCan on this file. The CSR Counsellor, Organization for Economic Co-operation and Development's (OECD) National Contact Point, Canadian International Resources and Development Institute (CIRDI) and Export Development Canada (EDC) are other important players that support mining CSR internationally.
  - One Panel member commented that civil society does not have confidence in the CSR Counsellor as it is currently structured and has been part of a group calling for an ombudsman.
  - MAC committed to sharing the letter it submitted in May 2016 on the CSR strategy with the Panel; this could be discussed at a future COI Panel meeting.
  - MAC's TSM plays an important complementary role to the government's work in international mining CSR, but cannot replace regulation. Also, not all mining companies are members of MAC and follow TSM.
  - It was suggested that there is a big opportunity as the mining cycle moves back to a boom cycle and the Canadian government articulates its new vision. One Panel member suggested that Canada could encourage uniform mining regulations internationally considering that mining sites in Canada are seen as role models for international mining operations.
  - Another Panel member noted the importance of recognizing what industries do for society, outside of their core business model (economic reconciliation, climate change, etc.).
- **Infrastructure**
  - Government and mining industry, in consultation with stakeholders and Indigenous rights holders, have a significant role to play in strategic infrastructure development.
  - Need to have a formal process with government (i.e. access point, or MPMO equivalent for infrastructure) for strategic infrastructure development discussions between industry, communities and government.

- o   NRCan can help address barriers faced by both industry and communities for infrastructure investment in the North.
- **Junior Exploration Companies**
  - o   What support can the government provide to junior exploration companies in the environmental and social areas (e.g. minimum expectations)?
  - o   SDTC grants are one example of how government can support exploration companies.
- **Energy**
  - o   How can NRCan encourage policies that assist communities in addressing energy poverty (e.g. IBAs)?
  - o   Energy solutions for mining may be the same energy solutions for communities.
  - o   For example, Avalon is promoting investments in Aboriginal communities for energy generation and other opportunities that can also support mining.
  - o   NRCan is putting together an ecological policy that addresses climate change (international responsibilities), energy poverty (lack of access to enough energy to allow for an adequate quality of life e.g. transportation, electricity, etc. due to high prices or lack of energy) and capacity, and captures lessons learned on diversifying energy sources in Canada.
  - o   The government is organizing a forum, likely next fall, to discuss the interconnections of the Canadian energy system e.g. between provinces.
- **Clean Technology Innovation**
  - o   NRCan is working with Minister Bains to ensure they collaborate effectively in implementing the $1.2 billion investment in clean technology, which includes a section dedicated to the mining industry.
  - o   The government's innovation priorities in mining are to reduce energy intensity and increase energy efficiency (across processing and smelting) e.g. hydrogen vehicles for underground mining, fuel cells, etc.
  - o   There seems to be a lack of coordination between various government green innovation funds; it would be helpful to have a one-stop shop/one window approach.
  - o   Glencore is examining battery-powered equipment for underground mines in Sudbury and have received financial and technical support from NRCan.
  - o   How can NRCan magnify their work with Glencore across the mining sector e.g. green infrastructure bank for mining industry?
  - o   Norway's "innova" was noted as an example that supports technology and provides some of the capital required to pilot technologies in full-scale production.
  - o   Europe is adding cobalt to its chemical registration program, which may become a barrier for implementing battery storage technologies.
- **Engagement**
  - o   Suggest improving understanding of regulatory hurdles that may prevent Aboriginal participation in the mining industry, which may vary by jurisdiction.
  - o   Obtaining the social license of Aboriginal communities is generally tied to the government's relationship with Aboriginal communities and reconciliation in general, rather than mining regulations.
  - o   NRCan could consider setting up their own version of the COI Panel (or Mining Sector Sustainability Table 2.0) that addresses the collective priorities and complex challenges of mining sustainability in Canada and acts as a more permanent structure to reduce engagement fatigue.
  - o   Term "social license" was developed by mining industry to refer to relationships with communities. Social license is not necessarily an appropriate term to use for building public confidence in the regulatory process.

