

Mining Association of Canada
Towards Sustainable Mining

Meeting of the
Community of Interest Advisory Panel
SUMMARY REPORT

October 5-7, 2020
Virtual Meeting



Towards Sustainable Mining
Vers le développement minier durable



Prepared by:

Stratos Inc.

www.stratos-sts.com

Executive Summary

The Community of Interest (COI) Advisory Panel (“the Panel”) is an independent multi-interest 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. For the first time since its inception, the Panel conducted its fall meeting virtually as a result of the ongoing global pandemic (see a photo of the virtual meeting in Figure 1). This executive summary provides a brief account of the virtual fall meeting held on October 5th, 6th, and 7th, 2020. The meeting was divided into six sessions of 1.5 hours to 2 hours in length each morning and afternoon.

Issues Tracking

The meeting began on the morning of October 5th, where the Panel was presented with the issue tracking survey results. Each member was invited to share their reflections on the results and provide any additional comments. The Panel generally agreed with the survey results, with the following suggested modifications:

- Reflect COVID-19 as a higher priority in the results.
- The issue “Women in Mining” should be expanded to “Diversity and Inclusion”.
- The issue “Social Finance” should be expanded to “Environmental, Social, and Governance Factors in Investing”.
- “Social License to Operate” is an issue that should be tracked moving forward.

TSM Adjustments for Panel Input

During the October 5th afternoon session, MAC sought feedback from the Panel regarding proposed minor changes to the following TSM processes and documents: interim revisions to the Safety and Health Protocol, a new TSM Protocol Review schedule and a new TSM Post-verification Review (PVR) schedule. Overall, the Panel was supportive of the proposed changes. In this session, MAC also presented a synthesis of feedback provided to date on the Verification Service Providers Terms of Reference and presented to the Panel a newly developed Responsible Sourcing Alignment Supplement. The latter is a voluntary tool intended to support companies implementing TSM alongside other international standards.

COVID-19 Response and Implications

A panel of experts was convened to discuss the response to and implications of COVID-19 for the mining sector during the third virtual session. The expert panel was comprised of:

- Theresa Baikie, Impact and Benefit Agreement Coordinator, Nunatsiavut Government, and COI Panel member,
- Gary Annett, Head of Labrador Operations, Vale,
- Matthew Pike, Aboriginal Affairs Superintendent, Voisey’s Bay, Vale, and
- Claudine Pagé, Senior Director, Strategic Policy, Policy and Economics Branch, Lands and Minerals Sector, Natural Resources Canada.

Each expert panelist was given the opportunity to provide remarks on how COVID-19 has impacted community engagement and involvement, environmental regulations and reporting, as well as how the mining industry can position itself as the economy reopens, including through the use of stimulus funding to invest in the development of critical mineral resources necessary for the low carbon transition.

During the ensuing discussion with the Panel, the following key points were raised:

- Community consultation is taking place virtually (with some challenges) and continues to be an important activity.
- Like several other remote mines, Vale made the decision to shut down its mine site immediately and send workers home with continued wages, despite the impacts to its business, because it aligned with its values.
- Having independent Indigenous monitors allows continuous collection of monitoring data and Indigenous engagement through the year (regardless of COVID-19).
- MAC members are sharing information and collaborating on COVID-19 challenges and responses and a similar approach is being used in Quebec, where they are closely coordinating with the government. This information sharing and collaboration has been viewed positively by participating mining companies.

TSM Draft Climate Change Protocol

During the fourth and fifth sessions held the afternoon of October 6th and the morning of October 7th, the Panel reviewed and discussed the latest version of the Draft Climate Change Protocol.

The Panel shared the following key points:

- The Panel expressed support for the three indicators and its alignment with emerging best practices.
- Some clarification and guidance would help demonstrate what Level AA and AAA look like in practice.
- Participants felt that the inclusion of climate adaptation was a big step forward. They also suggested better integrating reference to climate adaptation in Indicator 3.
- The Panel discussed the benefits and drawbacks of asking for an internal carbon price at higher performance levels.

Panel Business

The sixth virtual session focused on Panel business. The Panel Renewal Working Group proposed three items for discussion with the Panel:

- The recruitment of a new Panel member to fill the vacant environmental non-governmental organization seat
- The option to extend Panel member terms by one year considering the global pandemic
- Proposed revisions to the Panel Terms of Reference (ToR), which incorporated changes in response to the 3-year Panel reflections process in early 2020

The Panel agreed to the following decisions during this discussion:

- The Panel will fast-track the recruitment of the environmental non-governmental organization (ENGO) seat, with further discussion around recruitment of a youth representative to be continued by Panel Renewal Working Group members, including during the ENGO recruitment process
- All Panel members will be provided with the option to extend their term by one year.
- The Panel reviewed and approved the suggested updates to ToR, with a few minor edits.

Summary of Key Outputs from the October 2020 COI Panel Meeting

- ✓ Agreement with proposed changes to the Safety and Health Protocol, TSM Protocol Review schedule, and PVR schedule.
- ✓ Deeper understanding of the response to and implications of COVID-19 for the mining sector.
- ✓ Feedback and support for the Draft Climate Change Protocol.
- ✓ Input provided on the recruitment of the ENGO Panel position and other Panel positions being considered (e.g. youth).
- ✓ Approval of an optional 1-year extension to be offered to all Panel members.
- ✓ Approval of the Panel's revised Terms of Reference.

