

Meadowbank Gold Mine 2016 Socio-Economic Monitoring Report

Final Report

DATE OF SUBMISSION:

December 2017

SUBMITTED TO:

Suzanne Leclair Superintendent, Community Relations Agnico Eagle Mines Ltd. Suzanne.Leclair@agnicoeagle.com

PREPARED BY:

Stratos Inc. 1404-1 Nicholas Street Ottawa, Ontario K1N 7B7 Tel: 613 241 1001 Fax: 613 241 4758 www.stratos-sts.com

Strategies to Sustainability

Our Vision

A healthy planet. Engaged communities. A sustainable economy.

Our Mission

We work collaboratively with government, business and civil society to address complex natural resource management and sustainability challenges.

Stratos runs its business in an environmentally and socially sustainable way, one that contributes to the well-being of our stakeholders – clients, employees and the communities in which we operate. Reflecting this commitment, we have an active Corporate Social Responsibility program. For more information about our commitments and initiatives, please visit our Web page: <u>http://www.stratos-sts.com/aboutus/csr.html</u>







We encourage you to print on recycled paper. Stratos uses 100% post-consumer content recycled paper.

ABOUT MEADOWBANK

The Meadowbank gold mine is located in the Kivalliq region of Nunavut on Inuit owned lands (IOL), approximately 70 km north of the Hamlet of Baker Lake, or 110 km by road. Agnico Eagle Mines (AEM) acquired the Meadowbank property from Cumberland in 2007, with construction of the mine taking place between 2007 and 2010. The mine began production in 2011 and processes an average of 11,000 tonnes of ore per day from three deposits. As of December 31, 2016, Meadowbank had approximately 8 million tonnes of proven and probable reserves grading 2.69 grams of gold per tonne, containing 0.7 million ounces of gold. It is expected to continue to produce gold until 2018, though the nearby Amaruq development project may effectively extend the life of the mine for years to come.

In 2006, an Inuit Impact and Benefits Agreement (IIBA) was signed between Cumberland Resources and the Kivalliq Inuit Association (KIA). This IIBA continued to be in place between AEM and the KIA during 2016.

ABOUT THIS REPORT

This report provides the results of the project-specific Socio-Economic Monitoring Program (SEMP) developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC). As outlined in the Meadowbank SEMC Terms of Reference, this report is intended to:

- comply with the relevant sections of the Nunavut Land Claims Agreement (NLCA),
- comply with the terms and conditions of the Meadowbank Project Certificate issued by the NIRB, including reporting on the socio-economic impact predictions made in Cumberland Resource's Final Environmental Impact Statement (FEIS);
- identify any unanticipated effects associated with the mine;
- identify and recommend mitigation measures;
- act as the primary vehicle for reviewing the findings of the SEMP in collaboration with members of the Socio-Economic Monitoring Committee (SEMC);
- fulfill best practices in social responsibility; and
- act as a valuable resource for communities, governments and interested stakeholders.

The report presents information related to the following valued socio-economic components, or VSECs.

- 1. Employment
- 2. Income
- 3. Contracting and Business Opportunities
- 4. Education and Training
- 5. Culture and Traditional Lifestyle
- 6. Migration
- 7. Individual and Community Wellness
- 8. Health and Safety
- 9. Community Infrastructure and Services
- 10. Nunavut Economy

This report describes the status of each VSEC using indicators and metrics, including their magnitude (how large or small) and their trend (increasing, decreasing, and remaining stable). Wherever possible, the indicators and metrics are compared to the predictions made in the FEIS.

SUMMARY OF FINDINGS

The following tables presents a summary of the observed magnitude and trends of the socio-economic indicators with respect to predictions made in the FEIS and Agnico Eagle's goals.

impact or goal

Symbols and terms used to explain trends

- ↑ Increasing
- ✤ Decreasing
- → Remaining stable

Negative trend: change in indicator away from the achievement of the desired impact or goal

Positive trend: change in indicator towards the achievement of the desired

/ No discernable trend

Neutral trend: no observed change in indicator with regard to the achievement of the desired impact or goal

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
VSEC 1: EMPLOYME	NT		
1.1 Total Meadowbank Employment	Meadowbank Employment, 2010-2016 (Permanent and Temporary)	↑ positive	Total employment levels increased in 2016 and continue to significantly exceed the levels predicted in the FEIS.
1.2 Meadowbank Inuit and	Permanent, temporary and on-call Meadowbank employment, 2016 (Inuit and non-Inuit)	/	Total Inuit workforce has remained steady over the past 2 years at 302 employees,
Nunavummiut Employment	Meadowbank employment, 2010 - 2016 (Inuit and Non-Inuit)		representing approximately 36% of the total workforce. Inuit employees represent the vast
	Number of Inuit employees	→ positive	majority on-call employees.
	Inuit employment rate	→ positive	
	Person hours worked, 2010 - 2016 (Nunavut and non-Nunavut based employees)		
	Number of Nunavut-based employees	→ neutral	
	Nunavut-based employment rate	→ neutral	
	Inuit employment rate of Meadowbank contractors, 2010 – 2016	↓ neutral	Estimated Inuit employment rate of contractor working at Meadowbank has decreased by 3.8 percentage points in 2016. This employment data is based on reports submitted to Agnico Eagle from a sub-set of contractors and, due to low report submission in 2016, may not be accurate.
1.3 Meadowbank Employment by	Meadowbank Employment, 2010 – 2016 (Kivalliq and non-Kivalliq residents)		The number of Kivalliq-based employees remained steady in 2016 at 281, representing a
Kivalliq Community	Number of Kivalliq-based employees	→ positive	slight decline in the proportion of total employment from 35% to 34%. More than half
	Kivalliq-based employment rate	→ positive	of these employees are from Baker Lake.
	Meadowbank employment by Kivalliq community, 2014 - 2016	→ positive	
1.3 Meadowbank Employment by	Meadowbank employment by gender, 2010 - 2016		18% of Meadowbank employees are women (up from 10% in 2013), which is just above the
Gender	Number of female employees	↑ positive	Canadian mining-sector average of 17% (MiHR,

	Female employment rate	↑ positive	2016).
1.5 Meadowbank Turnover	Turnover rates, 2010 – 2016 (Inuit & non-Inuit)	↑ Negative	The turnover rate for permanent and temporary Inuit employees increased in 2016. The number of dismissals increased
	Inuit turnover (by reason for leaving), 2010 - 2016	↑ negative	significantly in 2016.
VSEC 2: INCOME			
2.1 Income paid to Meadowbank Inuit employees	Income paid to Meadowbank Inuit employees, 2010 – 2016	↑ positive	Income paid to Inuit employees increased to \$22M in 2016, from an average of \$18.6M/year since 2011, continuing to significantly exceed the FEIS prediction of \$4 million in direct project wages annually.
2.2 Income by Kivalliq Community	Change in median employment income of tax filers by Kivalliq communities, 2004 – 2009 average to 2010 – 2015 average	↑ positive	The most recent data available for this indicator is from 2015. Baker Lake, which has the highest number of Meadowbank employees, has experienced the largest increase in median income when comparing the years prior to 2010 (2004-2009) to the years after 2010 (2010-2015).
	Median employment income of tax filers by Kivalliq Communities, 2000 - 2015	positive	Median employment income has increased gradually overall in the Kivalliq region since 2006, with no significant inflection (i.e. change in growth rate) since 2010. Among the Kivalliq communities with highest levels of Meadowbank employment (Baker Lake, Rankin Inlet, and Arviat), only Rankin Inlet shows a significant increase in the income growth rate when comparing the 2006-2010 period to the 2010-2015 period.
VSEC 3: CONTRACTI	NG AND BUSINESS OPPORTUNITIES		
3.1 Contract Expenditures	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2016		In 2016, absolute contract expenditures on Baker Lake-based and NTI-registered
	Contract expenditures on Baker Lake-based businesses	↑ positive	businesses rose by \$22.2M and \$13.4 M, respectively. Furthermore, the proportion of
	Contract expenditures on all Nunavut-based businesses	↑ positive	contracts spent on Nunavut-based and NTI- registered businesses also rose significantly
	Proportion of contract expenditures on Nunavut-based businesses	↑ positive	over the past year (41% \rightarrow 56% and 40% \rightarrow 56%, respectively)
	Contract expenditures on NTI registered businesses, 2011 - 2016		While these contract expenditures remain significant, they are lower than in 2011-2013.
	Contract expenditures on NTI-based businesses	↑ positive	The FEIS prediction of a 'high magnitude, positive, and long-term' impact has been
	Proportion of contract expenditures on NTI- based businesses	↑ positive	realized thus far, despite a decline in total contract spending since the earlier days of the project.
3.2 Registered Inuit-Owned Businesses in the Kivalliq Region	Inuit-owned businesses in the Kivalliq region, 2010 – 2016	→ neutral	The number of registered Inuit-owned business remained relatively steady compared to 2015, rising by 3. There has been a net increase in the number of Inuit-owned businesses in Kivalliq since 2010. Given the many factors affecting business expansion and creation, it is difficult to attribute the observed impacts.
VSEC 4: EDUCATION	I AND TRAINING		
4.1 Investments in School-Based Initiatives	Agnico Eagle investments in school-based initiatives, 2010 – 2016	→ negative	Up until 2014, Agnico Eagle contributed approximately \$284,000/year to a variety of school-based initiatives. With the expiry of the MOU with the Department of Education in 2015, these contributions dropped significantly

			in 2015 (\$39,000/ year), and remained
4.2 Secondary School Graduation Rates by Region	Secondary school graduation rate by region, 2000 – 2015	/	unchanged in 2016. The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine, with no significant trend since 2010. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.
4.3 Mine Training and Education	Agnico Eagle investments in mine training and education programs, 2010 – 2016	→ positive	There has been a consistent level of investment by AEM (~\$3.6M/year) in external mine training programs over the past four years (e.g. Kivalliq Mine Training Society). Support for, and participation in, in-house training and apprenticeship programs has been steady throughout the mine's operation.
	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 – 2016	neutral	While specific training hours provided to Nunavut-based employees decreased in 2016,
	Specific training hours provided per Inuit and non-Inuit employee, 2012 – 2016 Number of Haul Truck driver program participants, 2010 – 2016	↓ neutral	total training hours increased. This likely represents an increase in general training and health and safety training. In 2016, the number of participants in the haul truck driver program increased from 28 to 34.
		↑ neutral	Annual fluctuations in the number of training hours and haul truck driver program participants largely reflect changing demand at Meadowbank for additional positions and so is not considered negative or positive.
	Apprenticeships for Inuit employees, 2010 – 2015	↓ neutral	The number of Inuit apprenticeships has almost doubled between 2014 and 2015, but declined by 3 in 2016. However, this decline is largely due to an increase in apprentice graduates (4 total as of 2016)
4.4 Percentage of Total Population with Trade	Percentage of population with apprenticeship, trades certificate or diploma attainment, Nunavut and Canada, 2011 & 2016	/	Data for these metrics originate from the census and are only available for 2011 and 2016. While the percentage of Nunavut
Certificates	Number of apprenticeships by Kivalliq community, 2016	/	population with apprenticeship, trades certificate or diploma attainment decreased slightly between 2011 and 2016, it also did in Canada overall. A third year of data is required to establish a trend.
4.5 Inuit Employees by Skill Level	Proportion of Inuit employment by skill level, 2014 – 2016	→ negative	The data does not indicate an overall career path progression of Inuit employees to higher skill level jobs (e.g. Inuit moving from semi- skilled to skilled positions), despite AEM's investment in education and training programs. The less tangible benefits of training and education, such as increased self-confidence and sharing of skills and knowledge within families, were not assessed.
VSEC 5: CULTURE AN	ND TRADITIONAL LIFESTYLE		
5.1 Country Food at Meadowbank	2016	→ neutral	Meadowbank has maintained its practice of offering meals including char, muskox, and caribou (approximately 4,500 meals/year, or one per month per employee, since 2011).
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006, 2011, 2016	↓ Negative	The proportion of the population identifying Inuktitut as their mother tongue remained stable in 2016 in all Kivalliq communities other than Baker Lake and Rankin Inlet, which saw significant declines in the last 10 years (2006-

5.3 Traditional	Percentage of Nunavut Inuit population 15	,	2016). As data on this metric is currently limited to
Lifestyle	years of age and older partaking in traditional activities, 2006 and 2012	/	2006 and 2012 surveys, it is not possible to assess more recent impacts or changes.
VSEC 6: MIGRATION			
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2016		There has been a gradual increase in the number of Inuit Meadowbank workers who now reside in southern provinces, from 7 in
	Number of Inuit employees residing in the south	→ neutral	2011 to 21 in 2015 (or 7% of the Inuit workforce), though this number has remained
	Proportion of Inuit employees residing in the south	→ neutral	stable in 2016. The FEIS predicts both "positive and negative components" of migration, but does not refer to migration out of Nunavut. As we cannot compare south-bound migration levels to the prediction, these migration impacts are considered neutral.
6.2 Population Estimates in Kivalliq Communities	Population estimates in Kivalliq communities-, 2006 – 2016	↑ neutral	Yearly population estimates do not indicate an increase in the population growth rate of Baker Lake or of other communities with significant Meadowbank employment (Arviat, Rankin
	Annual percentage change in population estimates in Kivalliq communities, 2011 - 2016	→ neutral	 Inlet) since the mine opened, or relative to other communities in the region. If other factors (births and deaths) are assumed constant, the population data does not suggest significant migration induced by Meadowbank.
VSEC 7: INDIVIDUAL A	ND COMMUNITY WELLNESS		
7.1 Counselling Programs and Usage	Family counselling programs offered, 2010 – 2016	/	Meadowbank has six ongoing programs that offer counselling and support to employees and
at Meadowbank	Number of employees/families accessing family counselling programs, 2011 – 2016	1	their families. There is currently insufficient data available to assess program usage trends.
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2016	1	Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels in 2011
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	↓ positive	and 2012, following the opening of the mine. Recent data (2016) indicates a continuing
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	↓ positive	downward trend (since 2012) in criminal violations in Baker Lake, along with Arviat and Chesterfield Inlet. However, Rankin Inlet and Chesterfield Inlet have seen sharp rises in criminal violations over the past one to two years.
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	1	In 2010, 15% to 27% of the population of Kivalliq communities were on waiting lists for public housing. No more recent data is available and, as such, we are unable to assess changes over time and the potential impact of the mine on the housing situation.
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2016	/	There is a persistent and territory-wide suicide crisis in Nunavut. The factors contributing to suicide are numerous and complex, so it is difficult to assess impacts of Meadowbank on suicide rates. Community suicide rates (e.g. for Baker Lake) are highly variable from year to year. Trends are more apparent in long-term and/or regional data.
VSEC 8: WORKER HEA			
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2016	↑ neutral	Health and safety training increased substantially for Inuit and non-Inuit employees in 2016. However, due to variations in turnover and changes in training module requirements, this upward trend is considered neither positive nor negative.

8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person-hours), 2010 – 2015	→ Positive	Lost-time and light duty accident frequency decreased for four years in a row up to 2015, but increased in 2016 (from .57 to .72 accidents / 200,000 person-hours). Despite, this increase, 2016 was the second-best year in terms of this indicator. There was a small rise in visits to Agnico Eagle clinics for work-related injuries in 2016, though this is largely accounted for by an increase in employment. Overall, the number of clinic visits has been fairly stable since 2012, and the clinic continues to serve an important function in addressing the health and medical needs of workers.
	Number of visits by employees to Agnico Eagle		However, none of the data collected permits an
	clinics, 2010 – 2015 Number of visits by employees to Agnico	→	assessment of the impacts of the mine and its programs on the general health status of
	Eagle clinics for personal conditions	Neutral	workers and their families.
	Number of visits by employees to Agnico	→	
	Eagle clinics for work related injuries	Neutral	
VSEC 10: NUNAVUT E			Moodowbook's direct uses of sublic shuried
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	→ neutral	Meadowbank's direct uses of public physical infrastructure include: public airports for employee travel and the Baker Lake Community Centre (5-10 times/year) for public engagement activities. Airports and the community centre receive fees from users in both cases. At this time, it appears that the impact of Meadowbank on public physical infrastructure is neutral. The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine is owned and operated by Agnico but is accessible to community members who use it for hunting activity.
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2015	↑ neutral	Per capita health centre visits in communities with the most Meadowbank employees (Baker
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2016	↓ neutral	Lake, Rankin Inlet, and Arviat are beginning to show an upward trend, most notably in Baker Lake and Arviat. The number of employees referred to their community health centres for personal or work-related reasons ranges from 14 to 58 people per year, though it is difficult to draw a relationship between movement of this indicator and use of GN Health Services.
9.3 Demand on Social Services	No data available at this time.	/	
9.4 Social Assistance	Per capita social assistance expenditures by	1	Despite declines from historical highs, social
	Kivalliq community, 2006 to 2014	/	assistance data does not show a clear
VSEC 10: NUNAVUT E	Percentage of households receiving social assistance by Kivalliq community, 2006 - 2015	1	correlation between Meadowbank-related employment and social assistance requirements in Baker Lake or Arviat. Data suggests that both expenditures and percentage of households receiving social assistance have been declining in Rankin Inlet since the mine opened.
10.1 Business	Meadowbank contract expenditures in \$M, by		Over \$100M of expenditures per year are being
Expenditures for	northern and southern business, 2011 – 2016		directed to Nunavut-based businesses, which
Nunavut	Northern business contract expenditures	↑ positive	will have a multiplier effect on the Nunavut economy and generate tax revenue for the GN.
	Proportion of expenditures on northern business	↑ positive	The proportion of contracts going to Northern- based businesses rose substantially from 42% in

	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2016		2015 to 56% in 2016.
	Nunavut business contract expenditures	↑ positive	
	Baker Lake business contract expenditures	↑ positive	
	NTI registered business contract expenditures	↑ positive	
10.2 Royalties & Taxes	Compensation, royalties and taxes paid	→ neutral	Since 2007, Meadowbank has provided \$14.3M to NTI and the KIA in royalties and compensation. Employment taxes at Meadowbank provide \$30M/year on average to the Government of Canada, \$3M/year on average to the GN, with an additional \$1.1M provided to the GN in property taxes.
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000–2016	↑ positive	According to the Conference Board of Canada, Meadowbank has been a driver of Nunavut's GDP growth, both during the construction of the mine and since production began in 2010. The contribution of mining, quarrying, and oil & gas activity increased significantly in 2010 and has accounted for over 15% of Nunavut's GDP since that time.