7. Task Force Updates

Prior to beginning the Task Force updates, MAC and Stratos provided a summary of MAC's governance structure, how the COI Panel feeds into this structure, and a summary of COI Panel advice that has resulted in outputs to or from MAC. This context was provided to allow the Panel to understand and reflect on the two Task Force approaches to engagement with MAC.

7.1. Effectiveness of Community Engagement

Effectiveness of engagement is an issue that has been discussed during previous COI Panel meetings, not only in relation to the Aboriginal and Community Outreach protocol but also in relation to other protocols. The Panel-led task force for this topic (Luc Zandvliet, Peter Read, Theresa Hollett, and Alan Penn) provided an update on the Task Force's progress.

The Task Force intends to assess the effectiveness of community engagement across all four performance indicators identified within the Aboriginal and Community Outreach protocol. This will be discussed via teleconference (one for each performance indicator) with ILs, in order to collect views and transition this work to the ILs. As a result, the group may choose to issue a joint COI Panel-IL recommendation for revisions to the TSM protocol(s) and/or develop guidance on how indicators can or should be implemented. This experience demonstrates the ability to integrate COI Panel discussions on specific issues into MAC's existing processes.

A Panel member noted they would like to broaden the discussion to include how to define communities of interest.

The Effectiveness of Community Engagement Task Force agreed to schedule calls with the Panel at appropriate milestones to keep them informed on progress and any opportunities for input.

7.2. Climate Change

Over the past several months, the Climate Change Task Group has been refining the COI Panel Advisory Statement on Climate Change, initially presented at the March 2016 Panel meeting. The Task Group incorporated feedback from non-industry and industry members of the Panel, as well as MAC staff.

In mid-September a revised version of the statement was circulated to the Panel. The Task Force wishes to achieve support from non-industry members of the Panel to release this statement. The Panel's industry members can act as champions for implementing this statement amongst MAC members.

The statement was developed to stimulate rather than prescribe company responses to climate change, in anticipation of and in addition to Canada's regulatory response.

Panel Feedback on the Revised Statement
Panel members participated in the subsequent discussion of the revised statement, and provided the following feedback and recommendations:
- Be clear who the "COI Panel of MAC" is and that the advice being provided is from non-industry members.

- Remember that the industry member's role is to actively participate in dialogue, but not necessarily be part of the Panel's decisions or advice to MAC, as stated in the Terms of Reference
- Consider a shorter/snappier title for this statement.
- Replace "notable commitments" with " … to build and expand on MAC's recently released Principles on …" (p. 1, Purpose).
- Consider revising this statement: "Advocate for industry and government-supported transition funds … especially for carbon emissions-intensive coal and bituminous sands mining sectors" (p. 4, Public and Policy Engagement): this singles out specific industries, which may act as a barrier to industry adoption of this statement.
    o B.C. metallurgical coal industry has some of the lowest emission and efficient coal operations in the world, which contributes to steel production.
    o This singling out may also place emphasis for funds for certain groups, which is in contravention with the "just economic transition".
- This statement is addressing the gap in MAC's policy of referring to a just economic transition, which was not addressed by MAC Board because of timing and not understanding what a just economic transition means.

How the Statement Will be Used
The following comments were made on how MAC may respond to or engage with the released statement:
- It was first noted that the statement's calls to action are addressed to operators rather than MAC.
- A Panel member recommended asking MAC members where they already see alignment with the statement, and what challenges they may have in implementing its calls to action.
- MAC suggested that the TSM Governance Team respond to the statement.
    o If there were a response from TSM Governance Team, the Board of Directors would also vet that response.
    o This statement could be presented to the Energy working group and TSM Governance Team meeting in November.
- MAC suggested convening an agenda item at PDAC to review and react to the Panel's statement and share examples of how they've been implementing it or experiencing challenges.
    o <u>MAC will ask the PDAC if there is interest and circle back.</u>
- The Panel would prefer to give MAC space to respond without having to publish a response, in case a public response constrains the discussion.
- How MAC responds to the statement may guide the dissemination strategy and follow-up actions.