Figure 1: The Panel's first virtual meeting



TABLE OF CONTENTS

EXECUTIVE SUMMARY.....	I
1. INTRODUCTION	1
2. SUMMARY OF ACTION ITEMS.....	1
3. SESSION 1: WELCOME & ISSUE TRACKING.....	2
3.1. ROUNDTABLE FOR ISSUES TRACKING AND PRIORITIZATION	2
3.2. DISCUSSION REGARDING IMPACT ASSESSMENT ACT	3
4. SESSION 2: TSM ADJUSTMENTS FOR PANEL INPUT	3
4.1. HEALTH AND SAFETY PROTOCOL REVISION SUMMARY.....	3
4.2. VERIFICATION SERVICE PROVIDERS TERMS OF REFERENCE	4
4.3. TSM PROTOCOL REVIEW SCHEDULE	4
4.4. POST-VERIFICATION REVIEW SCHEDULE	4
4.5. RESPONSIBLE SOURCING ALIGNMENT SUPPLEMENT.....	5
5. SESSION 3: COVID-19 RESPONSE AND IMPLICATIONS.....	5
5.1. GUEST PANEL: COVID-19 RESPONSE AND IMPLICATIONS	5
5.2. GUEST PANEL: GROUP DISCUSSION	6
6. SESSION 4 AND 5: CLIMATE CHANGE PROTOCOL	7
6.1. INDICATOR REVIEW DISCUSSION.....	8
7. SESSION 6: PANEL BUSINESS.....	10
7.1. DIVERSITY AND INCLUSION	11
7.2. PANEL RENEWAL.....	11
7.3. PANEL TERMS OF REFERENCE.....	12
8. CLOSING AND MEETING EVALUATION.....	12
APPENDIX 1: LIST OF PARTICIPANTS.....	14
APPENDIX 2: MEETING OBJECTIVES AND AGENDA.....	16
APPENDIX 3: ACRONYM LIST	19

1. Introduction

For the first time since its inception, the Mining Association of Canada’s (MAC) Community of Interest Advisory (COI) Panel (“the Panel”) conducted its annual fall meeting virtually as a result of the ongoing global pandemic (COVID-19). The fall meeting was conducted over six virtual sessions between October 5th and 7th, 2020. 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 2020 Panel meeting, including any specific decisions and recommendations proposed by the Panel, along with any dissenting views. Unless indicated, Panel members’ comments are not attributed. Meeting presentations were shared with Panel members, and this content is not duplicated within the body of this report. The list of meeting participants is provided in Appendix 1 and the meeting objectives and agenda are in Appendix 2.

2. Summary of Action Items

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

ACTION ITEMS					
#	ITEM	LINK TO REPORT	RESPONSIBLE	TIMELINE	STATUS <small>(as of October 2020)</small>
#1 October 2020	Confirm with each Panel member their interest in extending their term by one year.	7.2	Stratos	December 2020	In Progress
#2 October 2020	Continue discussing the option of pursuing a youth representative for the Panel.	7.2	Panel Renewal Working Group	Spring 2021	In Progress
#1 March 2020	Discuss lessons learned from past PVRs and consider how they can be applied to improve PVRs this year.	5.1	PVR Working Group	Summer 2020	In Progress
#2 March 2020	Test Panel interest in discussing artisanal and small-scale mining through issue prioritization process.	5.2	Stratos	Summer 2020	Complete
#3 March 2020	Track and report back to the Panel on the implementation of improvements identified through the 3-year reflections process gathered in the online survey and March meeting.	6.0	Stratos	Fall 2020	Complete

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>

3. Session 1: Welcome & Issue Tracking

Session #1 took place on the morning of October 5th and included a discussion on issues tracking results and the Impact Assessment Act.

3.1. Roundtable for Issues Tracking and Prioritization

During the first virtual session, the Panel was presented with the issue tracking survey results. Each member was invited to share their reflections on the results and provide any additional comments. Overall, the Panel verified the survey results, with the following suggested changes:

- Several Panel members commented that **COVID-19 now represents a higher priority** than what was initially noted in the issue tracking results.
- Panel members suggested expanding the issue “**Women in Mining**” to “**Diversity and Inclusion**” and expanding “**Social Finance**” to “**Environmental, Social, and Governance (ESG) Factors in Investing**”.
- Two Panel members shared that the “**Social License to Operate**” (SLO) is an issue of **importance**. One member felt that SLO was the top business risk to the mining sector, while another noted that SLO is becoming more complicated in the COVID-19 context.

Panel members also shared commentary on the issues of importance including how they are affecting their respective communities of interest and emerging trends, as described below.