Table of Contents

Executive Summary	i
About Meadowbank	i
About this report	i
Summary of findings	ii
Table of Contents	viii
Introduction	1
The Meadowbank Mine Project	1
Report Purpose	1
Report Structure	2
Context	2
Socio-Economic Monitoring Committees	2
NIRB Project Certificate Conditions	2
The Inuit Impact and Benefit Agreement (IIBA)	3
Methods	4
Indicator Selection	4
Data Sources	4
Analysis and Interpretation	7
Involvement of Socio-Economic Monitoring CommitTee	7
VSEC 1: Employment	8
Existing Management & Mitigation	9
1.1 Total Meadowbank Employment	. 12
1.2 Meadowbank Inuit & Nunavummiut Employment	. 13
1.3 Meadowbank Employment by Kivalliq Community	. 16
1.4 Meadowbank Employment by Gender	. 19
1.5 Turnover	. 20
VSEC 2: Income	.22
Existing Management & Mitigation	. 23
2.1 Income Paid to Meadowbank Inuit Employees	. 23
2.2 Income By Kivalliq Community	. 24

VSEC 3:	Contracting and Business Opportunities	26
Existi	ing Management & Mitigation	
3.1	Contract expenditures	
3.2	Registered Inuit-owned businesses in the Kivalliq region	
VSEC 4:	Education and Training	
Existi	ing Management & Mitigation	
4.1	Investments in school-based initiatives	
4.2	Secondary School Graduation Rates by Region	
4.3	Mine Training and Education	
4.4	Percentage of total population with trade certificates	
4.5	Inuit employees by skill Level	
VSEC 5:	Culture and Traditional Lifestyle	42
Existi	ing Management & Mitigation	
5.1	Country Food at Meadowbank	
5.2	Use of Traditional Language	
5.3	Traditional lifestyle	
VSEC 6:	Migration	46
Existi	ing Management & Mitigation	
6.1	Inuit employees who have moved to southern provinces	
6.2	Population Estimates in Kivalliq Communities	
VSEC 7:	Individual and Community Wellness	49
Existi	ing Management & Mitigation	
7.1	Counselling programs and usage at Meadowbank	
7.2	Criminal violations	
7.3	Housing	
7.4	Suicide	
VSEC 8:	Worker Health and Safety	57
Existi	ing Management and Mitigation	
8.1	Health and Safety Training	
8.2	Health and Safety On-site	
VSEC 9:	Community Infrastructure and Services	61

Existin	g Management & Mitigation	2
9.1	Use of Public Physical infrastructure	2
9.2	Use of GN health services	2
9.3	Demand on Social Services	4
9.4	Social Assistance	4
VSEC 10	Nunavut Economy6	8
Existin	g Management & Mitigation	9
10.1	business expenditures for Nunavut	9
10.2	Royalties & Taxes	0
10.3	GDP of Nunavut	'1
Manage	ment Response	2
Appendi	x A: Meadowbank SEMC Terms of Reference7	3
Appendi	x B: Skills Level Classification7	5
Referen	ces7	7

List of Charts

Chart 1: Meadowbank employment, 2010 - 2016 (permanent, temporary, and on-call) (source: Agnico Eagle)	13
Chart 2: Permanent, temporary and on-call Meadowbank employment, 2016 (Inuit and Non-Inuit) (source: Agnico Eagle)	14
Chart 3: Meadowbank employment, 2010 - 2016 (Inuit and non-Inuit) (source: Agnico Eagle)	14
Chart 4: Person hours worked, 2010 - 2016 (Nunavut and non-Nunavut based employees) (source: Agnico Eagle)	15
Chart 5: Inuit employment rate of Meadowbank contractors, 2010 – 2016 (source: Agnico Eagle)	
Chart 6: Meadowbank employment, 2010 – 2016 (Kivalliq and non-Kivalliq residents) (source: Agnico Eagle)	17
Chart 7: Meadowbank Inuit employment by Kivalliq community, 2012 – 2016 (source: Agnico Eagle)	18
Chart 8: Meadowbank employment by gender, 2010 – 2016 (source: Agnico Eagle)	
Chart 9: Turnover rates, 2010 - 2016 (Inuit & Non-Inuit) (source: Agnico Eagle)	20
Chart 10: Inuit turnover (by reason for leaving), 2010 – 2016 (source: Agnico Eagle)	
Chart 11: Income paid to Meadowbank Inuit employees, 2010 – 2016 (source: Agnico Eagle)	
Chart 12: Median employment income of tax filers by Kivalliq communities, 2000 - 2015 (source: (Statistics Canada, 2015))	24
Chart 13: Contract Expenditures on Baker Lake and Nunavut-Based Businesses, 2011 – 2016 (source: Agnico Eagle)	
Chart 14: Contract Expenditures on NTI Registered Businesses, 2011 – 2016 (source: Agnico Eagle)	
Chart 15: Inuit-Owned Businesses in the Kivalliq Region, 2010 – 2016 (source: (Nunavut Tunngavik Inc., 2016))	
Chart 16: Secondary School Graduation Rate by Region, 2000 – 2015 (source: (Government of Nunavut Department of Education, 2016))	35
Chart 17: Total Training Hours Provided to Nunavut and Non-Nunavut Based Employees, 2010 – 2016 (source: Agnico Eagle)	
Chart 18: Specific Training Hours Provided per Inuit and non-Inuit Employees, 2012 - 2016 (source: Agnico Eagle)	
Chart 19: Number of Haul Truck Driver Program Participants, 2010 – 2016 (source: Agnico Eagle)	
Chart 20: Apprenticeships for Inuit Employees, 2010 – 2016 (source: Agnico Eagle)	
Chart 21: Percentage of population with apprenticeship, trades certificate or diploma attainment, Nunavut and Canada, 2011 & 2016 (source: (Statis	
Canada, 2011a) (Statistics Canada, 2016))	
Chart 22: Number of apprenticeships by Kivalliq community, 2015 (source: (Statistics Canada, 2016)	
Chart 23: Proportion of Inuit Employment by Skill Level, 2014 – 2016 (source: Agnico Eagle)	41
Chart 24: Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006, 2011, 2016 (source: (Statistics Cana	ada,
2011a; Statistics Canada, 2016))	
Chart 25: Number and percentage of Inuit employees who reside in Southern provinces, 2010 – 2016 (source: Agnico Eagle)	47

Chart 26: Population estimates of Kivalliq communities-, 2006 – 2016 (source: (Nunavut Bureau of Statistics, 2016))	. 48			
nart 27: Criminal violations per hundred people, by Kivalliq community, 2006 – 2016 (sources: (Statistics Canada, 2016; Nunavut Bureau of Statistics,				
2016))	. 53			
Chart 28: Baker Lake criminal violations per hundred people by type, 2006 – 2016 (sources: (Statistics Canada, 2016; Nunavut Bureau of Statistics, 202	16))			
	. 53			
Chart 29: Suicides by per 10,000 people by community, 2000 – 2016 (source: (Nunavut Bureau of Statistics, 2016))	. 56			
Chart 30: Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2016 (source: Agnico Eagle)	. 59			
Chart 31: Number of visits by employees to Agnico Eagle clinics, 2010 – 2016 (source: Agnico Eagle)	. 59			
Chart 32: Kivalliq community health centre visits per capita, 2006 – 2015 (source: (Government of Nunavut Department of Health, 2016))				
Chart 33: Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2016				
(source: Agnico Eagle)	. 63			
Chart 34: Per capita social assistance expenditures by Kivalliq community, 2006 to 2014 (source: (Government of Nunavut Department of Family				
Services, 2014))	. 66			
Chart 35: Percentage of households receiving social assistance by Kivalliq community, 2006 - 2015 (source: (Statistics Canada, 2006) (Statistics Canad	ła,			
2011a) (Department of Family Services, 2015) (Statistics Canada, 2016))	. 66			
Chart 36: Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2016 (source: Agnico Eagle)	. 69			
Chart 37: Nunavut GDP all industries and mining, quarrying and oil & gas, 2000–2016 (source: (Statistics Canada, 2016))	.71			

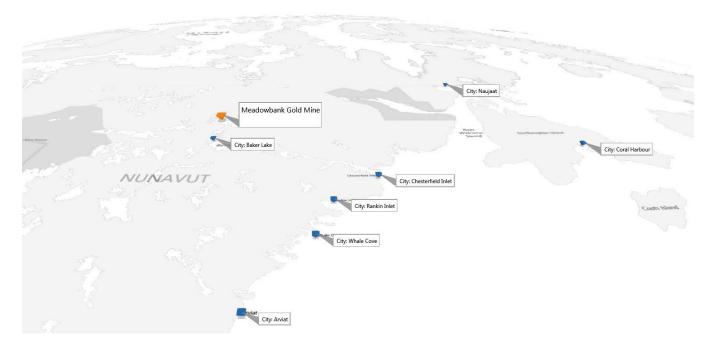
List of Tables

Table 1: Agnico Eagle Employment Management and Mitigation Initiatives	9
Table 2: Change in median employment income of tax filers by Kivalliq communities, 2004 – 2009 average to 2010 – 2015 average (sources: Agnico	С
Eagle; (Statistics Canada, 2015))	24
Table 3: Agnico Eagle Contracting and Business Opportunities Management and Mitigation Initiatives	27
Table 4: Agnico Eagle Employment Management and Mitigation Initiatives	31
Table 5: Agnico Eagle Investments in School-Based Initiatives, 2010 – 2016 (source: Agnico Eagle)	34
Table 6: Agnico Eagle Investments in Mine Training and Education Programs, 2010 – 2016 (source: Agnico Eagle)	36
Table 7: Agnico Eagle Cultural and Traditional Lifestyle Management and Mitigation Initiatives	43
Table 8: Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012 (sources: (Statistics Car	nada,
2011b; Wallace, 2014))	45
Table 9: Annual percentage change in population estimates of Kivalliq communities, 2011 - 2016 (source: (Nunavut Bureau of Statistics, 2016))	48
Table 10: Agnico Eagle Individual and Community Wellness Management and Mitigation Initiatives	
Table 11: Family counselling programs offered, 2010 – 2016 (source: Agnico Eagle)	51
Table 12: Number of employees/families accessing family counselling programs, 2011 – 2016 (source: Agnico Eagle)	52
Table 13: Change in Baker Lake criminal violations against 2006-2009 baseline, 2016 (source: (Statistics Canada, 2016))	54
Table 14: Persons aged 15 years and over who are on a waiting list for public housing, 2010 (source: (Nunavut Bureau of Statistics and Statistics Ca	nada,
2010))	55
Table 15: Agnico Eagle Health and Safety Management and Mitigation Initiatives	58
Table 16: Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2016 (source: Agnico Eagle)	58
Table 17: Meadowbank northern contract expenditures in \$M, by business type and location, 2011 – 2016 (source: Agnico Eagle)	70
Table 18: Compensation, royalties and taxes paid (source: Agnico Eagle)	70

Introduction

THE MEADOWBANK MINE PROJECT

The Meadowbank gold mine is located in the Kivalliq region of Nunavut on Inuit owned lands (IOL), approximately 70 km north of the Hamlet of Baker Lake, or 110 km by road.



Agnico Eagle Mines (AEM) acquired the Meadowbank property from Cumberland in 2007, with construction of the mine taking place between 2007 and 2010. The mine began production in 2011 and processes an average of 11,000 tonnes of ore per day from three deposits. As of December 31, 2016, Meadowbank had approximately 8 million tonnes of proven and probable reserves grading 2.69 grams of gold per tonne, containing 0.7 million ounces of gold. It is expected to continue to produce gold until 2018, though the nearby Whale Tail development project may effectively extend the life of the mine for years to come.

REPORT PURPOSE

This report provides the results of the project-specific Socio-Economic Monitoring Program (SEMP) developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC). As outlined in the Meadowbank SEMC Terms of Reference, this report is intended to:

- comply with the relevant sections of the Nunavut Land Claims Agreement (NLCA),
- comply with the terms and conditions of the Meadowbank Project Certificate issued by the NIRB, including reporting on the socio-economic impact predictions made in Cumberland Resource's Final Environmental Impact Statement (FEIS);
- identify any unanticipated effects associated with the mine;
- identify and recommend mitigation measures;
- act as the primary vehicle for reviewing the findings of the SEMP in collaboration with members of the Socio-Economic Monitoring Committee (SEMC);

- fulfill best practices in social responsibility; and
- act as a valuable resource for communities, governments and interested stakeholders.

REPORT STRUCTURE

The following two sections provide background information on the SEMP, including relevant context and methodology. The remainder of this report presents data and interpretation for a suite of socio-economic indicators relating to 10 valued socio-economic components (VSECs).

Each of the 10 VSECs has its own section, which begins with a summary describing the VSEC, the associated indicators and metrics used to monitor the VSEC, and key findings. This is followed by sub-sections providing additional detail and discussion on each indicator, including:

- Predictions included in the Cumberland FEIS (where available);
- Data and trends for one or more metrics related to the indicator; and
- An interpretation of the data with respect to trends and FEIS predictions.

Context

SOCIO-ECONOMIC MONITORING COMMITTEES

In 2007, the Government of Nunavut established three regional-based socio-economic monitoring committees (SEMCs) to monitor the socio-economic impacts of projects in each of the Territory's regions against project certificate terms and conditions specified by the NIRB. The SEMCs' Terms of Reference state that the committees will assist proponents in developing project monitoring programs and prepare reports and publish information on the impact of major development projects on the health and well-being of communities and residents in the region.

Both the Kivalliq and Meadowbank committees are required to produce annual monitoring reports, with the former focused at the level of the region and the latter at the project level. This system allows for project-level information to inform a regional picture of the socio-economic health of the Kivalliq, better capturing cumulative effects. This will become increasingly important as additional mining operations come on line in the region.

The first Meadowbank socio-economic monitoring report was completed in consultation with the Kivalliq SEMC and accepted by the Nunavut Impact Review Board in 2015. This third annual report builds on the foundation laid in the first two, evolving to address gaps, minimize overlap with regional SEMC reporting, increase consistency across SEM reports from different operators, and improve Agnico Eagle's and the SEMC's understanding of trends (i.e. relationships between indicators and causality). The Methods section of this report provides further information on the report's design, indicator selection and differences between this report and the previous report.

NIRB PROJECT CERTIFICATE CONDITIONS

Conditions 63 and 64 of the Meadowbank Mine Project Certificate issued by the NIRB require that a Meadowbank SEMC be established and that the project proponent work with the Governments of Nunavut (GN) and Canada to develop a Terms of Reference for a Meadowbank Socio-Economic Monitoring Committee. Agnico Eagle submitted the Terms of Reference for the Meadowbank SEMC in July of 2007, satisfying Condition 63. In order to better reflect the socio-economic monitoring needs and priorities of the Meadowbank SEMC, the terms of reference were modified in 2012 (see Appendix A). Following a number of iterations and meetings, a Terms of Reference for the Meadowbank Socio-Economic Monitoring Program was finalized in October 2014, at the SEMC working group meeting in Baker Lake.

Condition 63:

"Within six (6) months of the issuance of a Project Certificate, the GN and INAC shall form a Meadowbank Gold Mine Socio-Economic Monitoring Committee ("Meadowbank SEMC") to monitor the socio-economic impacts of the Project and the effectiveness of the Project's mitigation strategies. The monitoring shall supplement, not duplicate, the monitoring required pursuant to the IIBA negotiated for the Project, and on the request of Government or PC, could assist in the coordination of data collection and tracking data trends in a comparable form to facilitate the analysis of cumulative effects. The terms of reference shall focus on the Project, include a plan for ongoing consultation with KivIA (Kivalliq Inuit Association) and affected local governments and a funding formula jointly submitted by GN, INAC and Cumberland. The terms of reference shall be submitted to NIRB for review and subsequent direction within six (6) months of the issuance of a Project Certificate. Cumberland is entitled to be included in the Meadowbank SEMC." (Nunavut Impact Review Board, 2006, p. 20)

Condition 64:

"Cumberland shall work with the GN and INAC to develop the terms of reference for a socio-economic monitoring program for the Meadowbank Project, including the carrying out of monitoring and research activities in a manner which will provide project specific data which will be useful in cumulative effects monitoring (upon request of Government or NPC) and consulting and cooperating with agencies undertaking such programs. Cumberland shall submit draft terms of reference for the socio-economic monitoring program to the Meadowbank SEMC for review and comment within six (6) months of the issuance of a Project Certificate, with a copy to NIRB's Monitoring Officer." (Nunavut Impact Review Board, 2006, p. 20)

THE INUIT IMPACT AND BENEFIT AGREEMENT (IIBA)

The original Inuit Impact and Benefits Agreement (IIBA) between Cumberland Resources and the Kivalliq Inuit Association (KIA) was signed in August of 2006. A Production Decision under the IIBA was given to the KIA by Agnico Eagle in December of 2007. This Production Decision was a key point in triggering many of the requirements under the IIBA and led to implementation of the agreement after the mine went into production.

In 2009, Agnico Eagle and the KIA began a review of the IIBA with both parties suggesting changes in the text to refine and improve the functionality of the IIBA in achieving its objective of maximizing Inuit benefit from the Meadowbank Project in the form of employment, training and business opportunities. Agreement on a revised IIBA was subsequently reached with the final revised IIBA Agreement approved by the two parties on October 18, 2011. The IIBA for Meadowbank was renegotiated in 2017 and is well-aligned with the 2015/2017 Meliadine IIBA and 2017 Whale Tail IIBA.

A key feature of the IIBA was the establishment of an Implementation Committee with members from the KIA and Agnico Eagle to monitor and manage the implementation of the IIBA. The 2017 Meadowbank IIBA, following structure established by the 2015/2017 Meliadine IIBA, also established the Employment and Culture Committee (ECC) and the Business Opportunities Committee (BOC). These three committees work together to consider Inuit employment, contracting, training and other project-related IIBA matters.

INDICATOR SELECTION

In the summer 2015, in preparation for the first Meadowbank socio-economic monitoring report, Stratos completed a critical review of Agnico Eagle's socio-economic monitoring program to assess the completeness and comparability of indicators, taking into consideration:

- Recent project-specific socio-economic monitoring completed in Nunavut (TMAC Resource's Doris North Project's Socio-Economic Monitoring Report was, at the time, the most recently submitted Socio-Economic Monitoring Report);
- Cumberland Resource's Final Environmental Impact Statement (FEIS) for the Meadowbank Mine;
- Terms of Reference for the Meadowbank Socio-Economic Monitoring Program (Appendix A of Draft Meadowbank Socio-Economic Monitoring Program); and
- Data availability and reliability.

This review found that the predictions outlined in the Cumberland FEIS do not touch on all areas currently considered relevant to Agnico Eagle and the SEMC. As such, the first socio-economic monitoring report went slightly beyond the scope of the Cumberland FEIS to reflect the evolving context of best practices in corporate sustainability, SEMC expectations, and the change in ownership from Cumberland to Agnico Eagle. The review also enabled the reporting team to build from the framework provided in the TMAC report and refine the scope and organization of indicators to better reflect best practice in measuring socio-economic performance, including the use of both leading and lagging indicators, and other indicators that reflect the chain of actions and outcomes that lead to a specific impact.

In the spirit of continual improvement, we revisited and revised the indicators used in the current socio-economic monitoring report to better reflect trends, minimize gaps, and increase consistency with other reports. This was done through:

- Engagement with GN's department of Economic Development and Transportation to increase consistency of government indicators used by socio-economic monitoring reports across the territories
- Engagement with subject matter experts and data holders from across the territory to review the report's approach to VSECs
- Feedback from the Nunavut Impact Review Board
- Engagement with the Kivalliq Socio-economic Monitoring Committee

DATA SOURCES

Table A outlines the data sources for each metric. Data collected by Agnico Eagle cover the years 2010 (or 2011) to 2016. Data from non-project sources (e.g. GN departments, Nunavut Bureau of Statistics, StatsCan) often cover the years 2006 to 2016. For consistency, analysis typically begins in 2010, unless pre-2006 data is needed for a better understanding of baseline conditions prior to mine construction. Where Government of Canada census data is required, only 2006, 2011, and 2016¹ data is available and changes during intervening years cannot be reported.

¹ Some 2016 census data was not yet released when this report was finalized.

For certain metrics reliant on non-project sources, data for the reporting year (2016) was not available at the time of publication. In some cases, there is a regular time lag in the release of data due to verification and approval requirements and only data up to 2015 is reported. In other cases, data for the reporting year is expected but not made available. These cases are flagged for the reader wherever such data is presented.