The following comments were made on the dissemination strategy for the statement:
- MAC noted that they are responsible for communication strategies, including the dissemination of Panel outputs.
- This statement could be posted on the MAC COI Panel web page.
- A dissemination strategy could be targeted to each of the audiences identified in the statement's calls to action.
- Investors could also be a target audience, if calls to action are reported against in member sustainability reports.

The following comments were made on next steps:
- A COI Panel member suggested defining indicators for monitoring and evaluating the use and implementation of the statement.

- o The Task Force did not believe that a monitoring and evaluation mechanism was needed at this time.
- <u>The Task Force will continue to incorporate additional comments, following up on MAC engagement and response, dissemination.</u>
  - o The Task Force suggested providing an update in the October 2017 meeting.

Overall, there was an approval in principle from non-industry members of Panel to release and publicize statement, pending proposed revisions.

7.3. Task Force Reflections

Some COI Panel members noted that the federal government is interested in multi-stakeholder processes and now has a better awareness of the COI Panel's work.

MAC's response to the Panel's Advisory Statement on Climate Change can be a signal to governments on how MAC is able to work with multiple stakeholders to adapt policies and/or regulations. The Advisory Statement is also a good method to communicate where the COI Panel wants to go and what MAC is doing about it.

8. Dinner Conversations: Raglan Mine Renewable Energy

During the COI Panel dinner, MAC and the Panel thanked Claudine Renauld and Alan Penn for their dedication and service to the COI Panel.

Scott Yarrow also presented to the Panel two projects implemented by Glencore:
- The wind with energy storage pilot project at the Raglan Mine in Nunavik, Quebec.
- The effects of a battery-powered fleet on underground mine design.

Further details of these initiatives can be found in the presentations provided.

9. Panel Reflections

In 2011, the COI Panel undertook a renewal process that resulted in a revised Terms of Reference, a new mode of operations for the Panel and recruitment of new Panel members. The renewed mandate of the Panel shifted the Panel membership away from organizational representation to individual representation and a broadened scope to allow the Panel to address issues beyond TSM.

Through meeting evaluations and one-on-one discussions with Panel members, questions had been raised about how the Panel operates and how it can be more effective in meeting its objectives. For example, with the extensive expertise and diversity members bring to the Panel, how can the Panel ensure that it balances the interests of individuals with the priorities of MAC and its members? Should issues be prioritized to ensure that the Panel is properly allocating its time?

The purpose of this session was to ensure common understanding of the Panel's objectives and to align expectations, including the need to balance expectations with available resources. The discussion captured below summarizes the Panel's reflections on its work to date and suggestions on how best to move forward.