- **Climate Change – General:** Several Panel members identified climate change to be an issue of overarching concern. One industry Panel member observed that the rising level of concern around climate change is reflected through the industry focus on climate-smart mining and clean technology.
- **Indigenous – Rights and Reconciliation:** A Panel member noted that there needs to be long-term relationship building with Indigenous peoples and that these relationships are hindered when there is high staff turnover within a company.
- **Tailings Management:** An industry Panel member reflected that tailings management might not be as significant a concern in light of updated standards. Another Panel member reflected on the need to find more sustainable approaches to tailings management.
- **Indigenous Employment:** A Panel member emphasized that benefits to the community need to go beyond employment.
- **Biodiversity:** An industry Panel member reflected that more information is needed to understand the potential impacts of increasing mining of critical minerals on biodiversity.
- **Diversity and Inclusion:** An industry Panel member highlighted that companies need to be mindful of supporting underrepresented groups given broader societal changes (e.g. Black Lives Matter and Indigenous rights movements). Another industry Panel member commented that efforts to increase diversity in the workforce need to be pursued at all levels.
- **COVID-19:** Several Panel members noted that COVID-19 was underrated in the issue tracking results. An industry Panel member reflected on how COVID-19 has changed the way business is conducted. For example, community engagement can no longer be done face to face but remains just as important. Other industry Panel members commented that COVID-19 has changed priorities, such as mitigating health and safety risks for employees.

- **Climate Change – Critical Minerals:** One Panel member highlighted that critical minerals will be key in the transition to a low-carbon economy and that any increase in mining to satisfy this demand needs to be done responsibly.
- **ESG Factors in Investing:** One Panel member reflected that ESG issues are becoming critical to the investment process and decision making. Another Panel member added they wanted to know more about the issue of ESG in financing. An industry Panel member also observed that COVID-19 seems to have affected the ESG focus for investment companies, with a greater emphasis now on the social components.
- **Tax Justice:** A Panel member commented that tax justice is linked with a company's SLO and can also create a greater overall benefit to countries and communities affected by mining.

3.2. Discussion Regarding Impact Assessment Act

The Panel next discussed the designation of the Castle Project under the Impact Assessment Act, a topic that was first discussed by the Panel during a webinar in September 2020. After MAC shared a synthesis of the September discussion with the Panel, the floor was opened for additional comments and reflections from Panel members.

Panel Members shared the following comments:

- A Panel member reflected that some Indigenous peoples may have a preference for environmental assessments (EA) conducted by the federal government rather than the provincial government.
- An industry Panel member shared that in some cases mining companies may need to complete two EA processes (one under provincial and another under federal), which can cause duplication of effort and delays.
- An industry Panel member shared that both federal and provincial environmental impact assessment legislation applies to new mining projects in most cases. However, typically federal impact assessment legislation has not been applied to expansions of existing mines when they are below the threshold for federal review.

4. Session 2: TSM Adjustments for Panel Input

During the afternoon of October 5th, MAC sought feedback from the Panel regarding several minor proposed changes to TSM processes and documents, as described below.

4.1. Safety and Health Protocol

The Safety and Health Protocol underwent an interim review in 2020. Several minor changes were presented, introducing the concepts of high consequence hazards, critical controls, and mental health. During the discussion, a Panel member asked whether there was a clear definition for critical controls and MAC confirmed that this was included in the Protocol. At the end of the discussion, there was overall **support amongst Panel members for the revised Protocol.**

4.2. Verification Service Providers Terms of Reference

In 2020, MAC began a review of the TSM Verification Service Providers (VSP) Terms of Reference (ToR) to ensure continued alignment with the expectations of the mining industry's COI and good verification practice. Several suggestions to improve the TSM verification process's credibility were extrapolated from a survey circulated in July 2020 to nearly 200 individuals (with a response rate of over 25%). These suggestions were shared with the Panel. During the ensuing discussion, **Panel members emphasized the importance of communicating with and engaging COI**, especially Indigenous COI, during the verification process.

4.3. TSM Protocol Review Schedule

Moving forward, MAC proposed that the existing schedule of comprehensive and interim TSM protocol reviews should be replaced with a schedule for minor reviews. A log of issues will be maintained for consideration at the time of the next scheduled minor review of each protocol and a set of principles will be developed to trigger expanding from a minor review to a comprehensive review as needed. The revised schedule was presented to the Panel for discussion. All **Panel members were supportive of the proposed approach to the protocol review schedule.**

Panel members shared the following additional comments/questions:

- A Panel member asked how new protocols may be considered. MAC clarified that the schedule does not preclude the investigation of new protocols and that there is flexibility to consider new protocols should they meet one or more of the potential triggers (to be developed).
- A Panel member asked how this affects international adoption of TSM and MAC clarified that this schedule does not impact other countries, where each country leads the development of their own TSM protocols. MAC additionally shared that there have been some discussions with TSM international partners on forming an international secretariat to coordinate global implementation.
- A Panel member suggested that the terminology be changed to "review" rather than "minor review."

4.4. Post-Verification Review Schedule

Following MAC's adoption of an online reporting platform that has automated the publication of facility level and aggregate results, companies now have until December 31st of each year to submit their annual TSM data. As a result, MAC proposed a change to the post-verification review (PVR) schedule, such that PVR selection would take place in the fall and PVR will be conducted the following spring. MAC presented the revised schedule to the Panel and **received support for the suggested changes.**

MAC clarified that the PVR companies selected in March 2020 (Baffinland and Syncrude) will undergo PVR with the Panel in Spring 2021 (initially delayed due to COVID-19 impacts), which aligns with the proposed schedule change. One temporary implication is that companies undergoing external verification in 2020 and 2021 would be considered for PVR selection during the fall 2021 meeting (i.e. there would be a double cohort to select from).