Indicators	Metrics	Source
VSEC 1: EMPLOYMENT		
1.1 Total	Meadowbank Employment, 2010-2016 (Permanent and Temporary)	Agnico Eagle
Meadowbank		
Employment		
1.2 Meadowbank	Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and non-	Agnico Eagle
Inuit and	Inuit)	
Nunavummiut	Meadowbank employment, 2010 - 2016 (Inuit and Non-Inuit)	Agnico Eagle
Employment	Person hours worked, 2010 - 2016 (Nunavut and non-Nunavut based employees)	Agnico Eagle
	Inuit employment rate of Meadowbank contractors, 2010 – 2016	Agnico Eagle
1.3 Meadowbank	Meadowbank Employment, 2010 – 2016 (Kivalliq and non-Kivalliq residents)	Agnico Eagle
Employment by		
Kivalliq Community	Meadowbank employment by Kivalliq community, 2014 - 2016	Agnico Eagle
1.3 Meadowbank	Meadowbank employment by gender, 2010 - 2016	Agnico Eagle
Employment by		
Gender		
1.5 Meadowbank	Turnover rates, 2010 – 2016 (Inuit & non-Inuit)	Agnico Eagle
Turnover	Inuit turnover (by reason for leaving), 2010 - 2016	Agnico Eagle
VSEC 2: INCOME		
2.1 Income paid to	Income paid to Meadowbank Inuit employees, 2010 – 2016	Agnico Eagle
Meadowbank Inuit		
employees		
2.2 Income by	Change in median employment income of tax filers by Kivalliq communities, 2004 –	Agnico Eagle; (Statistic
Kivalliq Community	2009 average to 2010 – 2015 average	Canada, 2015)
	Median employment income of tax filers by Kivalliq Communities, 2000 - 2015	(Statistics Canada,
		2015)
VSEC 3: CONTRACTING	AND BUSINESS OPPORTUNITIES	
3.1 Contract	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2016	Agnico Eagle
Expenditures		
	Contract expenditures on NTI registered businesses, 2011 - 2016	Agnico Eagle
3.2 Registered Inuit-	Inuit-owned businesses in the Kivalliq region, 2010 – 2016	(Nunavut Tunngavik
Owned Businesses in		Inc., 2016)
the Kivalliq Region		110., 2010,
VSEC 4: EDUCATION AI	ND TRAINING	
4.1 Investments in	Agnico Eagle investments in school-based initiatives, 2010 – 2016	Agnico Eagle
School-Based		ABINCO EUSIC
Initiatives		
4.2 Secondary School	Secondary school graduation rate by region, 2000 – 2015	(Government of
Graduation Rates by		Nunavut Department o
Region		Education, 2016)
4.3 Mine Training and	Agnico Eagle investments in mine training and education programs, 2010 – 2016	Agnico Eagle
Education	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 –	Agnico Eagle
	2016	0
	Specific training hours provided per Inuit and non-Inuit employee, 2012 – 2016	Agnico Eagle
	Number of Haul Truck driver program participants, 2010 – 2016	Agnico Eagle
	Apprenticeships for Inuit employees, 2010 – 2015	Agnico Eagle
4.4 Percentage of	Percentage of population with apprenticeship, trades certificate or diploma	(Statistics Canada,
Total Population with	attainment, Nunavut and Canada, 2011 & 2016	2011a) (Statistics
Trade Certificates		Canada, 2016))
	Number of apprenticeships by Kivallig community, 2016	(Statistics Canada,
		2016)

Table A: Meadowbank Socio-Economic Indicators, Metrics, and Data Sources

4.5 Inuit Employees	Proportion of Inuit employment by skill level, 2014 – 2016	Agnico Eagle
by Skill Level		
VSEC 5: CULTURE AND T		· · · - ·
5.1 Country Food at Meadowbank	Country food served at Meadowbank, 2011 – 2016	Agnico Eagle
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006, 2011, 2016	(Statistics Canada, 2011a; Statistics Canada, 2016))
5.3 Traditional Lifestyle	Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012	(Statistics Canada, 2011b; Wallace, 2014))
VSEC 6: MIGRATION		
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2016	Agnico Eagle
6.2 Population Estimates in Kivalliq	Population estimates in Kivalliq communities-, 2006 – 2016	(Nunavut Bureau of Statistics, 2016)
Communities	Annual percentage change in population estimates in Kivalliq communities, 2011 - 2016	(Nunavut Bureau of Statistics, 2016)
	COMMUNITY WELLNESS	
7.1 Counselling	Family counselling programs offered, 2010 – 2016	Agnico Eagle
Programs and Usage at Meadowbank	Number of employees/families accessing family counselling programs, 2011 – 2016	Agnico Eagle
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2016	(Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016))
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	(Statistics Canada, 2016; Nunavut Bureau of Statistics, 2016))
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	(Statistics Canada, 2016))
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	(Nunavut Bureau of Statistics and Statistics Canada, 2010))
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2016	(Nunavut Bureau of Statistics, 2016))
VSEC 8: WORKER HEALT	H AND SAFETY	
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2016	Agnico Eagle
8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person-hours), 2010 – 2015	Agnico Eagle
	Number of visits by employees to Agnico Eagle clinics, 2010 – 2015	Agnico Eagle
VSEC 9: COMMUNITY IN	FRASTRUCTURE AND SERVICES	
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	Agnico Eagle
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2015	(Government of Nunavut Department o Health, 2016)
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2016	Agnico Eagle
9.3 Demand on Social Services	N/A	
9.4 Social Assistance	Per capita social assistance expenditures by Kivalliq community, 2006 to 2014	(Government of Nunavut Department o Family Services, 2014)
	Percentage of households receiving social assistance by Kivalliq community, 2006 - 2015	source: Department of Family Services, 2015
	Meadowbank Socio-economic Monitoring Report	

VSEC 10: NUNAVUT ECO		
10.1 Business Expenditures for	Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2016	Agnico Eagle
Nunavut	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2016	Agnico Eagle
10.2 Royalties & Taxes	Compensation, royalties and taxes paid	Agnico Eagle
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000–2016	(Statistics Canada, 2016)

ANALYSIS AND INTERPRETATION

Throughout this report, we present available data using a combination of narrative, tables and charts. We provide an interpretation of the data for each indicator, including identification of significant trends and an explanation for the trends where possible. Given the complexity of socio-economic phenomenon (i.e. multiple factors at play), there are limitations in establishing causal relationships between the operation of the Meadowbank mine and certain socio-economic indicators.

INVOLVEMENT OF SOCIO-ECONOMIC MONITORING COMMITTEE

We engaged with members of the SEMC to ensure the content, structure, and look and feel of this report are as useful as possible. This engagement included ongoing discussions with GN's department of Economic Development and Transportation (who coordinate and chair the SEMC), as well as a participation in the June 2017 SEMC meeting in Rankin Inlet at which Stratos presented a plain language summary of early results.

A draft plain language presentation of this report was shared with the SEMC at the annual Kivalliq SEMC meeting in June 2016 for comment.

Impact / Goal Statement

Increased, stable employment for Inuit (including women and challenged workers) across Kivalliq communities

FEIS Prediction

"The potential impacts of employment are likely to take some time to gain full momentum, and overall are considered of high magnitude, positive, long term and of high significance, specifically to those individuals and their families who are able to benefit." (Cumberland Resources Ltd., 2006, p. 120).

Five indicators are used to measure and understand Meadowbank's impact on employment in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions	Symbols and
1.1 Total Meadowbank Employment	Meadowbank Employment, 2010-2016 (Permanent and Temporary)	↑ positive	Total employment levels increased in 2016 and continue to significantly exceed the levels predicted in the FEIS.	terms used to explain trends
1.2 Meadowbank Inuit and Nunavummiut Employment	Permanent, temporary and on-call Meadowbank employment, 2015 (Inuit and non-Inuit)	/	representing approximately 36% of the total workforce. Inuit employees represent the vast majority on-call employees.	↑ Increasing
	Meadowbank employment, 2010 - 2016 (Inuit and Non-Inuit)			 ✓ Decreasing → Remaining stable
	Number of Inuit employees	→ positive		
	Inuit employment rate	→ positive		
	Person hours worked, 2010 - 2016 (Nunavut and non-Nunavut based employees)			/ No discernable trend
	Number of Nunavut-based employees	→ neutral	-	Positive trend:
	Nunavut-based employment rate	→ neutral		movement towards the
	Inuit employment rate of Meadowbank contractors, 2010 – 2016	↓ neutral	Estimated Inuit employment rate of contractors working at Meadowbank has decreased by 3.8 percentage points in 2016. This employment data is based on reports submitted to Agnico Eagle from a sub-set of contractors and, due to low report submission in 2016, may not be accurate.	achievement of the desired impac or goal Negative trend movement away
1.3 Meadowbank	Meadowbank Employment, 2010 – 2016 (Kivalliq and non-Kivalliq residents)		The number of Kivalliq-based employees remained steady in 2016 at 281, representing	from the achievement of the desired impact or goal Neutral trend: no observed
Employment by Kivalliq	Number of Kivalliq-based employees	→ positive	a slight decline in the proportion of total employment from 35% to 34%. More than half of these employees are from Baker Lake.	
Community	Kivalliq-based employment rate	→ positive		
	Meadowbank employment by Kivalliq community, 2014 - 2016	→ positive		
1.3 Meadowbank	Meadowbank employment by gender, 2010 - 2016		18% of Meadowbank employees are women (up from 10% in 2013), which is just above	ove regard to the
Employment by Gender	Number of female employees	↑ positive	the Canadian mining-sector average of 17% (MiHR, 2016).	
	Female employment rate	↑ positive		
1.5 Meadowbank Turnover	Turnover rates, 2010 – 2016 (Inuit & non- Inuit)	↑ Negative	The turnover rate for permanent and temporary / on-call Inuit employees increased in 2016. The number of dismissals increased significantly in 2016.	
	Inuit turnover (by reason for leaving), 2010 - 2016	↑ negative	- mereaseu signineanny ill 2010.	

EXISTING MANAGEMENT & MITIGATION

A number of programs are in place to encourage Inuit employment and retention at Meadowbank, as outlined in Table 1 below. Agnico Eagle offers programs to increase general educational and skills attainment among Kivalliq residents, facilitate entry into Meadowbank employment, as well as training, career development and upward mobility programs for existing employees. While many of these training programs are primarily relevant to VSEC 4: Education and Training, they are also discussed here due to a positive supporting effect on Inuit employment rates and retention.

Table 1: Agnico Eagle Employment Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes		
MOU with	A Memorandum of Understanding was signed in April 2012 to establish a strengthened partnership between the		
Department of	Government of Nunavut Department of Education and Agnico Eagle, with a focus on increasing the number of		
Education	students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related		
	career opportunities. This work involved <i>Mining Matters</i> , a branch of the Prospectors and Developers Association of		
	Canada (PDAC) that is dedicated to bringing knowledge and awareness about Canada's geology and mineral resources		
	to students and educators. In 2013, Agnico Eagle and the Mining Matters group participated with the GN Department		
	of Education, Curriculum Review Services to assist in a review of the Earth Sciences Curriculum of Nunavut Schools.		
	During 2014, Agnico Eagle continued to sponsor the Mining Matters program as part of the MOU with Education.		
	Agnico Eagle continued to pursue a renewed MOU with the Department of Education during 2016. As of the time of		
	the submission of this report, Agnico Eagle and the Government of Nunavut had established a Memorandum of		
	Understanding that identifies 10 priority areas for collaboration, including education.		
Kivalliq Science	In 2016 Agnico Eagle once again invested \$25,000.00 for the KSEC 2016-2017 towards the regional Math Camp,		
Educations	Science Camp and Kivalliq Science Fair programs operated by the Kivalliq Science Educators Community. The regional		
Community	Science camp was organized in Chesterfield Inlet and the weeklong program included a mix of traditional, cultural and		
	educational studies related to sciences. The program provides science credits to participants.		
Kivalliq Mine	The KMTS is an Inuit-private sector partnership created to strengthen the Kivalliq region labour force through the		
Training Society	creation and funding of training opportunities in the seven Kivalliq hamlets. Agnico Eagle has provided \$6.8 million in		
	cash and in-kind support towards the overall initiative. The KMTS has also enjoyed financial support from the Nunavut		
	Department of Economic Development and Transportation. Over a two-year period, from April 2013 to the end of		
	March 2015 the KMTS program was valued at approximately \$9.5 million.		
	A one-year extension of the program for 2015-16 has been approved by Employment and Social Development Canada		
	(ESDC). The 2015-16 KMTS program is valued at \$3.65 Million to the end of March 2016, of which Agnico Eagle will		
	contribute \$2.18 Million. A further extension of the program is currently being considered by the KMTS Board for		
	2016-17.		
	A major focus of the KMTS program has been to support Agnico Eagle's Mine Training Initiatives, such as the Career		
	Path, Apprenticeship and Haul Truck Operators' programs.		
	The KMTS supported the development and delivery of the community based Work Readiness and Labour Pool		
	initiatives prior to 2015 to help prepare Inuit for employment opportunities. The KMTS also supported the Arviat		
	Drillers program as well as some other community-based initiatives, such as the Making it Work program, which		
	provide support to employees and their families to cope with the challenges that come with employment.		

Labour Pool	The Labour Pool Process (formerly 'Labour Pool Initiative'), implemented in 2014 and revised in 2015, is based on an
Process	agreement between Agnico Eagle, the KIA through the IIBAs to offer pre-employment opportunities to Inuit from all Kivalliq communities.
	The goal of the program is to pre-qualify candidates from Kivalliq communities through 5 steps: employment information sessions, online application (facilitated by Employment Information Sessions), the Work Readiness Program, the Site Readiness Program (more details provided below), and the Labour Pool List (facilitated by the Labour Pool Coordinator).
Employment	As part of the Labour Pool initiative, employment information sessions are conducted in all Kivalliq communities. The
Information	purpose of the information sessions is to give information about the mines, the work lifestyle, and career
Sessions	opportunities as well as knowing how to apply online. In 2016 Agnico Eagle held employment information sessions in all seven communities 2-3 times.
Online	The first step in the Labour Pool Process is to apply online. In order to facilitate online application in the communities,
Application	Agnico has a Community Coordinator in each Kivalliq community who can deliver employment information sessions,
(Community	and provide one-on-one assistance to interested candidates in their online application.
Coordinators)	
Work Readiness	In collaboration with the Kivalliq Mine Training Society (KMTS), Agnico Eagle developed a Work Readiness Training
Training Program	program as a pre-employment initiative. In 2016 the Work Readiness Training was delivered by Northern College. The
	Work Readiness program is the first step of the Labour Pool initiative for those individuals who have applied online.
	The objective of the program is for Inuit workers to be better prepared for the work environment in an industrial
	setting. Graduates of the program are eligible to continue the Labour Pool process and attend the Site Readiness
	program. The program provides coaching on a range of issues including: awareness of employers' unspoken
	expectations, communication in the workplace, and problem-solving skills for resolving workplace issues.
	The program was implemented in April 2013. The program is delivered over a five-day period at the community level and is scheduled throughout the year. In 2016, the program was delivered in six Kivalliq communities resulting in 151 graduates from various communities, from which 87% successfully completed the program. Arviat runs its own Work Readiness training sessions, whereas the other five communities have visiting instructors.
Site Readiness	The Site Readiness Program is an updated program that replaced "Orientation Week", which was implemented in April
Program	2015. This program is the second step of the Labour Pool initiative, following the Work Readiness Program. Graduates
(formerly	of the Site Readiness Program are eligible to enter the Labour Pool.
Orientation	
Week)	The Site Readiness Program is a five-day training provided at the Meadowbank site. Throughout the week, participants
	are enrolled in diverse activities such as mandatory training sessions, site visits, job initiation, information sessions on
	training and career opportunities, as well as interviews and discussions on employment opportunities with a Human
	Resource representative to assess career ambitions and identify work interest.
	Afterwards, candidates wanting to work for the Camp Department are given short term on-call assignments. All other
	applicants become part of the Labour Pool list until a job opportunity matching their interest and competencies becomes available.
	In 2016, 128 individuals participated in Site Readiness, of which 113 successfully completed the program.
Labour Pool List	The Labour Pool List is a list of candidates who have successfully completed the steps of the Labour Pool Process.
	These candidates are now eligible for opportunities with Agnico Eagle or Agnico Eagle's contractors. The list is
	managed by the Labour Pool Coordinator.

Summer Student Employment Program	Agnico Eagle offers a summer employment program for the children of all Agnico Eagle employees who are participating in university-level education. In 2016, there were 32 applicants of which 31 were selected (the one not selected did not meet the employment criteria). There were no applications from Inuit employees in 2016. Historically, there have been no applications to Agnico Eagle's Summer Student program by the children of Inuit employees. It is assumed that either the children of our Inuit employees are not attending university, or if they are, they are obtaining summer employment in their home communities.
	In 2016, Agnico advertised a new summer student program to attract Inuit post-secondary students from Kivalliq communities, including students enrolled in trades with the Nunavut Arctic College and with the Nunavut Sivuniksavut program. This program was offered and advertised in each Kivalliq Community, but there were no applications in 2016.
Haul Truck Trainee Program	The Haul Truck Trainee program is a 28-day (336 hour) program to certify haul truck operators, which includes training on a simulator, in the classroom, and on the job. The program is aimed at existing employees in entry level positions (dishwashers, janitors, chambermaids, etc.).
	This year, 34 employees were enrolled in the Haul Truck Trainee Program. Among those, a total of 23 trainees successfully completed the Program (18 men, 5 women). In order to provide the best training possible to all the trainees, there is a maximum of 4 trainees at a time with one trainer.
Process Plant Trainee Program	With the success of the Haul Truck Trainee Program, a new Process Plant Trainee Program was developed in 2015. The 28 day program provides employees with an understanding of the mining and milling process and trains them to be competent and certified to fill positions as a process plant helper or a utility person. In 2016, a total of eight (8) employees were delivered to the Process Plant.
Super Operator Program	Implemented in the second half of 2016, the Super Operator Program is an extension of the Process Plant Trainee Program. This 168-hour training is provided to employees who have successfully completed the Process Plant Trainee Program. The extension of the Process Plant Trainee Program will consist in teaching the basics of maintenance principles in order to have employees with more diversified skills in the Process Plant Department. These employees will eventually be able to perform specific basic maintenance repairs throughout the plant. By having this addition, we are confident that trained employees will acquire an important skill set to progress through the career path system. In 2016, every Inuit employee that was trained as a Process Plant Trainee received the Super Operator Training.
Arviat Community Training Programs	In 2011, the Hamlet of Arviat proposed a partnership to invest in a community-based drilling school that would provide Inuit with the skills needed to work in diamond drilling. With advice and support from Agnico Eagle, the Hamlet brought together a range of partners to acquire the drilling equipment, develop the curriculum, and operate the training program. Government training agencies, the KIA, and drilling companies provided partnership investments. In 2013 the program offering was expanded to include a Welders Helpers program. Agnico Eagle invested \$190,000 in the Arviat training programs in 2016.
	Over the past 4 years the program has graduated 65 trained driller's helpers, all of whom have found employment. The welder's helper program is delivered every two years, with the interim years delivering the drilling program. In 2016, the Mechanical Welding Program graduated 8 students and the Artistic Welding Program graduated 7 students.
Career Path Program	The Career Path Program was designed in 2012 with the intention of supporting upward mobility of Inuit employees at Meadowbank. This program identifies the incremental steps that an employee is required to complete to advance in their chosen career of interest. In 2016 the Career Path system was available in seven (7) areas of activity; Building Mechanic, Drill, Field Services, Mine Operations, Process Plant, Road Maintenance, and Maintenance.
	The objective of the Career Path Program is to have only internal promotions for Inuit, and for no external candidates (southerners) to be hired to fill a position that is part of the program.
Training Formula (formerly 'Training Curriculum')	The Training Formula program, implemented in 2014, provides tools, tips, guideline and standards to improve the proficiency of Meadowbank trainers. The formal manual includes three sections: training theory, training standards, and training delivery.

E-Learning	Before coming to Meadowbank for the first time, newly hired employees must complete their Mandatory Training on-			
Training at	line, which consists of six (6) modules: General Induction, WHMIS, Fire Suppression, Job Hazard Analysis and Work			
Meadowbank	Card, Spill Response, and Occupational Health and Safety (Personal Protective Equipment, Ladder Safety, Surface			
	Standard Operating Procedure). The General Induction chapter provides general information about Agnico Eagle and			
	working life at Meadowbank Mine.			
Training and	The Training Management System (TMS) as well as the Learning Management System (LMS) were initially			
Learning	implemented in 2013 in order to ensure better management of training activities and to monitor the proper			
Management	management of the e-learning training. In response to the GN's request for increased information on training			
System	programs in 2014, both systems were modified in 2015. The systems are now capable of producing more detailed			
	reports: by training program, by participation level, by graduation level and by hour.			
Apprenticeship	The Apprenticeship Program combines on-the-job learning and in-school technical instruction to allow Inuit employees			
Training at	the opportunity to be educated and trained in the trade of their choice. By the end of the program, the apprentice is			
Meadowbank	able to challenge their Certificate of Qualification (COQ) to become a Journeyperson and will also have the			
('Apprenticeship	opportunity to challenge their Red Seal Exams. Currently, we offer seven (7) trades: cook, carpenter, millwright,			
Program' and	electrician, heavy duty equipment technician, welder, and plumber.			
'Pre-				
Apprenticeship	As of the end of 2016, there were 12 apprentices and 1 pre-apprentice alternating between school and work with four			
Program')	(4) vacant positions to be filled in the beginning of 2017. Between January 1st and December 31st 2016, two (2)			
	employees completed their apprenticeship training within the company. They challenged their COQ exam and are now			
	all certified journey people.			