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- Overall, the COI Panel is comfortable with the objectives set out in the COI Panel Terms of Reference.
- **Agenda setting process**: The COI Panel wanted to consider an agenda setting working group to review and prioritize agenda topics.
    o The COI Panel agenda should align with the MAC Board's priorities.
    o The agenda should achieve the Terms of Reference objectives and encourage rich dialogue and relationship building amongst the COI Panel members.
    o Agenda items should be categorized as (a) for information only, (b) for discussion or (c) for an outcome, which should also indicate the level of preparation expected from the COI Panel.
    o One COI Panel member noted they find it helpful to set the agenda collectively i.e. validate topics during face-to-face meetings to ensure all Panel members' feedback is heard and considered vs. selecting topics through an online survey.
    o Consider using a materiality process to set the agenda (discussed below).
- **Issues tracking / materiality process:**
    o Many issues discussed by the COI Panel are not tracked or revisited.
    o A materiality map could be used to capture and prioritize issues discussed by the COI Panel.
        ▪ Suggested criteria: stakeholder/COI Panel interest and "can we influence this issue in this forum?" or how it relates to the COI Panel's objectives.
    o COI Panel could identify by consensus where issues fall on the materiality map.
    o The materiality map could be used to set agendas for COI Panel meetings, including PVRs.
    o COI Panel meetings could begin with a roundtable of top issues for the COIs each Panel member represents.
    o This tool could be used to identify both top 10 industry issues and top 10 COI issues.
        ▪ Top 10 industry issues could be identified through MAC's strategic plan, MAC working groups and/or annual "state of mining" reports.
        ▪ The two materiality matrices could be compared to understand similarities and differences.
    o <u>Luc Zandvliet, Tim Johnston, Cory McPhee, Scott Yarrow and Michel Julien volunteered to start a COI Panel Task Force to define this process.</u>
- **PVR process:** How can COI Panel and MAC members get the most value out of this process?
    o The Panel agrees that the PVR process should continue to be an important part of its role.
    o The Panel acknowledges that both the Panel and the companies being reviewed spend a lot of time preparing for and participating in the PVR process.
    o Companies could identify 3 priority areas they want to discuss with the Panel; however, companies may not be willing to discuss the most challenging topics where there is not a pre-established relationship of trust.
    o Lessons learned from the PVR process and Panel advice should be shared with other MAC members.
    o The Panel may decide how many PVR sessions to conduct each year, taking into consideration the total number of member companies (i.e. to avoid infrequent PVRs) and the importance of PVR for TSM's credibility.
        ▪ MAC offered flexibility in adding more time to COI Panel meetings, rather than reduce time spent on PVRs.
        ▪ It is helpful to compare and contrast multiple PVR submissions.
    o The Panel debated whether 2 PVRs should be conducted over 2 days (spread it out for Panel) vs. 1 day (allow companies to listen to each other).
        ▪ Could also consider conducting one PVR in the Spring and one in the Fall.

- o The PVR Working Group will meet to discuss how to improve the PVR process.
- **Site visits:** Do the mine site visits serve the interests of the Panel?
  - o Panel members discussed the merits of the regional mine site visits during the fall meeting. While some Panel members felt that they take too much time of the short amount of time spent together, others agreed that they were an important component of learning more about the mining industry – particularly for non-industry members.
  - o Suggestions and comments for improving the site visit included:
    - Keeping the meeting with local COI as it is a powerful learning opportunity to meet mining communities. The Panel could spend more time considering how these visits add value to the local communities themselves – not just value for the Panel. A few members suggested that the meeting with local COI should be linked to the priorities of the Panel and PVR topics where possible.
    - Consider spacing out the regional mine site visits to every 2 years, or making the mine site visit optional before the fall meeting (mine site visits are particularly important for new non-industry Panel members). A few Panel members noted that the mine site visits could focus more on meeting site workers and seeing how the site interacts with the community.
  - o A few Panel members noted that the Panel should also consider engaging with society more broadly e.g. government, academia, and financial industry.
  - o Stratos to re-distribute Alan Penn's note on past site visits and lessons learned to COI Panel members.
- **Other meeting topics for consideration:** The COI Panel discussed other topics that should be considered for meetings, including:
  - o To what extent should the COI Panel track and/or discuss evolving regulatory issues?
  - o A Panel member suggested reviewing the state of the mining industry (for that year) at the start of COI Panel meetings.
- **Meeting facilitation and record keeping:**
  - o Consider using materiality maps as a facilitation tool to capture issues.
  - o Consider how to include other languages in the meetings i.e. French.
  - o Consider an executive summary or insights / materiality table to share more broadly with MAC members and relevant COI.
  - o Stratos to discuss with MAC how to improve the meeting report format (e.g. brevity, highlighting insights) and how to disseminate the meeting report to relevant parties (e.g. MAC members, COI networks).
- **Annual Panel Statement process:** Stratos had a larger coordination role in developing the Panel statement last year i.e. piecing together individual member contributions.
  - o In past years it has been challenging to draft a statement that reflects the diverse perspectives of the Panel.
  - o MAC could provide a conservative guess of how many people access the Panel statement.
- **Balancing core (i.e. PVR, Panel renewal, Panel statement) and non-core Panel activities (i.e. emerging issues):**
  - o Several Panel members suggested spending between ⅓ and ½ of the Panel's time for core activities, and the remaining time for non-core activities.
  - o One Panel member suggested increasing the total time spent to 5 days, to allow for 2.5 days each for COI Panel meetings/PVRs and emerging issues.
  - o Panel members suggested considering how to use core discussions to inform non-core work.
- **Aboriginal issues:** This topic is discussed frequently by the Panel, but it has been difficult to identify next steps.