4.5. Responsible Sourcing Alignment Supplement

MAC presented to the Panel a newly developed Responsible Sourcing Alignment Supplement. The intent of this voluntary tool is to support companies implementing TSM alongside the following additional standards:

- International Council of Mining and Metal's Performance Expectations,
- World Gold Council Responsible Gold Mining Principles,
- Responsible Minerals Initiative Risk Readiness Assessment, and
- The Copper Mark.

MAC presented a summary of the Supplement to the Panel for informational purposes, as the criteria involved are taken directly from existing standards. The Supplement is scheduled for presentation to the MAC Board for approval in November 2020.

The following comments came up in discussion:

- MAC clarified that the Supplement includes both corporate-level indicators and facility-level indicators in subject matter areas not addressed by the TSM protocols. It was also explained that as the supplement draws from a group of standards that are less detailed than TSM, the criteria do not go into the same level of detail as you would find in a typical TSM protocol.
- MAC highlighted that the Supplement covers issues of interest to the Panel such as tax justice and transparency.
- MAC responded to a question on whether international TSM partners could modify the Supplement. MAC noted that, unlike the rest of TSM, this Supplement is the result of direct agreement with other standards and, as a result, the criteria are less open to customization by country.

5. Session 3: COVID-19 Response and Implications

During the third virtual session on October 6th, the Panel heard from three guest panelists and one panel member who discussed the response to and implications of COVID-19 for the mining sector, specifically with respect to Vale's Voisey's Bay operation. Panelists were asked to provide comments on three themes: community engagement and involvement, environmental regulations and reporting changes, and how the mining industry can position itself as the economy reopens, including through the use of stimulus funding to invest in the development of critical mineral resources necessary for the low carbon transition. Each guest panelist provided ten minutes of remarks, followed by an hour of discussion with the Panel. The goal of this session was for the Panel to learn from and engage with a panel of external experts on the impacts of and response to COVID-19 in the mining sector.

5.1. Guest Panel: COVID-19 Response and Implications

The following experts were convened to discuss the implications of COVID-19 for the mining sector:

- Theresa Baikie, Impact and Benefit Agreement Coordinator, Nunatsiavut Government, and COI Panel member,
- Gary Annett, Head of Labrador Operations, Vale,
- Matthew Pike, Aboriginal Affairs Superintendent, Voisey's Bay, Vale, and

- Claudine Pagé, Senior Director, Strategic Policy, Policy and Economics Branch, Lands and Minerals Sector, Natural Resources Canada (NRCan).

Theresa Baikie (Nunatsiavut Government and COI Panel member) reflected on the concerns that Inuit communities have around COVID-19, in part due to the legacy of the 1918 Spanish flu that devastated Inuit communities. To prevent COVID-19 transmission, many communities decided to shut down, particularly in light of limited health services available in communities. The Inuit have been pleased with Vale's decision to scale down operations and their continued support for employees who are no longer on the site. Theresa further outlined that, although community engagement has decreased, adjustments have been made to continue engagement in a COVID-19 context. For example, the Nunatsiavut government and Vale are now conducting weekly virtual engagements. However, challenges remain in conducting virtual engagements due to limited internet connectivity in remote communities.

Gary Annett & Matthew Pike (Vale) highlighted Vale's core values and how they are reflected in its' response to COVID-19. Informed by the company value that "life matters most" and "do what is right," Vale's initial response began with shifting operations at the mine into caretaker mode and providing compensation for its 1200 employees after being sent home. Other initiatives included donations of fresh fruit and vegetables to support communities and releasing educational videos regarding health and safety. Once it was safe to bring employees back, Vale took a staged approach beginning with a maintenance period. Aligned with the company's value to "value our people," Vale also commissioned a COVID-19 testing center, contact tracing badges for employees, and a mental health break room ("green room") for their site.

Claudine Pagé (NRCan) presented an overview of the impacts that COVID-19 has had on the mining sector, including scaled back or suspended operations, disruption of the supply chain, cancelled exploration projects, and concerns for the well-being of communities that depend on mining. Claudine's team is working with provinces and territories to understand the long-term impacts on communities and investigating measures for the mining sector's sustainable economic recovery. The Government of Canada took some immediate action such as extending timelines for flow-through shares and renewing the geoscience program at NRCan. The Government of Canada has also provided support for the transportation of health care workers to remote communities. One of NRCan's key areas of focus moving forward is developing an action plan to support critical minerals in Canada, by supporting and establishing new value chains based on sustainable mining practices (e.g. for batteries).

5.2. Guest Panel: Group Discussion

Following the guest remarks, Panel members were given the opportunity to ask questions and provided the following comments:

- The Panel inquired about **community consultation during the pandemic**.
 - Vale noted that increasing engagement with remote communities by phone and virtual conferencing is one method employed when in-person consultations are not possible.
 - An industry Panel member commented that their company was also thinking a lot about community consultation and relationship building virtually.
 - Another company is considering various forms of physical barriers that would allow for in-person stakeholder engagement without the threat of potential exposure.
- The Panel was interested in learning more about the **contact tracing badges and testing**.