1.1 TOTAL MEADOWBANK EMPLOYMENT

Throughout this report, the terms 'employment', 'workforce', and 'employees' refer to individuals employed *directly* by Agnico Eagle to work at the Meadowbank mine. The Meadowbank mine also helps to create other forms of employment, including the employees hired by businesses that have contracts with the mine and employees hired by businesses that benefit from additional spending by mine employees and contractors (multiplier effects). These other types of employment are not part of the employment discussion in this report unless specifically noted (e.g. under VSEC 3: Contracting and Business Opportunities).

1.1.1 Predictions

The Meadowbank FEIS makes the following predictions:

• "It is expected that the construction phase workforce will average 160 and peak at 310, and the operation phase workforce is estimated at 370." (Cumberland Resources Ltd., 2006, p. 119)

1.1.2 Data & Trends

The following chart provides an overview of direct Meadowbank employment since the mine began operating in 2010.

Employees at Meadowbank are divided into one of the following categories:

- **Permanent employees** employees whose current jobs are not specifically tied to a short-term project, with positions expected to be required throughout the life of the mine
- On-call employees employees with an indefinite contract who are called upon when the need arises
- **Temporary employees** employees whose current job will not continue beyond a specified period of time (a set contract)

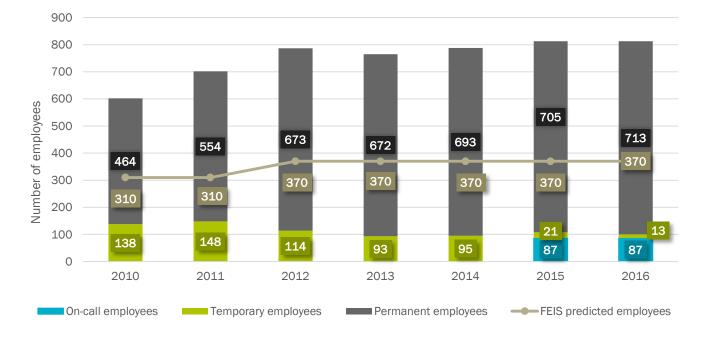


Chart 1: Meadowbank employment, 2010 - 2016 (permanent, temporary, and on-call) (source: Agnico Eagle)

1.1.3 Interpretation

The years between 2010 and 2012 saw Meadowbank moving from construction and commissioning phases to a full operational mine. The total employee figures to date have significantly exceeded the values predicted in the FEIS for employment at the mine, largely due to an expansion of the project scale from the initial Cumberland project proposal.

The drop in temporary employees seen in 2015 and continuing in 2016, is largely due Agnico Eagle shifting employees from *temporary* status to *on-call* status. Permanent employment grew by 2%, from 705 to 713 from 2015 to 2016. While the total number of on-call and temporary employees compared to 2015 has decreased (from 108 in 2015 to 100 in 2016), this may or may not reflect a decrease in hours worked.

1.2 MEADOWBANK INUIT & NUNAVUMMIUT EMPLOYMENT

1.2.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding Inuit or Nunavummiut employment rates at Meadowbank.

1.2.2 Data & Trends

The charts below provide an overview of the number and proportion of Inuit and Nunavummiut employees at Meadowbank Mine. Chart 2 provides a snapshot of this proportion in 2016 for permanent, temporary, on-call and total employment. On-call employees at Meadowbank are 100% staffed by Inuit.

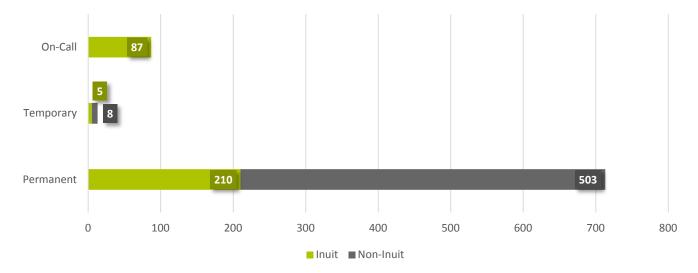


Chart 2: Permanent, temporary and on-call Meadowbank employment, 2016 (Inuit and Non-Inuit) (source: Agnico Eagle)

Chart 3, below, shows trends in Inuit and non-Inuit total employment over the past seven years.

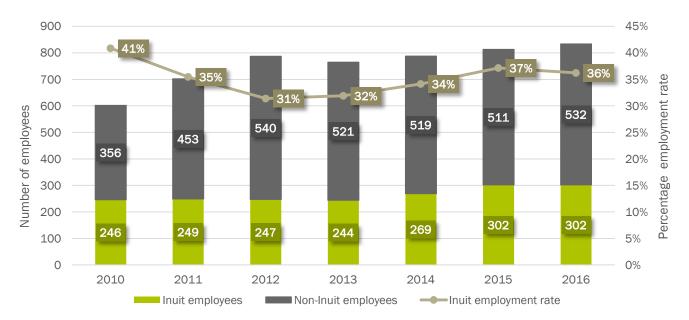


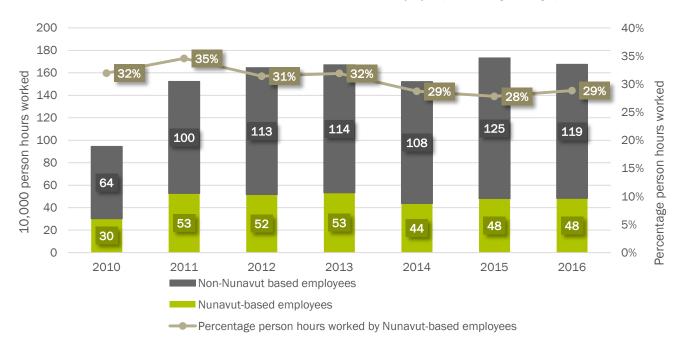
Chart 3: Meadowbank employment, 2010 - 2016 (Inuit and non-Inuit) (source: Agnico Eagle)

Chart 4 provides an overview of the person-hours worked by Nunavut and non-Nunavut based employees. While the rates of Inuit employment and Nunavummiut employment are quite similar, they are different metrics. The former encompasses only those who identify as Inuit, and the latter includes all who permanently reside in Nunavut, regardless of ethnicity. Currently, virtually all Nunavummiut employed by Meadowbank are also Inuit. Therefore, this demographic breakdown is functionally equivalent to Inuit and non-Inuit.

That said, person-hours worked (as opposed to employment numbers) provide a more holistic and accurate picture of Inuit employment at the mine. To clarify, employment numbers – such as those provided in Charts 2 and 3 – are generated as a 'snapshot', representing employment statistics on a single day in December. Person-hours worked (Chart 4), on the other

hand, is the summation of all hours worked over a given time period, regardless of permanent, temporary or on-call status or short-term fluctuations in turnover.

<u>Note to reader</u>: The 2015 Meadowbank Socio-economic Monitoring Report included different values for person hours worked for 2011, 2014 and 2015 due to the use of expected instead of actual person-hours worked.



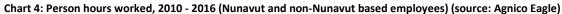


Chart 5, below, the estimated Inuit employment rate of Meadowbank contractors. This employment data is based on reports submitted to Agnico Eagle from a sub-set of contractors and, due to low report submission in 2016, may not be accurate. It is anticipated that the reliability of this indicator will improve in future years' reports as additional IIBA requirements around contractor reporting are implemented.

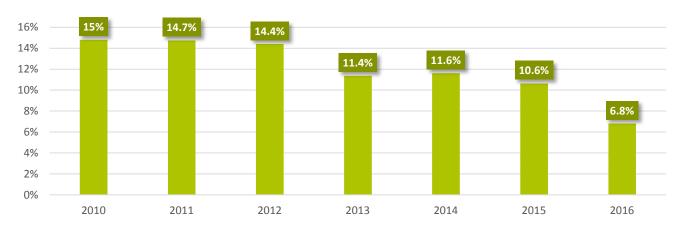


Chart 5: Inuit employment rate of Meadowbank contractors, 2010 – 2016 (source: Agnico Eagle)

1.2.3 Interpretation

No predictions were made in the Cumberland FEIS regarding Inuit employment rates.

Schedule E of the 2011 Meadowbank IIBA sets out measures and requirements for Inuit employment including the development of equivalent qualifications (i.e. those qualifications considered equal to formal qualifications for various positions), preferential hiring policies, and detailed requirements for establishing and meeting Minimum Inuit Employment Goals (MIEGs). In 2015, Agnico and the KIA agreed in the Meliadine IIBA to an Inuit employment target of 50% during production from any of the Meadowbank, Whale Tail or Meliadine projects.

- The total number of Inuit workers employed at Meadowbank has been growing since 2013, after being relatively stable during the 2010 2013 period.
- At the end of 2016, there were 302 Inuit employees, representing 36% of the total workforce. This is the same number of employees as 2015, however it represents a slight decline in the proportion of Inuit employed by Meadowbank, as non-Inuit employment increased from 2015 levels.
- Temporary and on-call positions are held almost entirely by Inuit

In 2016, the total hours worked by Nunavut-based employees was approximately 480,000 hours, representing little movement from 2015. In 2016, hours worked by Nunavut-based employees represented 29% of the total person hours worked at the mine, up slightly from 28% in 2015.

Estimated Inuit employment rate of contractors working at Meadowbank has decreased by 3.8 percentage points in 2016. This employment data is based on reports submitted to Agnico Eagle from a sub-set of contractors and, due to low report submission in 2016, may not be accurate.

Additional information related to types of positions and skill level classification is provided in VSEC 4: Education and Training.

1.3 MEADOWBANK EMPLOYMENT BY KIVALLIQ COMMUNITY

1.3.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding Kivalliq community resident employment rates. However, this information is relevant to other predictions where community-specific data is available.

1.3.2 Data & Trends

Chart 6, below, provides an overview of employment numbers and employment rates of Kivalliq residents at the Meadowbank Mine.

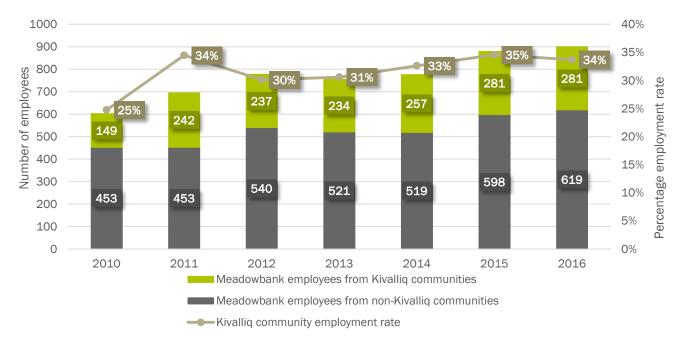


Chart 6: Meadowbank employment, 2010 – 2016 (Kivalliq and non-Kivalliq residents) (source: Agnico Eagle)

Chart 7 shows the number of residents of each Kivalliq community employed by the Meadowbank Mine in 2016, as well as those Inuit employees who reside in the south.

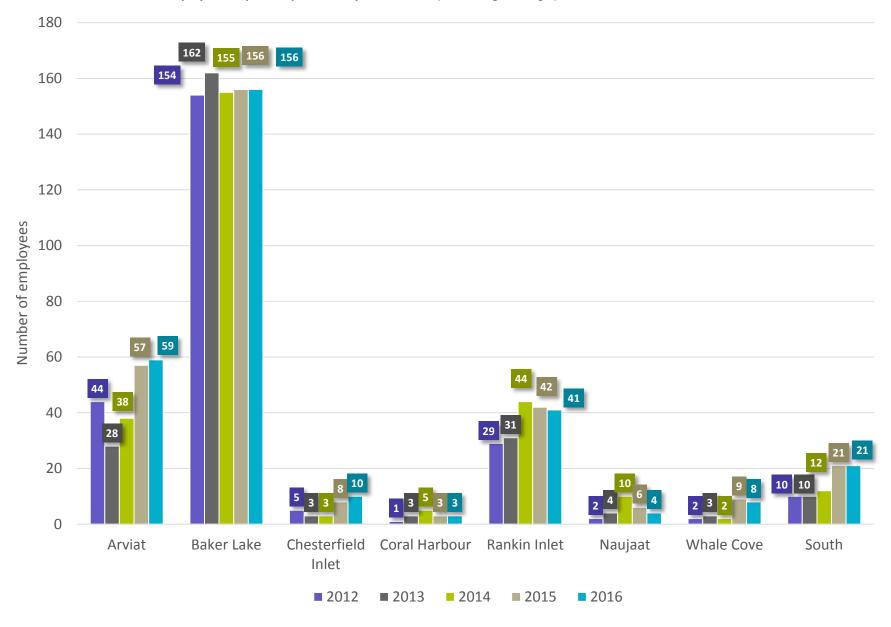


Chart 7: Meadowbank Inuit employment by Kivalliq community, 2012 – 2016 (source: Agnico Eagle)

1.3.3 Interpretation

The percentage of Meadowbank workers coming from Kivalliq communities increased steadily from 30% to 35% between 2012 and 2015. While the total number of employees from Kivalliq communities did not change in 2016 (281 in both 2015 and 2016), a small decrease in the Kivalliq community employment rate is observed due to an increase in non-Kivalliq residents employed at the mine. This includes both an increase in Inuit living in the south, as well as non-Inuit employment.

Over half of Kivalliq-based employees are from Baker Lake. This likely reflects a number of factors, including: the mine's proximity to the hamlet; preferential hiring provisions outlined in the Meadowbank IIBA which give preference to Baker Lake Inuit over Inuit from other communities; as well as training and recruiting efforts by Agnico Eagle focused on Baker Lake.

1.4 MEADOWBANK EMPLOYMENT BY GENDER

1.4.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding employment rates by gender.

1.4.2 Data & Trends

In 2016, 18% of Meadowbank employees were female and 82% were male.

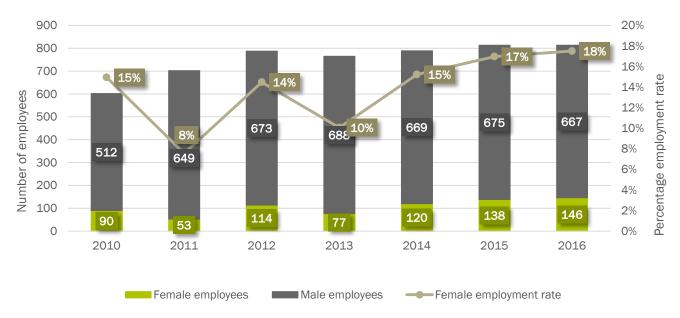


Chart 8: Meadowbank employment by gender, 2010 - 2016 (source: Agnico Eagle)

1.4.3 Interpretation

There are no formal goals for gender employment rates at Meadowbank. Female employment at Meadowbank increased to 18% in 2016 from 17% in 2015. It is at its highest level since the mine began production and has now surpassed the Canadian mining sector average of 17% (MiHR, 2016).

During 2016, there were 112 permanent, 4 temporary and 30 on call female employees. Agnico participates in the Mining Industry Human Resource Council's *Gender Equity in Mining (GEM) Works Initiative*, which works towards achieving greater gender equality in the mining sector.

1.5 TURNOVER

1.5.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding turnover rates at Meadowbank.

1.5.2 Data & Trends

<u>Note to reader</u>: The 2015 Meadowbank Socio-economic Monitoring Report included different values for 2015 turnover due to an error in calculation. Specifically, it reported:

- Temporary Inuit employee turnover rate of 25%
- Permanent Inuit turnover rate of 12%
- Non-Inuit turnover rate 3%

Chart 9, below, provides an overview of Inuit and non-Inuit turnover rates for permanent and temporary / on-call employees (including corrected data for 2015). Turnover rates are the percentage of Meadowbank employees that leave Agnico Eagle's employ during each fiscal year. Turnover rates are calculated by dividing the number of terminations by the average number of employees in a given year.

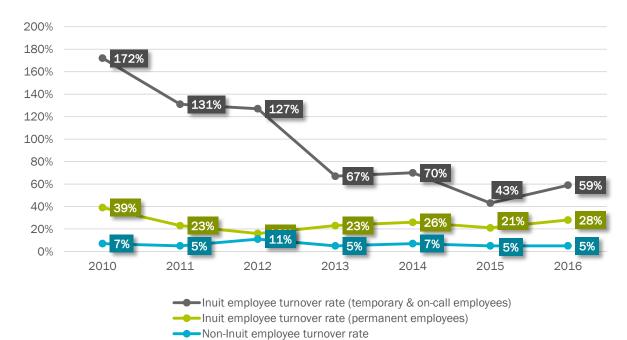


Chart 9: Turnover rates, 2010 - 2016 (Inuit & Non-Inuit) (source: Agnico Eagle)

Chart 10, below, provides an overview of turnover by reason from 2010 to 2016.



Chart 10: Inuit turnover (by reason for leaving), 2010 – 2016 (source: Agnico Eagle)

Since the start of production in 2010, Agnico Eagle has conducted exit interviews and focus group meetings to gather information on reasons for resignation and voluntary termination. Interviews were used to collect qualitative information on common reasons why employees have left. These include:

- Spousal relationship issues
- Did not like the work or too tired to continue working
- Too much gossip amongst co-workers
- No babysitter or daycare
- Found a new job in town
- Homesick need to go home
- Work was too hard or did not like the work
- Increase in rent for social service housing

In addition to the employment and training programs listed in Table 1, Agnico offers a range of wellness programs to support employees while at the mine – including programs that address issues that may lead to turnover. These programs are listed in Table 11 (later in this report) and include the Coping with FIFO Program, which provides an opportunity for spouses of employees to visit Meadowbank and experience what mining life is like. The program also includes spousal counselling sessions on effective communications, financial management, conflict resolutions and healthy living.

1.5.3 Interpretation

Since 2010, turnover rate for permanent Inuit employees has been consistently higher than that for permanent non-Inuit employees (approximately four to six times higher over the past four years). The turnover rate for permanent Inuit employees increased to 28% in 2016, up from 21% in 2015 but approximately the same as in 2014 (26%). Of note is the number of dismissals in 2016, which increased to 54 from 24 or lower in all years prior.

The drop in the temporary & on-call Inuit employee turnover rate between 2010 and 2013 is likely due the shift of temporary employees away from set-contracts (contracts with a defined end-point which therefore manifest as turnover) towards on-call temporary employees. These employees now have an indefinite contract and are called upon when the need arises. This turnover rate increased to 59% in 2016 from a low of 43% in 2015.