- o Current discussions do not reflect the diversity of Aboriginal interests across the country.
- o Suggestion to consider candidates outside of the Assembly of First Nations (AFN) that have experience with resource development.
  - ▪ Panel Renewal Working Group to follow up on Aboriginal participation on the Panel.
- o Suggestion to bring in guests that can speak to specific Aboriginal issues.
- o One member commented how the COI Panel struggles to understand IBAs and their implications for industry and communities.
- o In general, COI Panel would like a better understanding of how the work of MAC's Aboriginal Relations Committee may link to COI Panel discussions on Aboriginal issues.
- **Engagement with MAC and MAC members:** Given that the COI Panel is spending more time on issues beyond TSM, many noted that they would like better engagement with MAC and MAC members**.** Suggestions included:
  - o More proactive communication from MAC and its Board to identify issues they would like COI Panel advice on. This could be done through dedicated meetings with MAC and its members One Panel member wondered if MAC could engage the Panel at earlier stages of MAC policy design.
  - o Providing the Panel with updates on MAC working group initiatives, particularly where initiatives are responding to COI Panel advice, decisions are made or input is required.
  - o MAC could consider sharing the Panel's advice more frequently and/or more formerly with MAC working groups and TSM Initiative Leaders (ILs) work. (Current practice is that MAC members often share the COI Panel's advice from PVRs with one another, e.g. through the ILs)
  - o MAC could also try and organize the Panel meeting alongside a MAC Working Group or IL meeting (e.g., same location / same week) to allow the Panel to meet with members of these groups.
  - o A Panel member suggested proactively seeking opportunities outside of COI Panel meetings to meet with other Panel members (e.g. conferences, phone calls, etc.).

10. Closing and Agenda Setting

10.1. Agenda Setting

The following table identifies agenda topics suggested by the COI Panel for future meetings. The Panel also suggested asking the TSM Governance Team what agenda topics may be relevant to them.

Agenda Topic	# of Panel Members that identified the topic
UNDRIP and FPIC	6
Mine closure	3
Disclosures to the financial community e.g. NI-43 101, ESTMA (*Note:* This may best be discussed in Fall 2017, after ESTMA reports are released in Spring 2017)	3
Reconciliation	2
Sustainable Development Goals (SDGs), including clarifying the government's expectations	2
Permitting and regulation (*Note:* the CEAA review panel report will be released by March 2017)	2

Defining sustainable mining	1
CSR strategy ombudsman	1
Compensation for impacts to local communities (e.g. Canadian Malartic)	1
Energy	1

10.2. Closing Reflections

The following summarizes closing reflections provided by Panel members:

PVRs
Overall, the Panel considered the PVR sessions successful, and commended the companies on their considerable preparation and the openness in which they engaged with the Panel.

Dialogue with Government Officials
The Panel had positive engagement with government officials, and felt that the discussions were held at the right level (i.e. with the right people in the room). One Panel member suggested meeting with provincial or territorial governments in the future.

Panel Reflections Session
One Panel member noted that they had observed increasing maturity of the Panel's reflections of their role over time, and in particular during the Panel's reflections session during this meeting.

Facilitation and Logistics
One Panel member cautioned against allowing materiality maps or other tools to constrain the direction and topics for the Panel. Another member also noted that the meeting acoustics were improved from the March 2016 meeting, and several members agreed that it was helpful to have a separate table for speakers/guests during dialogues.

Reporting Back
Industry members shared that they had identified multiple "nuggets" (i.e. insights) to take back to their companies. It was also noted that information sharing and transfer to both MAC and PDAC should be improved.