- Vale shared that all employees wear the contact tracing badges on-site and that employees are tested for COVID-19 before returning to communities.
- The facilitator inquired about any **adaptations or challenges for demonstrating regulatory compliance during COVID-19.**
 - Vale highlighted that although there have been some delays in demonstrating compliance during COVID-19, the Atlantic bubble, which permits travel within Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador without the requirement to self-isolate, has allowed some regulators to come onto the site.
 - Vale also emphasized the benefit of having independent Indigenous monitors, which allows for the continuous collection of data throughout the year, as well as regular review of that data by Indigenous partners.
- The Panel wanted to know more about the **decision to shut down the mine site** and provide continuous wages to employees.
 - Vale reflected that, although it was a difficult decision because it had significant financial and project ramifications, the decision was made rather quickly because it aligned with their values.
- The facilitator also inquired about the degree of **collaboration and information sharing between larger and smaller mining companies responding to COVID-19.**
 - MAC outlined several initiatives that were launched to support members as they developed their COVID-19 response. Firstly, a task force was established to share response strategies, identify challenges, and brainstorm ideas to improve engagement efforts with governments. A subgroup was created from this task force to discuss screening and testing, which has allowed for collaboration and sharing of resources across companies.
 - MAC also noted that there was some renewed interest from mining companies in joining MAC and committing to TSM due to the leadership role played by MAC in the industry response to COVID-19.
 - Regarding which companies benefited from the task force, MAC noted that learnings came from those who had the most experience with responding to COVID-19, whether they were a big or small company.
 - An industry member also shared that in Quebec the mining companies put together a crisis unit working seven days a week and corresponding with the provincial government daily. Furthermore, the mining industry worked with health and safety personal to establish a list of measures that could be put in place so that work could continue. As a result, the mining sector in Quebec was one of the first industries back in operation.

6. Session 4 and 5: Climate Change Protocol

During the fourth and fifth virtual sessions, the Panel reviewed and discussed the latest version of the Draft Climate Change Protocol. The Draft Protocol stems from the TSM Energy Use and Greenhouse Gas (GHG) Emissions Management Protocol review process, initiated in November 2019. During these sessions, MAC sought the Panel's feedback and comfort with advancing this Protocol to Governance Team review. Following an overview of the Draft Protocol presented by MAC, the Panel was divided into three smaller groups, with the opportunity to discuss two of the three indicators. The results of the small group discussions were reported back to plenary during the fifth session, followed by an open plenary discussion.

The Panel shared the following comments and questions in response to MAC's presentation on changes to the Climate Change Protocol:

- A Panel member asked how Indicator #1 (Corporate Climate Change Management) reconciles setting corporate level targets with site-level considerations and variability. MAC responded that mine sites will have the flexibility to determine how they contribute to corporate-level goals, and that it is expected that this will vary by site.
- A Panel member highlighted that incremental targets are important because they act as benchmarks for investors and should be reflected in the Protocol. MAC clarified that companies must have an action plan to meet long-term targets (e.g. net-zero emissions by 2050), which should include incremental targets.
- A Panel member inquired about whether the Protocol considers alignment with standards beyond Task Force on Climate-related Financial Disclosures (TCFD) such as the Carbon Disclosure Project (CDP), United Nations Global Compact and other leading reporting frameworks to reduce the burden of reporting. MAC responded that the industry is largely aligning itself with TCFD moving forward, making it the most practical choice for reducing reporting burden.

6.1. Indicator Review Discussion

Panel members were given the opportunity to discuss two of the three indicators of the Draft Protocol in small breakout groups with the support of a facilitator. During the fifth virtual session on October 7th, a summary of these discussions was presented back to plenary for additional comments and discussion. A summary of both small group and plenary discussions are synthesized below by Protocol indicator.

Indicator 1: Corporate Climate Change Management

General Comments:

- There was general support for the inclusion of this new indicator and its alignment with emerging best practices (i.e. TFCF at Level A).
- It was suggested that TSM consider how offsets could be included within a climate change strategy, and how TSM could encourage the use of local offsets with community benefits.

Considerations for Level B:

- At Level B, there is a focus on having an action plan in place. It was suggested that there be an additional element to strengthen this Level, such as requiring timelines and public disclosure.
- Consider whether some criteria from Level A should be moved to Level B (e.g. Criterion #5).

Considerations for Level A:

- Criterion #2 specifically references integration of the strategy into business planning and considerations for new projects. However, Panel members noted that the corporate climate strategy should apply to current operations, as well as new projects.
- Panel members liked the idea of accountability structures and suggested there be regular reporting to senior management and the Board on the strategy's implementation.

Considerations for Level AA:

- Panel members felt that Criterion #13a, incorporating climate considerations into procurement decisions including selection of sub-contractors, is an important consideration and might be worth making a stand-alone criterion.

- Criterion #10 recognizes the uncertainty associated with the high- and low-warming scenarios. There needs to be appropriate guidance provided to member companies to ensure they apply the most appropriate benchmarks and scenarios.

Considerations for Level AAA:

- Criteria #15a specifies the goal of net-zero emissions by 2050, along with short-term and long-term action plans. However, it was noted that this should explicitly reference inclusion of interim targets to achieve the net-zero by 2050 goal (e.g., mid-term targets such as 2030 as a guiding roadmap).
- Criterion #13d under Level AA references using a range of potential carbon price scenarios for planning, evaluating, and decision making. It was suggested that the next step at Level AAA would be to have the company set and apply an internal price on carbon that is reflected in all investment analysis, irrespective of whether there is a price on carbon in all operating jurisdictions.
- Consider whether all four elements under criterion #13 should be required to achieve Level AAA.