VSEC 2: Income

Impact / Goal Statement

Increased income in Kivallig communities

FEIS Prediction

"The potential impacts of increased income are considered of high magnitude, positive, long-term and of high significance, particularly to those individuals and their families who are able to benefit. It is expected that overall community effects, moderate in significance, are likely to be most experienced in Baker Lake, as most direct employment will occur here."² (Cumberland Resources Ltd., 2006, p. 121)

Two indicators are used to measure and understand Meadowbank's impact on income in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
2.1 Income paid to Meadowbank Inuit employees	Income paid to Meadowbank Inuit employees, 2010 – 2016	↑ positive	Income paid to Inuit employees increased to \$22M in 2016, from an average of \$18.6M/year since 2011, continuing to significantly exceed the FEIS prediction of \$4 million in direct project wages annually.
2.2 Income by Kivalliq Community	Change in median employment income of tax filers by Kivalliq communities, 2004 – 2009 average to 2010 – 2015 average	↑ positive	The most recent data available for this indicator is from 2015. Baker Lake, which has the highest number of Meadowbank employees, has experienced the largest increase in median income when comparing the years prior to 2010 (2004-2009) to the years after 2010 (2010-2015).
	Median employment income of tax filers by Kivalliq Communities, 2000 - 2015	↑ positive	The most recent data available for this indicator is from 2015. Median employment income has increased gradually overall in the Kivalliq region since 2006, with no significant inflection (i.e. change in growth rate) since 2010. Among the Kivalliq communities with highest levels of Meadowbank employment (Baker Lake, Rankin Inlet, and Arviat), only Rankin Inlet shows a significant increase in the income growth rate when comparing the 2006-2010 period to the 2010-2015 period.

Symbols and terms used to explain trends		
↑ Increasing	Positive trend: movement towards the achievement of the desired impact or goal	
	Negative trend: movement away from the achievement of the desired impact or goal	
➔ Remaining stable		
/ No discernable trend	Neutral trend: no observed movement in regard to the achievement of the desired impact or goal	

² The FEIS also highlights the possibility of negative effects as a result of income inequality and personal choices to do with increased use of drugs and alcohol. See VSEC 7: Individual and Community Wellness for further discussion. STRATOS INC.

EXISTING MANAGEMENT & MITIGATION

Programs aimed at encouraging greater educational attainment, recruiting local employees, supporting professional development and skill advancement, and increasing local contracting and business opportunities can all have a positive supporting effect on income indicators in the Kivalliq. These programs are outlined in the respective sections of this report (VSEC 1, 3 and 4).

2.1 INCOME PAID TO MEADOWBANK INUIT EMPLOYEES

2.1.1 Predictions

The Meadowbank FEIS makes the following specific prediction with regard to income paid to Meadowbank Inuit employees:

• "Direct project wages paid to people in Kivalliq Region, primarily Baker Lake, could exceed \$4 M annually" (Cumberland Resources Ltd., 2006, p. 121)

2.1.2 Data & Trends

Chart 11 shows employment income paid to Meadowbank's Inuit employees from 2010 to 2016.

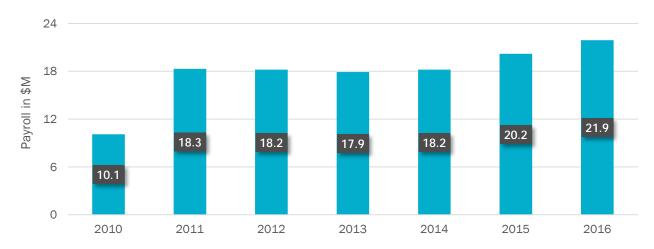


Chart 11: Income paid to Meadowbank Inuit employees, 2010 – 2016 (source: Agnico Eagle)

2.1.3 Interpretation

In 2016, total income paid to Meadowbank's Inuit employees rose to \$21.9 M from \$20.2 M in 2015, a more than 8% increase. Total income for Inuit employees had been relatively constant at \$18 M per year from 2011 to 2014. With 93% of Meadowbank's Inuit workforce residing in the Kivalliq region (52% in Baker Lake), income in 2016 continues to significantly exceed (by more than four times) the FEIS prediction of \$4 million in direct project wages annually to Kivalliq residents.

Contractors working at Meadowbank also have Inuit employees who receive income. In previous years' reports this income was estimated based on the Inuit employment rates of contractors and contract value. Due to methodological concerns these estimates are no longer included in this report.

2.2 INCOME BY KIVALLIQ COMMUNITY

2.2.1 Predictions

The Meadowbank FEIS makes no specific predictions regarding changes in the median income of Kivalliq communities, but does predict that Baker Lake will experience the most positive effects of increased income.

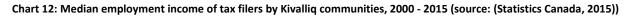
2.2.2 Data & Trends

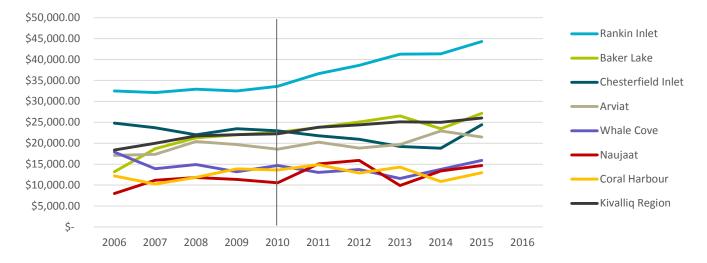
Table 2 shows the change in median employment income in Kivalliq communities before and after Meadowbank started operations. The change is the difference between the average median income from 2004 to 2009 and average median income from 2010 to 2015. This table also includes the number of Meadowbank employees working in each community in 2016.

Table 2: Change in median employment income of tax filers by Kivalliq communities, 2004 – 2009 average to 2010 – 2015 average (sources: Agnico Eagle; (Statistics Canada, 2015))

Community	Number of employees, 2016 Change in median Incon			
Kivalliq Region	277	19%		
Arviat	59	9%		
Baker Lake	156	32%		
Chesterfield Inlet	10	-9%		
Coral Harbour	3	10%		
Rankin Inlet	41	25%		
Naujaat	4	21%		
Whale Cove	8	-8%		

Chart 12 shows the median income of tax filers in each Kivalliq community from 2000 through to 2015, the latest year for which data is available.





³ Based on percent change of the average median income of tax filers from 2004 – 2009 and the average median income of tax filers from 2010 to 2015 **STRATOS INC.** Meadowbank Socio-economic Monitoring Report | December 2016 | p. 24

2.2.3 Interpretation

Table 2 shows the change in median employment income and the number of Meadowbank employees in each community. Baker Lake, which has the highest number of Meadowbank employees, experienced the largest increase in median employment income when comparing the period of Meadowbank's operation to the pre-2010 period. As shown in Chart 29, median income in Baker Lake has been above the median income for the Kivalliq region during several years since the mine opened, including 2015. It is recognized that other factors influence median employment income in each community (spinoff effects, unrelated economic development, changes in public sector employment, etc.) and that these factors may mask the effect of Meadowbank employment income, especially for communities that have relatively few Meadowbank employees or that have a high median employment income to start with (e.g. Rankin Inlet, as the Government of Nunavut regional centre for the Kivalliq Region, has significant public sector employment).

Median employment income has increased gradually in the Kivalliq region since 2006, with no significant inflection (i.e. change in growth rate) since 2010. Among the Kivalliq communities with highest levels of Meadowbank employment (Baker Lake, Rankin Inlet, and Arviat), only Rankin Inlet shows a significant increase in income growth rate when comparing the 2006-2010 period to the 2010-2015 period. Employment income increased in 2015 in all Kivalliq communities, after a decline or stabilization in income in most communities in 2014.

Impact / Goal Statement

Increased opportunities and growth for local and Inuit owned businesses

FEIS Prediction

"The potential impacts of business expansion and creation are likely to take some time to gain momentum, but overall are considered of high magnitude, positive, long term and of high significance, particularly to those individuals and their families who are able to benefit. The impacts at the community level, of moderate significance, are most likely to be seen in Baker Lake and Rankin Inlet, but some stimulus to business will be felt across the region." (Cumberland Resources Ltd., 2006, p. 121)

Two indicators are used to measure and understand Meadowbank's impact on business opportunities and development in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions			
3.1 Contract Expenditures	Contract expenditures on Baker Lake and Nunavut-based businesses, 2011 – 2016		In 2016, absolute contract expenditures on Baker Lake-based and NTI-registered businesses rose by \$22.2M and \$13.4 M, respectively. Furthermore, the proportion of contracts spent on			
	Contract expenditures on Baker Lake-based businesses	↑ positive	Nunavut-based and NTI-registered businesses also rose significantly over the past year (41% \rightarrow 56% and 40% \rightarrow 56%, respectively)			
	Contract expenditures on all Nunavut-based businesses	↑ positive	While these contract expenditures remain significant, they are lower			
	Proportion of contract expenditures on Nunavut- based businesses	↑ positive	than in 2011-2013. The FEIS prediction of a 'high magnitude, positive, and long-term' impact has been realized thus far, despite a decline in total contract spending since the earlier days of the			
	Contract expenditures on NTI registered businesses, 2011 - 2016		project.			
	Contract expenditures on NTI-based businesses	↑ positive				
	Proportion of contract expenditures on NTI-based businesses	↑ positive				
3.2 Registered Inuit-Owned Businesses in the Kivalliq Region	Inuit-owned businesses in the Kivalliq region, 2010 – 2016	→ neutral	The number of registered Inuit-owned business remained relatively steady compared to 2015, rising by 3. There has been a net increase in the number of Inuit-owned businesses in Kivalliq since 2010. Given the many factors affecting business expansion and creation, it is difficult to attribute the observed impacts.			

Symbols and terms used to explain trend	ds
↑ Increasing	Positive trend: movement towards the achievement of the desired impact or goal
↓ Decreasing	Negative trend: movement away from the achievement of the desired impact or goal
➔ Remaining stable	
/ No discernable trend	Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

The Meadowbank IIBA acts as the primary vehicle for increasing the level of Inuit participation in Meadowbank contracting. Additionally, Meadowbank launched the Inuit Business Opportunities Initiative to support the implementation of the commitments outlined in the IIBA. Details are provided in the table below.

Table 3: Agnico Eagle Contracting and Business Opportunities Management and Mitigation	Initiatives
Table of Agineo Lagie contracting and Basiness opportainties management and mitigation	

Initiative	Purpose / Description / Outcomes
Agnico Eagle's	Agnico Eagle launched the Inuit Business Opportunities Initiative in April, 2010 to support local and Inuit business
Inuit Business	contracting. The initiative included the development of a database of Inuit Companies that informs Agnico Eagle
Opportunities	buyers of what areas of goods or services an Inuit company is interested in providing, who their JV partner is and
Initiative	contact information. The database includes 76 areas of types of goods and services that are required by Meadowbank,
	from work gloves to heavy equipment rentals to constriction services. There are 62 Inuit companies who have
	indicated an interest to provide goods or services.
Agnico Eagle	Through Meliadine IIBA, in 2016 Agnico Eagle moved to a prequalification procurement process, which requires all
Nunavut IIBA	suppliers to prequalify in categories in order to submit a tender. This process replaces the Inuit Business Opportunities
Procurement	Initiative. Although the new procurement process did not apply to Meadowbank until the signing of the 2017
Process	Meadowbank IIBA, the process was applied on Nunavut contracts that service all three sites (Meadowbank, Meliadine
	and Whale Tail).
Inuit Impact	Schedule F of the Meadowbank IIBA includes procedures to increase the participation of Inuit firms in providing goods
Benefit	and services to the Meadowbank project and to improve the capacity of Inuit firms to obtain contracts with the
Agreement	Meadowbank Mine. These procedures include the application of Inuit preference points in evaluating and awarding
	contracts, as well as a requirement to report on contracts awarded to Inuit firms in the annual IIBA Implementation
	report by contract classification type.
	Under the 2011 Meadowbank IIBA, Agnico Eagle is also required to have contractors that represented, as part of their
	bid, the intention to achieve a stated level of Inuit employment in the labour force engaged in the performance of the
	contract, to prepare a Contractor's Inuit Employment Plan (CIEP). These plans are intended to affirm the contractor's
	commitment to achieving the stated level of Inuit employment, describe how they plan on achieving it, and provide
	basic data on Inuit participation.

3.1 CONTRACT EXPENDITURES

3.1.1 Predictions

The Meadowbank FEIS makes the following specific prediction regarding contract expenditures:

• "With continuing preferential contracting, local business participation in the project is expected to grow with time." (Cumberland Resources Ltd., 2006, p. 7)

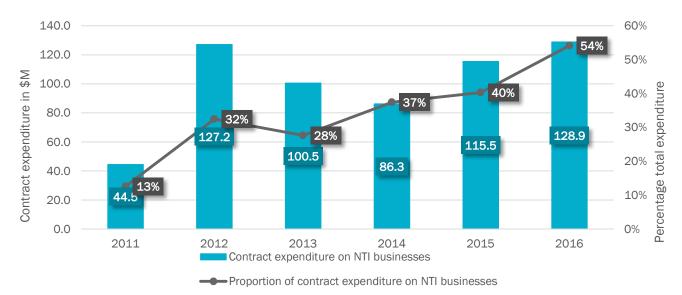
3.1.2 Data & Trends

Chart 13 shows the value and proportion of contract expenditures that went to Nunavut-based businesses (businesses registered in Nunavut) over time.



Chart 13: Contract Expenditures on Baker Lake and Nunavut-Based Businesses, 2011 – 2016 (source: Agnico Eagle)

Chart 14, below, shows the value and proportion of contract expenditures that went to NTI-registered businesses, which are Inuit-owned businesses, over time.





3.1.3 Interpretation

In absolute dollar terms, Agnico Eagle's contract expenditures on Nunavut-based businesses rose in 2016 from \$118.6 million to \$132.4 million. In general, however, contract expenditures over the past 3 years are much lower than in the early years of operation (2011, 2012). That said, expenditures on Nunavut-based businesses have risen to 56% in 2016, the highest level since 2012 (when it was 59%). As anticipated, Baker Lake based businesses have received a significant portion of those expenditures, with their relative share almost doubling from 2015 to 2016.

In 2016, expenditures on Inuit-owned businesses (NTI-registered) continued to increase, both in terms of total dollars spent (\$128.9 M) and as a proportion of total contract expenditures (54%), reaching the highest level ever achieved since the opening of the mine. This trend is influenced by the Meliadine IIBA pre-qualification procurement system which ensures a systematic consideration of NTI-registered firms.

The increase in contract expenditures in 2015 and 2016 can also be linked to an increase in exploration activity near Meadowbank, in particular, continued exploration and drilling activity at the Whale Tail deposit near Meadowbank, as well as building a road from Meadowbank to the Amaruq site.

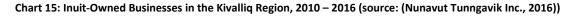
3.2 REGISTERED INUIT-OWNED BUSINESSES IN THE KIVALLIQ REGION

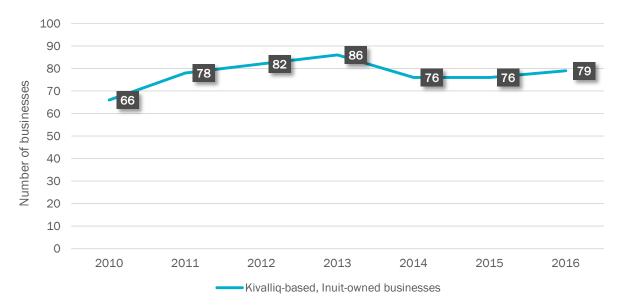
3.2.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding overall numbers of Inuit-owned businesses in the Kivalliq region.

3.2.2 Data & Trends

Chart 15 below shows the number of Inuit-owned businesses registered with NTI.





3.2.3 Interpretation

The total number of Inuit-owned businesses increased slightly in 2016. The number of Inuit-owned businesses has fluctuated over the years, but has been consistent higher than it was in 2010 when the mine opened. Given the multitude of factors affecting the number of NTI businesses in the Kivalliq, and the relatively small proportion of these businesses that are directly contracted by Meadowbank, it is difficult to attribute these impacts to the mine's activities.

VSEC 4: Education and Training

Impact / Goal Statement

A. Improved educational attainment in Kivalliq communities (i.e. high school graduation rates)

B. Increased mining-related skill level of Kivalliq workforce

C. Improved job performance and promotion at Meadowbank

FEIS Prediction

"The potential impacts of education and training are considered of medium magnitude, positive, long term and of high significance, specifically to those individuals and their families who are able to benefit." (Cumberland Resources Ltd., 2006, p. 121)

Five indicators are used to measure and understand Meadowbank's impact on education and training of employees and Kivalliq residents, as well as progress towards meeting the impact / goal statements outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions	
4.1 Investments in School-Based Initiatives	Agnico Eagle investments in school-based initiatives, 2010 – 2016	→ negative	Up until 2014, Agnico Eagle contributed approximately \$284,000/year to a variety of school-based initiatives. With the expiry of the MOU with the Department of Education in 2015, these contributions dropped significantly in 2015 (\$39,000/ year), and remained unchanged in 2016.	Symbols and terms used to explain trends
4.2 Secondary School Graduation Rates by Region	Secondary school graduation rate by region, 2000 – 2015	1	The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine, with no significant trend since 2010. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.	 ↑ Increasing ↓ Decreasing → Remaining
4.3 Mine Training and Education	Agnico Eagle investments in mine training and education programs, 2010 – 2016	→ positive	There has been a consistent level of investment by AEM (~\$3.8M/year) in external mine training programs over the past four years (e.g. Kivalliq Mine Training Society). Support for, and participation in, in-house training and apprenticeship programs has been steady throughout the mine's operation.	stable / No discernable trend
	Total training hours provided to Nunavut and non-Nunavut based employees, 2010 – 2016	↑ neutral	While specific training hours provided to Nunavut-based employees decreased in 2016, total training hours increased. This likely represents an increase in general training and health and safety training. In 2016, the number of participants in the	Positive trend: movement towards the
	Specific training hours provided per Inuit and non- Inuit employee, 2012 – 2016 Number of Haul Truck driver	↓ neutral	haul truck driver program increased from 28 to 34.	
	program participants, 2010 – 2016	↑ neutral	demand at Meadowbank for additional positions and so is not considered negative or positive.	Negative trend:
	Apprenticeships for Inuit employees, 2010 – 2015	↓ neutral	The number of Inuit apprenticeships has almost doubled between 2014 and 2015, but declined by 3 in 2016. However, this decline is largely due to an increase in apprentice graduates (4 total as of 2016)	movement away from the achievement of the desired impact
4.4 Percentage of Total Population with Trade Certificates	Percentage of population with apprenticeship, trades certificate or diploma attainment, Nunavut and Canada, 2011 & 2016	1	Data for these metrics originate from the census and are only available for 2011 and 2016. While the percentage of Nunavut population with apprenticeship, trades certificate or diploma attainment decreased slightly between 2011 and 2016, it also did in Canada overall. A third year of data is required to	or goal Neutral trend: no observed
	Number of apprenticeships by Kivalliq community, 2016	/	establish a trend.	movement in regard to the
4.5 Inuit Employees by Skill Level	Proportion of Inuit employment by skill level, 2014 – 2016	→ negative	The data does not indicate an overall career path progression of Inuit employees to higher skill level jobs (e.g. Inuit moving from semi-skilled to skilled positions), despite AEM's investment in education and training programs. The less tangible benefits of training and education, such as increased self-confidence and sharing of skills and knowledge within families, were not assessed.	achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

Agnico Eagle offers a number of programs to increase general educational and skills attainment among Kivalliq residents as well as training, career development and upward mobility programs for existing employees.