Onboarding
Tim Johnston commented that they had had a challenging onboarding process, but had greatly enjoyed the meeting and gained a better understanding of the COI Panel's purpose and approach. Stratos committed to following up with Tim Johnston and Dan Benoit on the onboarding experience.

Other Comments
The following identifies other reflections from Panel members:
- Is there a role for a mining sector multi-stakeholder panel not housed by MAC?
- "I have a greater awareness of how communities were created, developed and thrived, survived, or didn't."
- It is challenging to get community environmental concerns on the regulatory agenda.
- Consider visiting a closed mine and an area with strong Aboriginal engagement e.g. Bathurst area, Raglan mine.

11. Meeting Evaluation

Overall, the Panel reviewed the meeting experience positively. They felt they had better clarity on the COI Panel's mandate and their path forward. One Panel member acknowledged the collegial and cordial nature of the Panel, and the degree of civility and openness during discussions. In particular, face-to-face contact for PVRs was noted as essential for open dialogue and exchange.

"As these Panel meetings have evolved over the years, I have been more and more pleased with both the content and the facilitation."

One Panel member noted that Panel members had a strong role in helping shape the agenda for the meeting.

Balancing depth of discussions with time constraints
There were several comments on the depth of discussion achieved by the Panel. Some preferred more detailed and longer discussions, while also acknowledging the constraints of time. One Panel member noted the significant amount of materials could be reduced in preparation for COI Panel meetings, while another asked whether greater preparation could have helped achieve greater depth during the dialogue with government officials. Overall, COI Panel members were happy with the discussions that took place and felt that there was enough flexibility allowed by the facilitators and agenda to achieve dynamic discussions while keeping within the allotted 2 days.

Task force updates
A few Panel members were not sure if the update from the Effectiveness on Community Engagement task force was needed during the meeting, while others were happy to be updated on progress.

Reporting on COIs and the TSM protocols
One Panel member stressed the need for companies to report, at their discretion, on their own understanding of and definition for COI, as well as their experience with COIs in a narrative form.

One Panel member highlighted the significant challenges in giving practical meaning (i.e. understanding / measuring effectiveness) of the TSM protocols. Additionally, the monitoring and evaluation of policy statements will pose a challenge in the longer term.

Outcomes
Two Panel members were interested in better understanding the outcomes from this meeting, including how advice from the COI Panel is communicated to or integrated with MAC initiatives and how the Panel reflections are translated into action moving forward.

Appendix A: List of Participants

TSM Community of Interest (COI) Advisory Panel
2016 Membership List

COI Panel Category	Name
Social NGO including faith based groups	Joy Kennedy
Aboriginal people	Dan Benoit
	Chief Earl Klyne*
	Theresa Hollett*
Environment	Nathan Lemphers
	(Vacant)
International development	Philip Oxhorn
Economic / community development	Chief David Walkem*
	Tim Johnston
Finance/investment	Stephen Kibsey
Labour/workplace	Doug Olthuis
Expert	Alan Penn
	Luc Zandvliet
	Maya Stano*
Industry representatives	Cory McPhee
	Scott Yarrow
	Pierre Gratton
	Peter Read
	Mark Wiseman
	Michel Julien

* Regrets

Additional Attendees	Organization
Presenters / Guests	
Anne Marie Toutant	Suncor
Rebecca Sullivan	
Fiona Jones	
David Clarry	Hudbay Minerals
Shirley Neault*	
Pam Marsden	
Jonathan Wilkinson	Environment and Climate Change Canada
Jesse McCormick	
Ben Hartley	
Guillaume Julien	Natural Resources Canada
Deborah Elson	
Marian Campbell-Jarvis	
Observers	
Jessica Draker	Mining Association of Canada
Charles Dumaresq	
Brendan Marshall	
Johanne Senécal	
Organizers	
Ben Chalmers	Mining Association of Canada
Tara Shea	
Michael van Aanhout	Stratos
Jane Porter	
Leah Henderson	

*As Chair of the ILs, Shirley also sits as an observer on the Panel.