An industry Panel member reflected that some of the suggestions shared had also been discussed by MAC members and shared some additional context:

- Requiring the integration of a climate change strategy with procurement policies (criterion #13a) might disqualify a company whose procurement is not done through the corporate office. Therefore, leaving this criterion as an option, rather than a requirement, reflects the various realities of mining companies.
- The language around the internal price on carbon was selected because Canada has a federal carbon price in use today, as well as a forecasted price. Being ‘Canada first,’ this language acknowledges Canada’s price while also recognizing companies have sites abroad.

Indicator 2: Facility Climate Change Management

General Comments:

- In general, there was support for this indicator. Panel members noted that several good practices were included, such as key performance indicators and lifecycle analysis.
- Panel members felt that the inclusion of climate adaptation was a big step forward and it was suggested that MAC should consider communicating more broadly about this.
- Some questions arose from the Panel discussion:
 - Do offsets consider additionality? MAC confirmed that additionality is included in the offsets definition in the Protocol’s FAQ. MAC additionally highlighted that it is challenging to have a single consistent definition for offsets, where there are many varieties available. This is why the Protocol focuses on the quality and transparency of offsets.
 - Can the Protocol incorporate the suggestion to set an internal price on carbon?
 - How do we know that we are making the right investments to have the greatest impact considering that mines are at different stages of their lifecycle?
 - Can the Protocol encourage participation in carbon trading systems to ensure the investment goes where there is the greatest impact?
- Consider that climate risk and adaptation action is not necessarily best addressed at the facility level but at the regional level.
- It was observed that it was hard to come up with ideas for Level AA and AAA for performance specific to physical climate change impacts and adaptation. This was perceived as a potential gap that requires more thought.

Considerations for Level A:

- Suggested word change to Criteria #21e, from “an annual management review” to “an annual management **performance** review.”

Considerations for Level AA & AAA:

- Explicitly reference implementation of adaptation actions at Levels AA and AAA.
- Consider specifying a timeframe for achieving Level AA and AAA. MAC responded that there are mechanisms to ensure members progress from Level C to B to A but that there is no membership requirement to achieve Level AA and AAA.
- Suggest moving criterion #24, gauging level of importance of climate change with COI, from Level AA down to Level A.
- Consider linking compensation for management to achievement of corporate targets or goals articulated in climate change strategy.

Indicator 3: Facility Performance and Reporting

General Comments:

- There was overall support for this indicator, with a few suggested changes.
- It was suggested that Indicator 3 have specific objectives or measurements related to climate change adaptation (beyond energy & GHG emissions).
- Panel members wished to clarify that targets and reporting consider both Scope 1 and 2 GHG emissions from Level B to Level AA.

Considerations for Level A:

- There was some discussion around what criterion #32, demonstrating progress towards performance targets, would look like in practice. Some examples could include:
 - 3% emissions reduction achieved in Year 1 (vs. 10% reduction target by Year 3).
 - Progress on a capital project investment which leads to emission reductions (vs. target of project completion by 2025).
 - If a facility has recently established targets and has therefore not yet demonstrated progress towards the targets, they do not meet Level A.

Considerations for Level AA:

- There was some discussion around what criterion #35, independently assuring energy use and GHG emissions, would look like in practice, including:
 - Having a third-party subject matter expert, an auditor, or consultant to review the source data, calculations used, etc. and verify that it is accurate and complete.
 - Having a verification service provider confirm that the audit has taken place as part of the TSM verification process, although they would not necessarily have completed the audit themselves.
- There was discussion that Level AA performance should include engagement with relevant COI on public reporting and that guidance in this regard would be helpful. MAC reflected that this indicator may not be applicable to all mine sites, i.e. if communities are disengaged or mine sites are remote from any communities.

7. Session 6: Panel Business

The sixth virtual session began with opening comments from MAC on the diversity and inclusion discussions taking place among its members and with other industry associations (section 7.1). Following

this discussion, the session shifted to focus on Panel business, i.e. Panel Renewal (section 7.2) and the revised Panel ToR (section 7.3).

7.1. Diversity and Inclusion

MAC shared the following opening comments on diversity and inclusion:

- As a result of the Black Lives Matter (BLM) movement, a group of industry associations was brought together to explore the questions of diversity and inclusion. Consequently, a number of discussions were held between representatives of different communities and leaders of major business associations.
- MAC members worked with the Mining Industry Human Resources Council to develop a policy statement to address diversity and inclusion. A draft of this statement is currently under review and the goal is to present it to the MAC Board by November 2020.

The Panel provided the following comments:

- A Panel member commented that this is a timely initiative. There are currently two major societal changes going on (BLM and COVID-19), which are giving people the opportunity to get out of their comfort zone.
- A Panel member suggested that the Panel consider including a “reconciliation share” every meeting to provide examples of how people are implementing reconciliation in their lives.