Table 4: Agnico Eagle Employment Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
MOU with	A Memorandum of Understanding was signed in April 2012 to establish a strengthened partnership between the
Department of	Government of Nunavut Department of Education and Agnico Eagle, with a focus on increasing the number of
Education	students in the Kivalliq region who are able to successfully transition from high school to trades and mining-related
	career opportunities. This work involved <i>Mining Matters</i> , a branch of the Prospectors and Developers Association of
	Canada (PDAC) that is dedicated to bringing knowledge and awareness about Canada's geology and mineral
	resources to students and educators. In 2013, Agnico Eagle and the <i>Mining Matters</i> group participated with the GN
	Department of Education, Curriculum Review Services to assist in a review of the Earth Sciences Curriculum of
	Nunavut Schools. During 2014, Agnico Eagle continued to sponsor the Mining Matters program as part of the MOU
	with Education.
	Agnico Eagle continued to pursue a renewed MOU with the Department of Education during 2016. As of the time of
	the submission of this report, Agnico Eagle and the Government of Nunavut had established a Memorandum of
	Understanding that identifies 10 priority areas for collaboration, including education.
Kivalliq Science	In 2016 Agnico Eagle once again invested \$25,000.00 for the KSEC 2016-2017 towards the regional Math Camp,
Educations	Science Camp and Kivalliq Science Fair programs operated by the Kivalliq Science Educators Community. The regional
Community	Science camp was organized in Chesterfield Inlet and the weeklong program included a mix of traditional, cultural
	and educational studies related to sciences. The program provides science credits to participants.
Kivalliq Mine	The KMTS is an Inuit-private sector partnership created to strengthen the Kivalliq region labour force through the
Training Society	creation and funding of training opportunities in the seven Kivalliq hamlets. Agnico Eagle has provided \$6.8 million in
	cash and in-kind support towards the overall initiative. The KMTS has also enjoyed financial support from the
	Nunavut Department of Economic Development and Transportation. Over a two-year period, from April 2013 to the
	end of March 2015 the KMTS program was valued at approximately \$9.5 million.
	A one year extension of the program for 2015 16 has been approved by Employment and Social Development
	A one-year extension of the program for 2015-16 has been approved by Employment and Social Development
	Canada (ESDC). The 2015-16 KMTS program is valued at \$3.65 Million to the end of March 2016, of which Agnico Eagle will contribute \$2.18 Million. A further extension of the program is currently being considered by the KMTS
	Board for 2016-17.
	A major focus of the KMTS program has been to support Agnico Eagle's Mine Training Initiatives, such as the Career
	Path, Apprenticeship and Haul Truck Operators' programs.
	The KMTS supported the development and delivery of the community based Work Readiness and Labour Pool
	initiatives prior to 2015 to help prepare Inuit for employment opportunities. The KMTS also supported the Arviat
	Drillers program as well as some other community-based initiatives, such as the Making it Work program, which
Lahav D. I	provide support to employees and their families to cope with the challenges that come with employment.
Labour Pool	The Labour Pool Process (formerly 'Labour Pool Initiative'), implemented in 2014 and revised in 2015, is based on an
Process	agreement between Agnico Eagle, the KIA through the IIBAs to offer pre-employment opportunities to Inuit from all
	Kivalliq communities.
	The goal of the program is to pre-qualify candidates from Kivalliq communities through 5 steps: employment
	information sessions, online application (facilitated by Employment Information Sessions), the Work Readiness
	Program, the Site Readiness Program (more details provided below), and the Labour Pool List (facilitated by the
	Labour Pool Coordinator).

Employment	As part of the Labour Pool initiative, employment information sessions are conducted in all Kivalliq communities. The
Information	purpose of the information sessions is to give information about the mines, the work lifestyle, and career
Sessions	opportunities as well as knowing how to apply online. In 2016 Agnico Eagle held employment information sessions in
	all seven communities 2-3 times.
Online Application	The first step in the Labour Pool Process is to apply online. In order to facilitate online application in the
(Community	communities, Agnico has a Community Coordinator in each Kivalliq community who can deliver employment
Coordinators)	information sessions, and provide one-on-one assistance to interested candidates in their online application.
Work Readiness	In collaboration with the Kivalliq Mine Training Society (KMTS), Agnico Eagle developed a Work Readiness Training
Training Program	program as a pre-employment initiative. In 2016 the Work Readiness Training was delivered by Northern College.
	The Work Readiness program is the first step of the Labour Pool initiative for those individuals who have applied
	online.
	The objective of the program is for Inuit workers to be better prepared for the work environment in an industrial
	setting. Graduates of the program are eligible to continue the Labour Pool process and attend the Site Readiness
	program. The program provides coaching on a range of issues including: awareness of employers' unspoken
	expectations, communication in the workplace, and problem-solving skills for resolving workplace issues.
	The program was implemented in April 2013. The program is delivered over a five-day period at the community level
	and is scheduled throughout the year. In 2016, the program was delivered in six Kivalliq communities resulting in 151
	graduates from various communities, from which 87% successfully completed the program. Arviat runs its own Work
	Readiness training sessions, whereas the other five communities have visiting instructors.
Site Readiness	The Site Readiness Program is an updated program that replaced "Orientation Week", which was implemented in
Program (formerly	April 2015. This program is the second step of the Labour Pool initiative, following the Work Readiness Program.
Orientation Week)	Graduates of the Site Readiness Program are eligible to enter the Labour Pool.
	The Site Readiness Program is a five-day training provided at the Meadowbank site. Throughout the week,
	participants are enrolled in diverse activities such as mandatory training sessions, site visits, job initiation,
	information sessions on training and career opportunities, as well as interviews and discussions on employment
	opportunities with a Human Resource representative to assess career ambitions and identify work interest.
	Afterwards, candidates wanting to work for the Camp Department are given short term on-call assignments. All
	other applicants become part of the Labour Pool list until a job opportunity matching their interest and
	competencies becomes available.
	In 2016, 128 individuals participated in Site Readiness, of which 113 successfully completed the program.
Labour Pool List	The Labour Pool List is a list of candidates who have successfully completed the steps of the Labour Pool Process.
	These candidates are now eligible for opportunities with Agnico Eagle or Agnico Eagle's contractors. The list is
	managed by the Labour Pool Coordinator.
Summer Student	Agnico Eagle offers a summer employment program for the children of all Agnico Eagle employees who are
Employment	participating in university-level education. In 2016, there were 32 applicants of which 31 were selected (the one not
Program	selected did not meet the employment criteria). There were no applications from Inuit employees in 2016.
	Historically, there have been no applications to Agnico Eagle's Summer Student program by the children of Inuit
	employees. It is assumed that either the children of our Inuit employees are not attending university, or if they are,
	they are obtaining summer employment in their home communities.
	In 2016 Agnice advertised a new summer student program to attract louit past secondary students from Kinglig
	In 2016, Agnico advertised a new summer student program to attract Inuit post-secondary students from Kivalliq
	communities, including students enrolled in trades with the Nunavut Arctic College and with the Nunavut
	Sivuniksavut program. This program was offered and advertised in each Kivalliq Community, but there were no
	applications in 2016.

Haul Truck Trainee	The Haul Truck Trainee program is a 28-day (336 hour) program to certify haul truck operators, which includes
Program	training on a simulator, in the classroom, and on the job. The program is aimed at existing employees in entry level
	positions (dishwashers, janitors, chambermaids, etc.).
	This year, 34 employees were enrolled in the Haul Truck Trainee Program. Among those, a total of 23 trainees
	successfully completed the Program (18 men, 5 women). In order to provide the best training possible to all the
	trainees, there is a maximum of 4 trainees at a time with one trainer.
Process Plant	With the success of the Haul Truck Trainee Program, a new Process Plant Trainee Program was developed in 2015.
Trainee Program	The 28 day program provides employees with an understanding of the mining and milling process and trains them to
	be competent and certified to fill positions as a process plant helper or a utility person. In 2016, a total of eight (8)
	employees were delivered to the Process Plant.
Super Operator	Implemented in the second half of 2016, the Super Operator Program is an extension of the Process Plant Trainee
Program	Program. This 168-hour training is provided to employees who have successfully completed the Process Plant Trainee
	Program. The extension of the Process Plant Trainee Program will consist in teaching the basics of maintenance
	principles in order to have employees with more diversified skills in the Process Plant Department. These employees
	will eventually be able to perform specific basic maintenance repairs throughout the plant. By having this addition,
	we are confident that trained employees will acquire an important skill set to progress through the career path
	system. In 2016, every Inuit employee that was trained as a Process Plant Trainee received the Super Operator
	Training.
Arviat Community	In 2011, the Hamlet of Arviat proposed a partnership to invest in a community-based drilling school that would
Training Programs	provide Inuit with the skills needed to work in diamond drilling. With advice and support from Agnico Eagle, the
	Hamlet brought together a range of partners to acquire the drilling equipment, develop the curriculum, and operate
	the training program. Government training agencies, the KIA, and drilling companies provided partnership
	investments. In 2013 the program offering was expanded to include a Welders Helpers program. Agnico Eagle
	invested \$190,000 in the Arviat training programs in 2016.
	Over the past 4 years the program has graduated 65 trained driller's helpers, all of whom have found employment.
	The welder's helper program is delivered every two years, with the interim years delivering the drilling program. In
	2016, the Mechanical Welding Program graduated 8 students and the Artistic Welding Program graduated 7
	students.
Career Path	The Career Path Program was designed in 2012 with the intention of supporting upward mobility of Inuit employees
Program	at Meadowbank. This program identifies the incremental steps that an employee is required to complete to advance
	in their chosen career of interest. In 2016 the Career Path system was available in seven (7) areas of activity; Building
	Mechanic, Drill, Field Services, Mine Operations, Process Plant, Road Maintenance, and Maintenance. The objective
	of the Career Path Program is to have only internal promotions for Inuit, and for no external candidates
	(southerners) to be hired to fill a position that is part of the program.
Training Formula	The Training Formula program, implemented in 2014, provides tools, tips, guideline and standards to improve the
(formerly 'Training	proficiency of Meadowbank trainers. The formal manual includes three sections: training theory, training standards,
Curriculum')	and training delivery.
E-Learning	Before coming to Meadowbank for the first time, newly hired employees must complete their Mandatory Training
Training at	on-line, which consists of six (6) modules: General Induction, WHMIS, Fire Suppression, Job Hazard Analysis and
Meadowbank	Work Card, Spill Response, and Occupational Health and Safety (Personal Protective Equipment, Ladder Safety,
	Surface Standard Operating Procedure). The General Induction chapter provides general information about Agnico
	Eagle and working life at Meadowbank Mine.
Training and	The Training Management System (TMS) as well as the Learning Management System (LMS) were initially
Learning	implemented in 2013 in order to ensure better management of training activities and to monitor the proper
Management	management of the e-learning training. In response to the GN's request for increased information on training
System	programs in 2014, both systems were modified in 2015. The systems are now capable of producing more detailed
.,	reports: by training program, by participation level, by graduation level and by hour.

Apprenticeship	The Apprenticeship Program combines on-the-job learning and in-school technical instruction to allow Inuit
Training at	employees the opportunity to be educated and trained in the trade of their choice. By the end of the program, the
Meadowbank	apprentice is able to challenge their Certificate of Qualification (COQ) to become a Journeyperson and will also have
('Apprenticeship	the opportunity to challenge their Red Seal Exams. Currently, we offer seven (7) trades: cook, carpenter, millwright,
Program' and	electrician, heavy duty equipment technician, welder, and plumber.
'Pre-	
Apprenticeship	As of the end of 2016, there were 12 apprentices and 1 pre-apprentice alternating between school and work with
Program')	four (4) vacant positions to be filled in the beginning of 2017. Between January 1st and December 31st 2016, two (2)
	employees completed their apprenticeship training within the company. They challenged their COQ exam and are
	now all certified journey people.

4.1 INVESTMENTS IN SCHOOL-BASED INITIATIVES

4.1.1 Predictions

The Meadowbank FEIS makes the following commitment regarding investments in school-based initiatives:

• "Cumberland and KIA will address the need for a broader based project education and training initiatives [sic] to assist those who wish to develop skills that will position them for project employment. This [sic] education and training initiatives [sic] will also include an element to address motivational issues around getting children through high school. Such measures would be intended to contribute to encouraging a commitment to education on the part of youth." (Cumberland Resources Ltd., 2006, p. 121)

4.1.2 Data & Trends

Table 5 shows Agnico Eagle's investments in a range of school-based initiatives along with the number of participants, where available.

Program	Measurement	2010	2011	2012	2013	2014	2015	2016
	Investment (\$)	\$0	\$90,000	\$80,000	\$70,000	\$70,000	\$0	\$0
Mining Matters Science Program	# of Community schools to which the program was delivered	0	4	3	4	3	0	0
Kivalliq Science	Investment (\$)	\$0	\$15,000	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000
Educators Community Programs (Science Fairs, Math Fairs, Science Camp)	# of Participants (only Science camp measured in 2011 & 2012)	0	36	36	1,307	1,578	1,420	1,578
	Cash and In-kind support	\$0	\$175,000	\$175,000	\$175,000	\$175,000	\$0*	\$0*
MOU with Department of Education Programs*	partment of TASK week (Baker Lake,		0	60	65	0	60*	70*
Agnico provides the KIA with annual funds to invest specifically in scholarships	Value of Agnico Eagle investment	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000	\$14,000
Total Investment		\$14,000	\$294,000	\$284,000	\$284,000	\$284,000	\$39,000	\$39,000

Table 5: Agnico Eagle Investments in School-Based Initiatives, 2010 – 2016 (source: Agnico Eagle)

* The MOU with the Department of Education expired in 2015 and has not been renewed as of the writing of this report. It is being kept in this report due to ongoing efforts towards its renewal.

4.1.3 Interpretation

Up until 2014, Agnico Eagle has made total annual contributions of approximately \$284,000/year to a variety of school-based initiatives with the goals of building interest in math, science and mining among school-aged children; motivating students with scholarships and career opportunities; and increasing educational outcomes overall in the Kivalliq region. Since the expiry of the MOU with the Department of Education in 2015, total contributions have been significantly lower (\$39,000). The MOU was not renewed in 2016.

A number of additional points of interpretation regarding the data presented in Table 5 include:

- Education-related investments by Agnico Eagle began in 2011, following the construction phase of the mine
- The TASK week program was put on hold in 2014 pending the outcome of a program review, resulting in 0 participants in 2014. The program operated again in 2015 and 2016 with support from Baker Lake Education Authority.

4.2 SECONDARY SCHOOL GRADUATION RATES BY REGION

4.2.1 Predictions

There are no specific predictions made in the Meadowbank FEIS regarding school attendance or graduation.

4.2.2 Data & Trends

Chart 16, below, provides secondary school graduation rates by region between 1999 and 2015. Graduation rates by region and by Kivalliq community for 2016 were not available at the time of publishing.

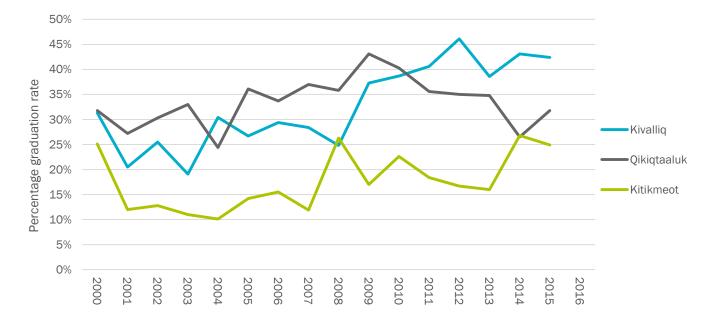


Chart 16: Secondary School Graduation Rate by Region, 2000 – 2015 (source: (Government of Nunavut Department of Education, 2016))

4.2.3 Interpretation

The graduation rate in Kivalliq region has fluctuated since the opening of the Meadowbank mine, with an overall upward trend that began in 2008. However, graduation rates in Kivalliq region have been at all-time highs for the region, and consistently higher than those in the other two regions, since 2010.

A range of complex and interacting factors affect graduation rates, including the housing shortage, household food insecurity, health status, social problems such as high rates of teenage pregnancy and substance abuse (higher than the rest of Canada), and the legacy of the residential school system (Office of the Auditor General, 2013). The Meadowbank mine may have an impact on some of these factors, as described in subsequent sections, but attribution is a challenge due to the multiple and interacting factors.

Graduation rates are useful measures but only provide a partial picture of the state of education in the Kivalliq region. The education system in Nunavut faces a number of policy and operational challenges which may result in students graduating without achieving required competencies (CBC News, 2015; Rohner, 2014). These challenges can lead to students graduating from high school with inadequate literacy, numeracy and problem-solving skills, which can limit their employability and their access to training (e.g. inability to pass apprenticeship entrance exams). At the time of writing, no public data on student K-12 performance in Nunavut was identified (i.e. performance relative to international standards or those of other jurisdictions.

4.3 MINE TRAINING AND EDUCATION

4.3.1 Predictions

The Meadowbank FEIS makes the following commitments regarding investments in mine training and education-based initiatives:

- "Cumberland and KIA will address the need for broader based project education and training initiatives to assist those who wish to develop skills that will position them for project employment." (Cumberland Resources Ltd., 2006, p. 121)
- "Provide on the job training... to improve skills towards improved job performance and promotion." (Cumberland Resources Ltd., 2006, p. 121)

4.3.2 Data & Trends

Table 6 provides an overview of Agnico Eagle's investments in mine training and education programs along with the number of participants, where available.

Program	Measurement	2010	2011	2012	2013	2014	2015	2016
Kivalliq Mine Training Society	Cash and in-kind support	\$1M	\$0	\$3.3M	\$3.6M	\$3.6M	\$3.6M	\$3.6M
Arviat Diamond	Cash and in-kind support	\$250,000	\$60,000	\$190,000	\$190,000	\$190,000	\$190,000	\$190,000
Drillers and Welders Program	Number of graduates	12	24	12	24	18	18	15

Table 6: Agnico Eagle Investments in Mine	Training and Education Dragrams	2010 2016 (courses Agnico Eagle)
Table 0. Agrillo Eagle Investments in Wink	2 11 allillig allu Euucatioli Programs	$\sim 2010 - 2010$ (source: Agrico Edgie)

The Kivalliq Mine Training Society (KMTS) has provided support for the development and delivery of community-based Work Readiness and Labour Pool initiatives to help prepare Inuit for employment opportunities. The KMTS has also supported the Arviat Drillers program, as well as some interesting community based initiatives, such as the Coping with FIFO program and Community Net-work program, which have provided supports to communities to help employees and their families cope with the challenges that come with employment.

Chart 17 shows total training hours provided to Nunavut and non-Nunavut based employees, which includes the following three types of training:

- Health and Safety training includes mandatory training related to compliance with the Nunavut Mine Act, as well as training that is mandated according to Agnico Eagle Health and Safety policies. Many of these training sessions are offered via e-learning prior to the employee's arrival on site. Other health and safety training relevant to an individual's job is also provided on site.
- General training consists of training activities required at a departmental level and covers many employees working in different departments. General training includes training on light duty equipment as well as enterprise software systems and cross-cultural training.
- **Specific training** is focused on developing individual competencies related to a specific position. This training qualifies individual workers for promotion following their progression through the Career Path. These training programs are provided through a combination of in-classroom (theory) learning as well as practical (one-on-one) learning.

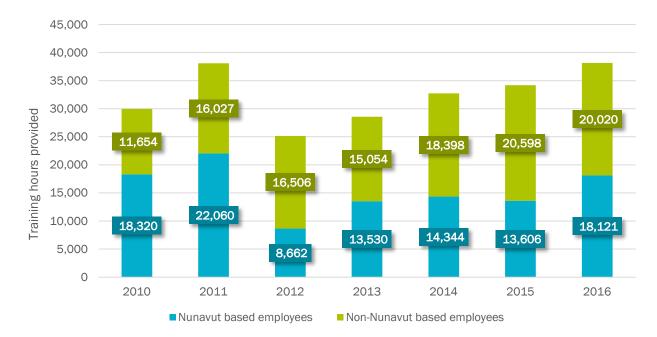


Chart 17: Total Training Hours Provided to Nunavut and Non-Nunavut Based Employees, 2010 – 2016 (source: Agnico Eagle)

Chart 18, below, shows specific training hours offered to Inuit and non-Inuit employees on a per employee basis. Specific training is focused on developing individual competencies related to a specific position and can be used to qualify employees for a promotion. 2010 and 2011 data are not available for this metric.

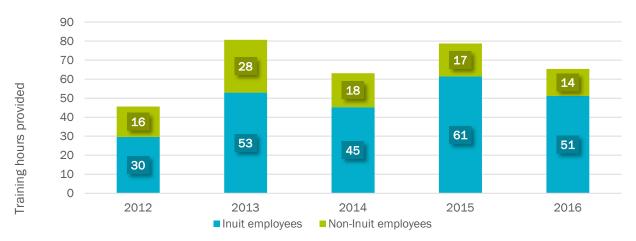


Chart 18: Specific Training Hours Provided per Inuit and non-Inuit Employees, 2012 - 2016 (source: Agnico Eagle)

Chart 19, below, shows the number of participants in the Haul Truck Driver Program between 2010 and 2016. 100% of participants from this program are Inuit employees at Meadowbank. This graph represents total participation, not the number of program graduates.