7.2. Panel Renewal

Each year the Panel establishes a Renewal Working Group to oversee the process to fill vacancies created by departing members and to consider succession planning. As there were no positions up for renewal in 2020, the Working Group focused their discussions on succession planning. However, due to the recent resignation of one of the two environmental NGO (ENGO) representatives, the Renewal Working Group will now have to begin a process to fill this vacancy. Given this new vacancy, the Panel discussed three items with regards to Panel renewal.

7.2.1 ENGO Recruitment

Panel members were asked whether the ENGO recruitment should be fast-tracked to fill the position before the next Panel meeting in April 2021. The Panel also discussed the alternative option of recruiting a prior ENGO Panel member to fill an expert category position. MAC shared that former ENGO Panel members were engaged by MAC on the draft Climate Change Protocol and provided input on this in 2020.

Panel members supported fast-tracking recruitment for the ENGO position. They felt that filling this seat was particularly important given the development of the Climate Change Protocol.

7.2.2 One-year Extension to Panel Terms

Working Group members expressed concern about onboarding new Panel members during COVID-19. As a result, the option for a 1-year extension was brought to the Panel. **There was consensus that this was an appropriate strategy.** The facilitator committed to follow-up with each Panel member to confirm their interest in extending their term by one year following the meeting.

7.2.3 Other Panel Positions

Working Group members have discussed the potential benefits of inviting new members via the expert category, including an expert with climate change expertise and/or a youth representative.

Panel members generally agreed that **climate change expertise would benefit the Panel** and it was suggested that this be considered in the ENGO recruitment process. Several Panel members also expressed **support for recruiting a youth member** onto the Panel and felt it would present a unique and interesting perspective. A Panel member suggested recruiting a youth expert in an emerging focus area, such as climate change or diversity and inclusion. It was agreed that the Panel Renewal Working Group could have further discussions on the need for a youth representative on the Panel.

7.3. Panel Terms of Reference

During the March 2020 COI Panel meeting, several suggestions were made to improve Panel operations and functions. These suggestions were captured in the revised Panel ToR, presented to the Panel for review and approval. One Panel member noted their appreciation that the Panel had a ToR and that the Panel follows the good practice of co-creating ToR with its members. One Panel member reflected that, given the discussion around Panel composition and diversity, the Panel may wish to consider better support for bilingual discussions moving forward.

The Panel unanimously supported the proposed changes to the ToR, pending minor edits shared during the meeting. The revised ToR will be sent to the MAC Board for approval and a final version will then be distributed to the Panel.

8. Closing and Meeting Evaluation

Panel members shared their closing thoughts in a final roundtable and provided feedback via online evaluation forms following the meeting. Their comments are summarized below.

"I was concerned about spending three days on Zoom but overall I think the format really worked and I'm happy with the way we could share our points of view and have discussions during breakout sessions. I think we were really efficient."

Panel members shared their appreciation for being able to work with other committed peers on important topics and that the Panel does well in providing opportunities for learning and personal growth. The Panel felt positively about the current progress of the Draft Climate Change Protocol and the conversations had on this subject. Given that this was the first virtual COI Panel meeting, most Panel members felt that the format worked well and that there was a good overall level of engagement and discussions on behalf of the group. However, Panel members expressed that they missed the informal interactions and camaraderie of an in-person meeting and looked forward to a time when in-person meetings would be possible again.

Panel members shared the following comments on the meeting's approach:

- Several Panel members commented that the first virtual meeting exceeded expectations. Panel members agreed it was well organized, following the schedule and agenda, and well facilitated.
- There was a general sentiment that the format worked well. Panel members appreciated that the meeting was spread out over several sessions and days, with a 1.5-hour lunch break, and that this helped members to stay attentive throughout. However, it was noted by some that this made it difficult to attend all sessions.

- Panel members particularly enjoyed the use of breakout rooms for small group discussions and networking opportunities (i.e., “coffee connections”), with several members requesting that the number and length of these be extended in the event of another virtual meeting. One member suggested that in the future, “coffee connections” could have specific themes suggested by members and that members could sign-up based on their interest in a specific theme.
- Given that the workload of the Panel continues to increase, and the virtual meeting worked well, one Panel member suggested that we might consider adding a third virtual meeting to help support the Panel in conducting its regular business, in addition to the two in-person meetings.
- One Panel member expressed discomfort, particularly from an Indigenous perspective, with using polling to determine consensus, noting that there are nuances between Panel consensus and voting to arrive at a decision. Several other Panel members felt this was important insight and should be considered for future meetings.
- Two Panel members commented that the meeting briefing binder was detailed and technical, requiring a lot of time to go through. They both suggested that there be a plain-language summary to help direct the reader towards the information they need.
- Most Panel members provided positive feedback around the Zoom platform, including ease of accessing and navigating the platform and the use of Zoom tools to enable participation.