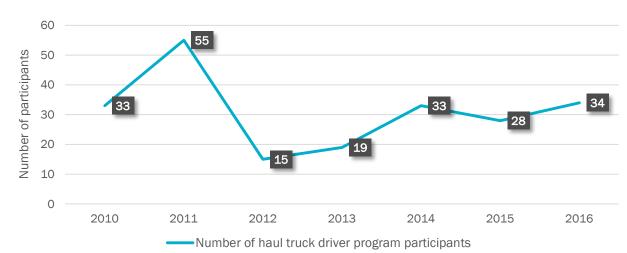
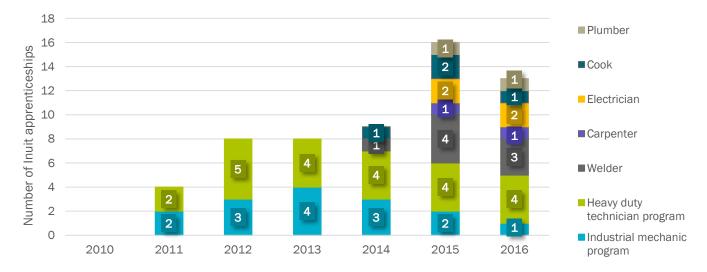


Chart 19: Number of Haul Truck Driver Program Participants, 2010 – 2016 (source: Agnico Eagle)

Chart 20 shows the number of Inuit employees in apprentice roles at Meadowbank, categorized by type of apprenticeship (heavy duty technician, industrial mechanic, and others). Please note that the number of 2015 apprentices may differ than previously reported to Government of Nunavut due to tracking difficulties.





4.3.3 Interpretation

Agnico Eagle's financial investments in externally-delivered training programs have been steady at just under \$4M annually for the past five years, with the KMTS being the largest recipient. KMTS programs have delivered positive results in terms of Inuit participation, completion rates, and job placements.

The scope of, and participation in, in-house training programs has been relatively consistent throughout the mine's operation. Annual fluctuations in the number of specific training hours and haul truck driver program participants largely reflect changing demand at Meadowbank for additional positions for which specific training is provided.

The number of Inuit apprenticeships decreased by 3 in 2016. This decrease can largely be explained by the program's success, as current apprentices have graduated from the program. 2015 saw the first two land claim beneficiaries graduate from Agnico Eagle's apprenticeship program, with one receiving a certificate as millwright and the other as a welder. An additional 2 Inuit employees completed their apprenticeships in 2016, both graduating as heavy-duty equipment technicians.

4.4 PERCENTAGE OF TOTAL POPULATION WITH TRADE CERTIFICATES

4.4.1 Predictions

There are no specific predictions made in the Meadowbank FEIS regarding the total population with trade certificates.

4.4.2 Data & Trends

Chart 21 shows the percentage of the 25 to 64-year old population, in both Canada and Nunavut who hold an apprenticeship, trades certificate or diploma. This metric relies on census data and is only presented for 2011 and 2016.

Chart 21: Percentage of population with apprenticeship, trades certificate or diploma attainment, Nunavut and Canada, 2011 & 2016 (source: (Statistics Canada, 2011a) (Statistics Canada, 2016))

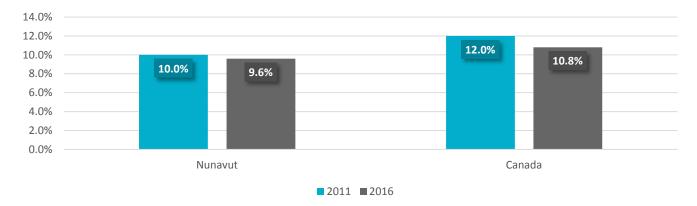
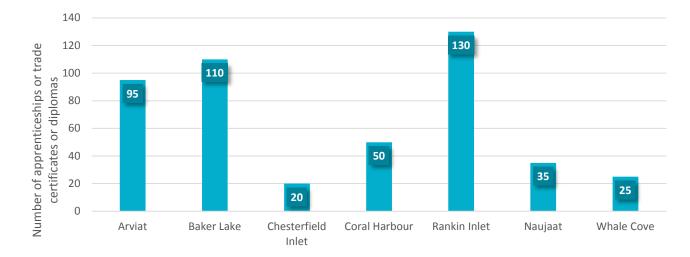


Chart 22 shows the number of apprenticeships in each Kivalliq community in 2016.





4.4.3 Interpretation

Agnico Eagle supports a number of programs that lead to recognized industry certificate attainment – and which could have an effect on the rates of trade certificates and registered apprenticeship certificates in the territory (e.g. the Arviat Drilling Program). Other programs, such as the Haul Truck Driver Training, do not provide industry certificates, and as such, would not be reflected in changes to this metric. As only single year data is available, the potential impacts of incentives and supports offered by the mine cannot be assessed.

4.5 INUIT EMPLOYEES BY SKILL LEVEL

4.5.1 Predictions

There are no specific predictions in the Cumberland FEIS regarding the skill level of Inuit employees at Meadowbank.

4.5.2 Data & Trends

Chart 23 shows the percentage of Inuit employees at each skill level between 2014 and 2016. Note that Agnico changed how various skill levels are classified in 2013 and 2014 (see note below). Due to these changes, year over year trends of Inuit employment by skill level cannot be drawn pre-2014.

Note on Methodology for Classification of Jobs by Skill Level

In 2011 and 2012, Agnico Eagle used their own skills classification system to classify all jobs as either: Management, Skilled, Semi-Skilled or Unskilled. In 2013, at the request of the GN, Agnico Eagle began to employ a skills classification system based on the National Occupations Classification System (NOC). The system was reviewed again in 2014, resulting in a new category called 'Professional', to better differentiate positions within recognized occupations and those requiring university education. These types of positions were previously included in the category 'Skilled '.

In addition, as a result of these changes, some positions previously considered as 'Skilled' are now classified under the 'Semi-Skilled' category in order to more accurately clarify levels of qualification. For example, heavy equipment operator positions, which do not require the same education level required of skilled trades positions such as electricians, were moved from the 'Skilled' category to the "Semi-Skilled' category.

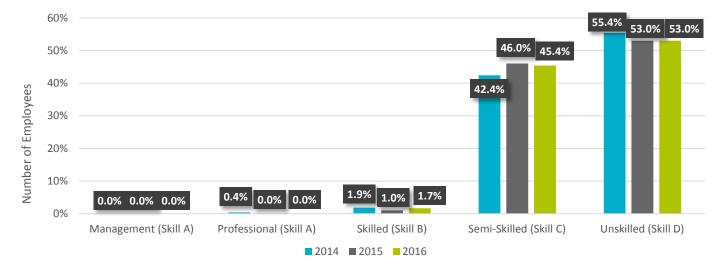


Chart 23: Proportion of Inuit Employment by Skill Level, 2014 – 2016 (source: Agnico Eagle)

4.5.3 Interpretation

In 2016, all but 5 Inuit employees held unskilled and semi-skilled jobs. While there are individual success stories of Inuit employees advancing within the company as a result of training and education, the data does not indicate significant changes in the promotion of Inuit workers up the skills ladder or the hiring of Inuit into higher skill categories (e.g. professional or management job classifications). It is possible that the promotion of Inuit workers at the mine is sometimes offset by turnover of Inuit employees at higher skills, but more data and analysis are required to understand causes and trends.

VSEC 5: Culture and Traditional Lifestyle

Impact / Goal Statement

Respect and support for Inuit culture and traditional lifestyle in the workplace and in communities

FEIS Prediction

"There is potential for both negative and positive impacts, of any magnitude, on traditional ways of life, which could be of high significance. Any net impact, since it would be an impact of cultural change, would be long term and continue beyond the life of the project. The impact would be experienced primarily in Baker Lake." (Cumberland Resources Ltd., 2006, p. 123)

Three indicators are used to measure and understand Meadowbank's impact on culture and traditional lifestyle in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
5.1 Country Food at Meadowbank	Country food served at Meadowbank, 2011 – 2016	→ Neutral	Meadowbank has maintained its practice of offering meals including char, muskox, and caribou (approximately 4,500 meals/year, or one per month per employee, since 2011).
5.2 Use of Traditional Language	Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006, 2011, 2016	↓ Negative	The proportion of the population identifying Inuktitut as their mother tongue remained stable through 2016 in all Kivalliq communities other than Baker Lake and Rankin Inlet, which saw significant declines in the last 10 years (2006-2016).
5.3 Traditional Lifestyle	Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012	/	As data on this metric is currently limited to 2006 and 2012 surveys, it is not possible to assess more recent impacts or changes.

 Symbols and terms used to explain trends

 ↑ Increasing
 ■ Positive trend: movement towards the achievement of the desired impact or goal

 ↓ Decreasing
 ■ Negative trend: movement away from the achievement of the desired impact or goal

 → Remaining stable
 ■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

 / No discernable trend
 ■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

To encourage respect and support for Inuit culture at Meadowbank, Agnico Eagle provides cross cultural training, access to traditional foods, and documentation and services in Inuktitut.

Program	Purpose / Description / Outcomes
Cross Cultural	Implemented in 2010, the Cross Cultural Training Program has been provided to numerous employees. It is a 5 hour
Training Program	in-class training course. This course allows employees from different cultures and backgrounds to understand each
	other's culture in order to improve understanding and communication at the workplace. The program was revisited
	with the assistance of the Nunavut Literacy Council in 2013 and a revised program was initiated in 2014. This program
	is mandatory for all Agnico Eagle employees and contractors who will be on site for six months or more.
Access to	As described in section 5.1 below, Meadowbank serves country food meals (i.e. char or caribou) as part of the
Country Food at	standard menu served by the mine's kitchen, offered once weekly. In addition, employees can bring their own country
Meadowbank	foods to the mine site and use a separate Inuit kitchen to prepare and share these foods, at no cost.
	In 2016 the Human Resources department organized a new initiative, Country Food Nights. The goal of these events
	was to introduce employees to the different food that Inuit enjoy, creating a social event based on cultural sharing.
	Country Food nights are open to all employees and usually occur once a rotation.
Inuktitut use at	Meadowbank makes efforts to facilitate the use of the Inuktitut language at the Meadowbank mine by providing the
Meadowbank	following documentation and services in Inuktitut:
	Policies, employee handbooks, and other human resource related documents
	Recruitment materials (job postings)
	Online mandatory training materials that focus on health and safety
	 Key directional and safety signage posted in and around the mine site
	Bilingual human resource counsellors
	• Bilingual employees based in communities (Community Coordinators) that support recruitment, retention, and
	other communications
	Religious events (services in Inuktitut or special events at site)
	Note that the Nunavut Mine Act requires, for safety reasons, that all work communications during operating hours use
	English as the common language.

5.1 COUNTRY FOOD AT MEADOWBANK

5.1.1 Predictions

There are no predictions in the Meadowbank FEIS specifically related to impacts on the consumption of country foods.

5.1.2 Data & Trends

Country food has been served (defined as meals including char, muskox and caribou) at Meadowbank since the mine began operating in 2010. In 2010, approximately 3,000 meals were served. From 2011 – 2016, approximately 4,500 meals were served each year. These data represent meals served as part of a standard menu offered by the mine's kitchen, and equates to offering country foods once per month to all employees. In addition to this, employees can bring their own country foods to the mine site at no cost and use the kitchen to prepare and share these foods – though no data is recorded on use of this option.

5.1.3 Interpretation

The number of meals served featuring char or caribou (country food) has remained steady since 2011; the total number ofSTRATOS INC.Meadowbank Socio-economic Monitoring ReportDecember 2016p. 43

Inuit employees at Meadowbank has also remained relatively steady since it began production in 2010. This number represents one serving of country food per month to all present staff (approximately 375). No data or information was available on baseline levels of country food consumption for Inuit workers prior to employment, or on consumption of country food while off rotation.

5.2 USE OF TRADITIONAL LANGUAGE

5.2.1 Predictions

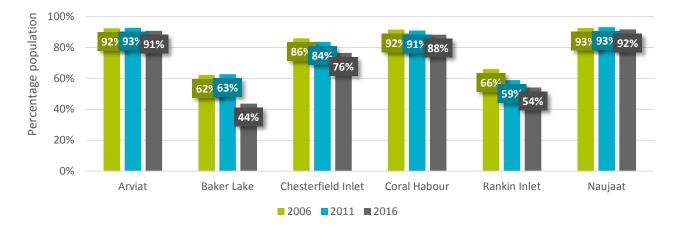
There are no predictions in the Meadowbank FEIS specifically related to impacts on the use of traditional language in Kivalliq.

5.2.2 Data & Trends

Chart 24 shows the proportion of the total community population that identifies Inuktitut as their Mother Tongue, by Kivalliq community.

<u>A note on the data</u>: While the data in Chart 24 is all based on census data, the 2006 and 2011 data was taken from tables prepared by the Nunavut Bureau of Statistics, and the 2016 data is based on data drawn directly from the 2016 census. This was done due to unavailability of 2016 data prepared by the NBS. Specifically, these numbers were determined by dividing the number of respondents identifying Inuktitut as their mother tongue by the value for 'mother tongue for the total population excluding institutional residents', with this latter value closely approximating hamlet population.

Chart 24: Proportion of total population identifying Inuktitut as the mother tongue, by Kivalliq community, 2006, 2011, 2016 (source: (Statistics Canada, 2011a; Statistics Canada, 2016))



Beginning in 2014, Agnico Eagle has asked its Inuit employees what languages they speak. In 2014, of the 269 Inuit employees, 188 (70%) spoke Inuktitut. In 2015, of the 302 employees, 240 (79%) spoke Inuktitut. In 2016, of the 302 employees, 252 (83%) spoke Inuktitut.

5.2.3 Interpretation

Chart 24 demonstrates that the proportion of the population identifying Inuktitut as their mother tongue has remained relatively stable in all Kivalliq communities from 2006 to 2016 with the exceptions of Rankin Inlet, Baker Lake, and Chesterfield Inlet, which all experienced declines (10 to 18 percentage points) over this period. The decline in Baker Lake is perhaps the most notable, with a decline of 19 percentage points over the past 5-year period.

While the mine offers some services and documentation in Inuktitut, it must also enforce the use of English as the standard language for communication in the workplace for safety reasons.

Agnico Eagle has made efforts to facilitate the use of the Inuktitut language at Meadowbank by translating numerous policies and training materials, offering many services in Inuktitut and facilitating social and recreational programs at Meadowbank that encourage and support the Inuktitut language and culture.

5.3 TRADITIONAL LIFESTYLE

5.3.1 Predictions

The Meadowbank FEIS makes the following prediction:

• "The project will not significantly restrict access to or productivity of lands used for traditional activity." (Cumberland Resources Ltd., 2006, p. 122)

5.3.2 Data & Trends

Table 8 provides an indication of the proportion of the Nunavut Inuit population that participates in traditional activities such as hunting, fishing, gathering and trapping. Note that Statistics Canada moved from use of disaggregated data to a composite metric in 2012, preventing direct comparison over time. No new data has become available since last year's report.

 Table 8: Percentage of Nunavut Inuit population 15 years of age and older partaking in traditional activities, 2006 and 2012 (sources:

 (Statistics Canada, 2011b; Wallace, 2014))

Traditional Activity	2006	2012
Hunted in the past 12 months	72%	
Fished in the past 12 months	76%	
Gathered wild plants (berries, sweet grass, etc.) in the past 12 months	79%	
Trapped in the past 12 months	30%	
Hunted, fished, trapped or gathered in previous 12 months		81%

5.3.3 Interpretation

Environmental information pertaining to potential impacts of the mine on the productivity of lands used for traditional activities is not addressed in this report. This indicator only addresses the degree to which Inuit still engage in traditional activity. Since the 2012 data only include a composite metric (hunted, fished, trapped, or gathered), no conclusions can be drawn regarding changes in individual activities (including any that relate to changes in lifestyle associated with employment at Meadowbank).

Meadowbank controls traffic on the all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine road, but it is accessible to community members to provide easier access to hunting trails and participate in traditional activities by ATV. Road users must abide by AWAR rules including following the speed limit, giving priority to heavy equipment, leaving the road after kilometre 85 and not hunting within one kilometre of the road for safety reasons. Hunters may approach the site up to one kilometre. Snowmobile crossings have also been established in consultation with the Baker Lake Hunters and Trappers Organization.

VSEC 6: Migration

Impact / Goal Statement

Understand what changes are occurring in Kivalliq migration, if any

FEIS Prediction

"The potential impacts of migration are complex, and are likely to have both positive and negative components, but of low magnitude. Any effects of migration are long term but are likely to be low significance. It is not likely that migration to any other community than Baker Lake would be significant." (Cumberland Resources Ltd., 2006, p. 126)

Two indicators are used to measure and understand Meadowbank's impact on migration in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS employment prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
6.1 Inuit Employees Who have Moved to Southern Provinces	Number of Inuit workforce who reside in Southern provinces and Inuit employment rate, 2010 – 2016		There has been a gradual increase in the number of Inuit Meadowbank workers who now reside in southern provinces, from 7 in 2011 to 21 in 2015 (or 7% of the Inuit workforce), though this number has remained stable in 2016. The FEIS predicts both "positive and negative components" of migration, but does not refer to migration out of
	Number of Inuit employees residing in the south	→ neutral	Nunavut. As we cannot compare south-bound migration levels to the prediction, these migration impacts are considered neutral.
	Proportion of Inuit employees residing in the south	→ neutral	
6.2 Population Estimates in Kivalliq Communities	Population estimates in Kivalliq communities-, 2006 – 2016	↑ neutral	Yearly population estimates do not indicate an increase in the population growth rate of Baker Lake or of other communities with significant Meadowbank employment (Arviat, Rankin Inlet) since the mine opened, or relative to other communities in the region. If other factors (kitthe and daths) are assumed executed to a population data
Annual percentage change in population estimates in Kivalliq communities, 2011 - 2016		→ neutral	factors (births and deaths) are assumed constant, the population data does not suggest significant migration induced by Meadowbank.

Symbols and terms used to explain trends	
↑ Increasing	Positive trend: movement towards the achievement of the desired impact or goal
	Negative trend: movement away from the achievement of the desired impact or goal
➔ Remaining stable	
/ No discernable trend	Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

No specific programs are in place to manage or mitigate migration in the Kivalliq region.

6.1 INUIT EMPLOYEES WHO HAVE MOVED TO SOUTHERN PROVINCES

6.1.1 Predictions

The Meadowbank FEIS makes no specific predictions regarding Inuit employees moving to southern provinces. In fact, the FEIS prediction suggests that in-migration to Baker Lake would be the primary concern.

6.1.2 Data & Trends

Chart 25 shows the number and proportion of Inuit workers at Meadowbank who are currently residing in southern provinces following employment at Meadowbank.

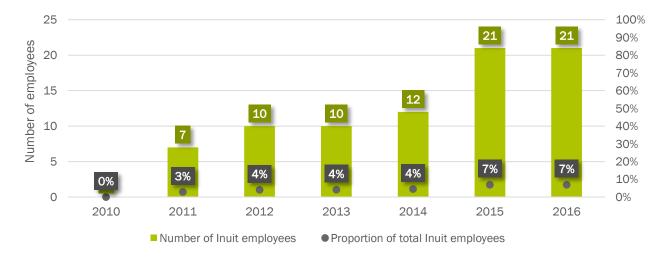


Chart 25: Number and percentage of Inuit employees who reside in Southern provinces, 2010 – 2016 (source: Agnico Eagle)

6.1.3 Interpretation

2010 to 2013 saw a gradual increase in the number of Inuit workers who reside in southern provinces. In 2015, this number rose more substantially than in previous years, from 12 (4% of Inuit workforce) to 21 (7% of Inuit workforce). This number has remained constant in 2016. Other migration data (e.g. Inuit workforce moving to/from Baker Lake following employment) is not available.