Appendix 1: List of Participants

TSM Community of Interest (COI) Advisory Panel 2020 Membership List

COI Panel Category	Name
Social non-governmental organizations (including faith-based groups)	Dennis Howlett
Indigenous people	Dan Benoit
	Theresa Baikie
	Vacant
Environment	Sujane Kandasamy
	Vacant
International development	Jocelyn Fraser
Economic / community development	David Walkem
	Tim Johnston
Finance/investment	Stephen Walker
Labour/workplace	Richard Paquin
Expert	Maya Stano
Industry representatives	Alice Wong
	Carolyn Chisholm
	Pierre Gratton
	Sheila Risbud
	Mark Wiseman
	David Clarry*; Carol Plummer served as alternate
	Peter Read
	Josée Méthot
	Shirley Neault (Chair of TSM Initiative Leaders)

* Regrets

Additional Attendees	Organization
Guests / Observers	
Gary Annett	Vale
Matthew Pike	Vale
Wendy White	Vale
Sheila Freike	Vale
Trent Pottle	Vale
Claudine Pagé	Natural Resources Canada
Organizers	
Ben Chalmers	Mining Association of Canada
Katherine Gosselin	
Michael van Aanhout	Stratos
Leah Young	
Genevieve Donin	

Appendix 2: Meeting Objectives and Agenda

The objectives of the Fall 2020 meeting are to:

- Discuss and provide input on the draft Climate Change Protocol
- Improve our understanding of the response to COVID-19 and its implications on issues of importance to the Panel
- Confirm proposed changes to the Panel Terms of Reference following the 3-year reflections process in March 2020
- Provide input on proposed edits to TSM protocol review schedule, post-verification review (PVR) schedule, Safety and Health Protocol and Verification Service Providers (VSP) Terms of Reference
- Provide input on Panel internal processes, including the issue tracking and materiality process and Panel renewal

Time	Topic
Monday October 5, 2020	
SESSION 1 11:00AM to 12:45PM EDT Welcome	
1 hr.	Welcome and Introductions <ul style="list-style-type: none"> • Welcome and land acknowledgement • Introduce Zoom functionality • Safety moment • Review the agenda and objectives • Issue tracking results overview • Introductory roundtable, including any reflections on issue tracking
30 min.	Check in on MAC-Panel call re: Impact Assessment Act <ul style="list-style-type: none"> • MAC to share a summary of what was discussed with the Panel during the call on September 9th • Q&A
15 min.	Coffee Connections <ul style="list-style-type: none"> • Participants will be randomly assigned to break-out rooms to have an informal “catch up” time; 1-2 discussion questions/topics will be provided for guidance
SESSION 2 2:00PM to 3:30PM EDT TSM Adjustments for Panel Input	
1hr. 30 min.	TSM Adjustments for Panel Input <ul style="list-style-type: none"> • TSM Protocol review schedule and Q&A • PVR schedule and Q&A • TSM Health and Safety Protocol updates and Q&A • Verification service provider terms of reference survey results and Q&A

Time	Topic
Tuesday October 6, 2020	
SESSION 3 11:00AM to 12:30PM EDT COVID-19 Response and Implications	
30 min.	<p>COVID-19 Response and Implications: Guest Panel</p> <ul style="list-style-type: none"> • Guest panel to share their perspectives on COVID-19 impacts and response with a focus on the following topics: <ul style="list-style-type: none"> ○ Community engagement and involvement ○ Environmental regulations and reporting changes ○ Investments in “reopening” and stimulus funding • Q&A
1 hr.	<p>Group Discussion</p> <ul style="list-style-type: none"> • Plenary discussion following guest panel
SESSION 4 2:00PM to 3:30PM EDT Climate Change Protocol Review	
30 min.	<p>Introduction to Draft Climate Change Protocol</p> <ul style="list-style-type: none"> • Introduction by MAC to key changes in Protocol and Q&A
1 hr.	<p>Small Group Discussions</p> <ul style="list-style-type: none"> • Panel members will be divided into 3 breakout rooms to discuss the indicators • Facilitators will rotate after 20 minutes discussion per indicator so that panel members can hear what was discussed by other groups and build from that discussion (i.e. “World Café” approach)
Wednesday October 7, 2020	
SESSION 5 11:00AM to 12:30PM EDT Climate Change Protocol Review continued	
15 min.	<p>Coffee Connections</p> <ul style="list-style-type: none"> • Participants will be randomly assigned to break-out rooms to have an informal “catch up” time and share reflections on the Protocol, if of interest
1 hr. 15 min.	<p>Plenary Discussion</p> <ul style="list-style-type: none"> • Facilitators report back on what was shared for each indicator, Q&A if needed • Plenary discussion
SESSION 6 2:00PM to 4:00PM EDT Panel Business & Closing	
1 hr.	Panel Renewal

Time	Topic
	<ul style="list-style-type: none">• Presentation and discussion of Panel Renewal Working Group recommendations and/or items for discussion
30 min.	Panel Terms of Reference <ul style="list-style-type: none">• Presentation and discussion on proposed revisions to Terms of Reference
30 min.	Closing Roundtable & Wrap Up <ul style="list-style-type: none">• Final roundtable and closing remarks

Appendix 3: Acronym List

Acronym	Full Term
BLM	Black Lives Matter
COI	Community of Interest
EA	Environmental Assessment
ENGO	Environmental Non-Governmental Organization
ESG	Environmental, social and governance
GHG	Greenhouse gas
MAC	Mining Association of Canada
NRCan	Natural Resources Canada
PVR	Post-verification review
SLO	Social License to Operate
TCFD	Task Force on Climate-related Financial Disclosures
ToR	Terms of Reference
TSM	Towards Sustainable Mining
VSP	Verification Service Providers