Employment at Meadowbank provides Inuit workers with income and skills that may facilitate moving out of the territory. Other factors unrelated to the mine, such as the housing shortage in Nunavut, lower cost of living, improved educational and job opportunities in the provinces, may also contribute to migration south.

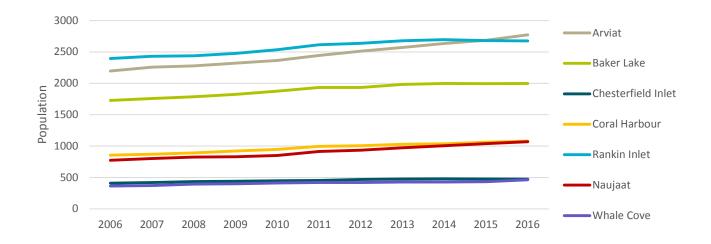
6.2 POPULATION ESTIMATES IN KIVALLIQ COMMUNITIES

6.2.1 Predictions

The Meadowbank FEIS states that "it is not likely that migration to any other community than Baker Lake would be significant", but does not provide any specific predictions on changes to populations in Kivalliq communities.

6.2.2 Data & Trends

Chart 26 shows population estimates for Kivalliq communities.



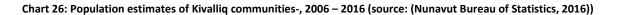


Table 9 shows the annual change in the population of Kivalliq communities between 2011 and 2015. For example, for Arviat, the chart indicates that population grew 3% between 2010 and 2011, and another 3% between 2011 and 2012.

Table 9: Annual percentage change in population estimates of Kivalliq communities, 2011 - 2016 (source: (Nunavut Bureau of Statistics,	
2016))	

Community	2011	2012	2013	2014	2015	2016
Arviat	3%	3%	2%	2%	2%	3%
Baker Lake	3%	0%	2%	1%	0%	0%
Chesterfield Inlet	1%	3%	2%	0%	0%	1%
Cole Harbour	5%	1%	2%	1%	2%	2%
Rankin Inlet	3%	1%	2%	1%	-1%	0%
Naujatt	8%	2%	4%	3%	3%	3%
Whale Cove	2%	0%	2%	0%	1%	6%

6.2.3 Interpretation

Population change results from the interaction of three variables: births, deaths, and migration. Migration can be for economic or other reasons. The populations of all Kivalliq communities have increased at a relatively steady rate since 2006. The data does not indicate an increase in the population growth rate of Baker Lake or in other communities with significant Meadowbank employment (Arviat, Rankin Inlet) since the mine opened, or relative to other communities in the region. If other factors are assumed constant, the population data does not indicate any significant migration to Baker Lake (or other communities with high Meadowbank employment).

At this time, only Agnico Eagle's data on employees residing in southern provinces suggest a possible impact of the mine on migration – specifically migration out of the Kivalliq to southern provinces. Without information on how many of these employees now residing in southern provinces originally resided in Kivalliq communities (and which ones), it is not possible to determine the significance of the change.

STRATOS INC.

VSEC 7: Individual and Community Wellness

Impact / Goal Statement

Wellness in terms of health, housing security, criminality/violence, financial security, in the workplace and in communities

FEIS Prediction

"Potential impacts on individual and community wellness are complex, far reaching, and given human nature, difficult to predict with certainty. Individual and community wellness is intimately associated with potential impacts on traditional ways of life as discussed above. In addition, however, individual decisions on the use of increased income, household management in relation to rotational employment, migration, public health and safety, disturbance particularly during the construction phase, and Cumberland's support for community initiatives are being negotiated in the IIBA are [sic] the other drivers that have the potential to effect [sic] individual and community wellness." (Cumberland Resources Ltd., 2006, p. 123)

Four indicators are used to measure and understand Meadowbank's impact on individual and community wellness in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS individual and community wellness prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
7.1 Counselling Programs and Usage	Family counselling programs offered, 2010 – 2016	/	Meadowbank has six ongoing programs that offer counselling and support to employees and their
at Meadowbank	Number of employees/families accessing family counselling programs, 2011 – 2016	/	families. There is currently insufficient data available to assess program usage trends.
7.2 Criminal Violations	Criminal violations per hundred people, by Kivalliq community, 2006 – 2016	/	Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels in 2011 and 2012, following the opening of the mine. Recent data (2016)
	Baker Lake criminal violations per hundred people by type, 2006 – 2015	↓ positive	indicates a continuing downward trend (since 2012) in criminal violations in Baker Lake, along with Arviat and
	Change in Baker Lake criminal violations against 2006-2009 baseline, 2015	↓ positive	Chesterfield Inlet. However, Rankin Inlet and Chesterfield Inlet have seen sharp rises in criminal violations over the past one to two years.
7.3 Housing	Persons aged 15 years and over who are on a waiting list for public housing, 2010	/	In 2010, 15% to 27% of the population of Kivalliq communities were on waiting lists for public housing. No more recent data is available and, as such, we are unable to assess changes over time and the potential impact of the mine on the housing situation.
7.4 Suicide	Inuit suicides per 10,000 people by community, 2000 – 2016	1	There is a persistent and territory-wide suicide crisis in Nunavut. The factors contributing to suicide are numerous and complex, so it is difficult to assess impacts of Meadowbank on suicide rates. Community suicide rates (e.g. for Baker Lake) are highly variable from year to year. Trends are more apparent in long- term and/or regional data.

Positive trend: movement towards the achievement of the desired impact or goal
Negative trend: movement away from the achievement of the desired impact or goal
Neutral trend: no observed movement in regard to the achievement of the
desired impact or goal

The indicators presented under this VSEC represent a subset of the many indicators that could be used to characterize individual and community wellness. Data availability was a factor in not including certain indicators. Indicators presented elsewhere in this report under VSECs such as employment, worker health and safety, and traditional lifestyle are also relevant to individual and community wellness.

EXISTING MANAGEMENT & MITIGATION

A number of programs are in place to encourage individual and community wellness in the Kivalliq region, such as site tours for Kivalliq residents, community liaison, and counselling programs, as outlined in Table 10 below.

Program	Purpose / Description / Outcomes
Baker Lake Wellness Report & Implementation Plan	In the 2011 Meadowbank IIBA, Agnico Eagle committed to prepare for the KIA an annual report on the wellness of the Inuit residents of Baker Lake. The KIA has agreed that the report will be community based and driven. Two Wellness Reports and Implementation Plans (for 2015 and 2016) have been developed and submitted. These are posted on the Agnico Eagle website. For the purpose of developing Hamlet wellness indicators that are meaningful to Baker Lake residents, qualitative community-based research was conducted to capture how Baker Lake residents define and perceive their Hamlet's wellness. Statistical information (including the data presented in this report, where community-specific data were available) was also included in the report.
Community Funding Agreements	In 2015, Agnico initiated new community activity agreements (Community Initiatives Fund Agreements)with the Hamlets of Baker Lake, Rankin Inlet, Arviat and Chesterfield Inlet. In 2016 Agnico established or renewed Community Initiatives Fund agreements with all hamlets, with the exception of Whale Cove. The purpose of the fund is to invest in community-based activities that will enrich the cultural and social wellbeing of the community. Each hamlet is responsible for the allocation of the funds in alignment with the purpose and is guided by the Agnico Donations Policy Agreement
Community Coordinators Program	The Community Coordinators program was revised in 2015, and in 2016 the program expanded to sponsor part-time Agnico Eagle Coordinators in all Hamlets in the Kivalliq Region with the addition of Chesterfield Inlet, Arviat, Whale Cove, Naujaat, and Coral Harbour. Agnico Eagle's offices in the communities of Rankin Inlet and Baker Lake already had Agnico Eagle staff working full and part-time to provide community relations support.
	The objective of the community-based Agnico Eagle Coordinators is to provide a point of contact in each community to facilitate communications, provide services, and coordinate activities in the following areas:
	 Support to the HR department by: Assisting HR and other Agnico Eagle departments to locate employees or potential employees as required Contact employees in advance of their shift departure times Support to the Recruitment team by guiding interested individuals in the application process outlined by the Labour Pool Process Provide advice and assistance to Agnico Eagle to organize and hold information sessions in the community on Agnico Eagle projects and initiatives, including those Labour Pool and business opportunities initiatives outlined in the Meliadine IIBA Provide updates to the Hamlet Council on Agnico Eagle activities Distribute Agnico Eagle information and promotional materials
	The increase of community involvement requirements for Agnico Eagle to achieve recruitment goals and the obligations for the NIRB and IIBA renders the Community Coordinators essential for Agnico Eagle's Nunavut operations. In 2017, the Community Coordinators will attend Agnico Eagle training to ensure they have the proper tools and resources to fulfill their responsibilities.

Table 10: Agnico Eagle Individual and Community Wellness Management and Mitigation Initiatives

Community	Agnico Eagle continued to host meetings with the Meadowbank Community Liaison Committee in 2016 to discuss
Liaison	issues of concern or interest. The committee consists of various representatives including the Elders Society, youth,
Committee	the business community, adult education committee, the Hamlet, Nunavut Arctic College and the Hunters and
	Trappers Organization of Baker Lake. Meetings are held in both English and Inuktitut and meetings are held at
	minimum twice per year, ideally four times per year. The Committee brings insight on issues and provides advice to
	Management on solutions.
Site Tours for	Each year, Agnico Eagle offers a variety of ways for the residents of Baker Lake, as well as various other groups or
Baker Lake	individuals from the Kivalliq region, to visit Meadowbank Site. The list below outlines the major visits to the site
Residents	during 2016:
	 Each year in August, Agnico Eagle invites the residents of Baker Lake to come on a site tour at Meadowbank Mine. In 2016, Meadowbank welcomed four (4) tours, for a total of 100 visitors. In June 2016, the mine welcomed the Mayor of Baker Lake on a site tour with his guests. In October 2016, Meadowbank welcomed a group of 15 people from the Baker Lake Disability Awareness Committee.
Counselling	Agnico Eagle offers a number of counselling programs for Meadowbank employees and their families. These programs
Programs	are described in further detail in section 7.1.

7.1 COUNSELLING PROGRAMS AND USAGE AT MEADOWBANK

7.1.1 Predictions

There are no predictions in the Meadowbank FEIS regarding counselling programs and usage at Meadowbank.

7.1.2 Data & Trends

Table 11 provides an overview of the counselling programs offered at Meadowbank from 2010 to 2015.

Table 11: Family counselling programs offered, 2010 – 2016 (source: Agnico Eagle)

Program	Description	Years
Family Employee Assistance Program	External program via Family Employee Assistance Program (Homewood Health). Homewood Health offers a suite of mental health and addiction services including organizational wellness, employee and family assistance programs, assessments, outpatient and inpatient treatment, recovery management, return to work and family support services.	2011 – 2016
Doctor Visitation Program	Support provided by visiting doctors ⁴ and on-site registered nurses	2010 – 2016
Onsite Counsellors Program	Inuit human resources counsellor on site to provide first line support on coping with employment	2011 – 2016
Elder Visitation Program	Visiting Elders program to provide Inuit employees with advice and guidance that is based on Inuit cultural values and encourages employees to choose balanced, healthy and productive lifestyles. This program was not running in 2016, although elders were occasionally invited to on-site events. Agnico is looking to revive this program or similar in 2017/2018.	2012- 2015
Work Readiness Program	Agnico Eagle is a partner and investor in the Kivalliq Mine Training Society (KMTS). In 2014, the KMTS established a community based Family Network program. This program was cancelled in 2015 and	2015 – 2016

	replaced with a "work ready" program. The work readiness program is a one week program that is delivered at the community level. The program is intended to prepare potential employees with the information and tools to cope with working in an industrial camp setting away from home for 2 week work rotations.		
Coping with FIFO Program (formerly called Making it Work Program)	KMTS program where spouses of employees come to Meadowbank to experience what mining life is like at Meadowbank. The program includes spousal counselling sessions on effective communications, financial management, conflict resolutions and healthy living.	2014 - 2016	

Table 12 indicates the number of Meadowbank employees and/or families accessing the Agnico Eagle family counselling programs described in Table 11 above. Program usage is only measured for four of the six programs.

Table 12: Number of employees/families accessing family counselling programs, 2011 – 2016 (source: Agnico Eagle)

Family Counselling Program	2011	2012	2013	2014	2015	2016
Family Employee Assistance Program	2	2	3	6	6	52
Elder Visitation Program	N/A*	12	12	8	4	N/A
Work Readiness Program	N/A	N/A	N/A	N/A	155	151
Coping with FIFO Program (formerly called Making it Work Program)	N/A*	N/A	N/A	24	64	12

* N/A indicates programs not having been in operation in respective year.

7.1.3 Interpretation

It is difficult to assess participation in counselling programs at Meadowbank, as privacy concerns limit the ability to track or publicize this information. Where data can be and are collected, all counselling programs have seen some usage by their intended audience.

The use of the Family Employee Assistance Program was significantly higher than the previous years (from 6 in 2015 to 52 in 2016). The Family Employee Assistance Program consists of two services: Consultants BCH and Homewood. Agnico is reviewing internally to determine if 2016's increase is due to change in actual program usage or reporting inconsistencies and will provide additional comment and interpretation in the 2017 report.

The Elder Visitation Program was less used in 2015 (falling from 8 to 4 visits) and not in place in 2016. However, in 2017, Agnico plans for an Elder to visit the site at least once per quarter as per the requirements in the 2017 Meadowbank IIBA, with aspirations to restart the program during those visits. Although the program was not formally in place last year, there were 23 Elder visits on site during the year including 3 elders who attended Country Food Nights and 20 elders attending during Baker Lake Residents Visits.

The participation in the Coping with FIFO program more than doubled (from 24 to 64 participants) between 2014 and 2015. Three sessions took place at Meadowbank in 2015-16 but Agnico Eagle noted that recruitment for participation in this program in the last year was challenging. In 2016, Agnico Eagle also made the program open to temporary employees in addition to permanent employees.

Over the long term, it may be possible to identify a correlation between usage of counselling programs and positive changes in other indicators (e.g. decrease criminal violations, decrease in turnover).

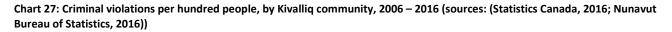
7.2 CRIMINAL VIOLATIONS

7.2.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding criminality in the Kivalliq region.

7.2.2 Data & Trends

Chart 27 shows the criminal violations rate (number of violations per 100 people⁵) for each community in the Kivalliq region.



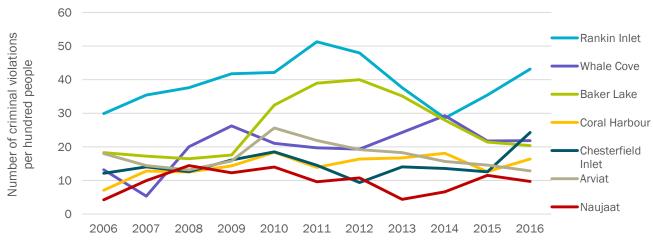
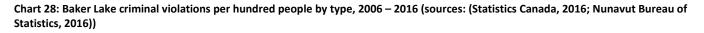


Chart 28 shows the criminal violations rate by type for Baker Lake.



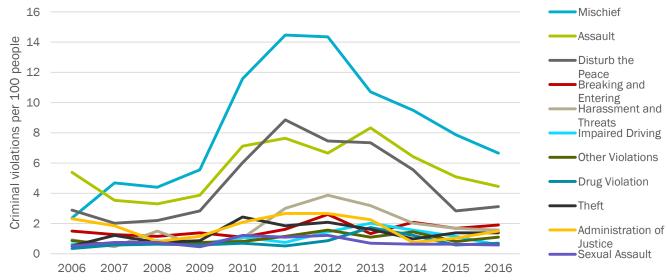


Table 13 shows the change (%) in the number of criminal violations in Baker Lake relative to a baseline derived from the average number of violations between 2006 and 2009. For example, the average number of harassment and threat

⁵ Note that StatsCan provides criminal violation data per 100,000 people. The report authors use a per 100 people measurement that is more intuitive in a Nunavut context **STRATOS INC.** Meadowbank Socio-economic Monitoring Report | December 2016 | p. 53

violations between 2006 and 2009 was 0.84 per 100 people. In 2016, the number of harassment and violations rose to 1.6 per 100 people. This represents an increase of 86%, as shown in Table 13.

Table 13: Change in Baker Lake crimina	l violations against 2006-2009 baseline	e, 2016 (source: (Statistics Canada, 2016))

Baker Lake Criminal Violations	2016
Sexual Assault	-7%
Assault	11%
Harassment and Threats	86%
Breaking and Entering	43%
Theft	66%
Mischief	56%
Disturb the Peace	26%
Administration of Justice	-2%
Impaired Driving	-15%
Drug Violation	30%
Other Violations	52%

7.2.3 Interpretation

With the exception of Rankin Inlet, all communities had fewer than 25 total criminal violations per hundred people in the 2006 - 2009 period (baseline). Baker Lake, Rankin Inlet, and Arviat all experienced significant increases in total criminal violation rates since the Meadowbank mine began production. Additional expendable income can lead to alcohol and drug abuse and intensify existing social problems such as violence; a high percentage of police call-outs are believed to be related to alcohol (Buell, 2006).

After 2010, the total criminal violations rate in Arviat has steadily decreased and has returned to approximately 2006-levels in 2013 and continued to decline through 2016. Total criminal violation rates in Baker Lake and Rankin Inlet reached historic high levels of approximately 51 and 47 per 100 people, respectively, in 2011 and 2012. Recent data indicates a downward trend (since 2012) in criminal violations in Baker Lake, with the 2016 number slightly above the 2006-2009 baseline. While Rankin Inlet experienced a similar decline up until 2014, the total number of criminal violations in the community has increased markedly over the past 2 years.

Types of Criminal Violations in Baker Lake

In Baker Lake, rates of harassment and threats, mischief, disturbing the peace, and theft more than doubled or tripled in the early years following the beginning of mine production (2010 – 2012). The rates of more serious crimes, including assault and sexual assault, also increased significantly (by 65% - 95%) during this same period.

With the exception of assault, impaired driving, and drug violations, there was a decrease in all types of violations in Baker Lake in 2013, consistent with the decrease in the rate of total criminal violations. 2016 saw continued decrease in the most common violations (assault and mischief) and relatively stable levels of other violations.

7.3 HOUSING

7.3.1 Predictions

There are no predictions in the Meadowbank FEIS regarding housing in the Kivalliq region.STRATOS INC.Meadowbank Socio-economic Monitoring Report | December 2016 | p. 54

7.3.2 Data & Trends

Table 14 shows the number of citizens in the Kivalliq region who were on a waiting list for public housing in 2010, by community. No data is available for more recent years to show if and how waiting lists have changed.

Table 14: Persons aged 15 years and over who are on a waiting list for public housing, 2010 (source: (Nunavut Bureau of Statistics and Statistics Canada, 2010))

Community / Region	Number	% total population
Kivalliq Region	1120	19%
Arviat	210	16%
Baker Lake	300	22%
Chesterfield Inlet	40	17%
Coral Harbour	120	25%
Rankin Inlet	270	15%
Naujaat	120	25%
Whale Cove	60	27%

7.3.3 Interpretation

The high percentage of people waiting for public housing (15% - 27%) across Kivalliq communities demonstrates the regionwide housing shortage. Housing in Nunavut is largely government owned and controlled. Therefore, the dynamics of housing supply and demand in response to changes in individual income are different than those one might expect in other housing markets in Canada.

While Baker Lake had one of the highest percentages of people on the waiting list in 2010, other communities with fewer Meadowbank employees, including Naujaat and Whale Cove, had similar rates. Additional data on changes over time will be required to assess the potential impact that Meadowbank may have had on demand for and availability of public housing.

7.4 SUICIDE

7.4.1 Predictions

There are no specific predictions in the Meadowbank FEIS regarding suicide in the Kivalliq region.

7.4.2 Data & Trends

Chart 29, below, shows the suicide rate per 10,000 people by region from 2000 to 2015.

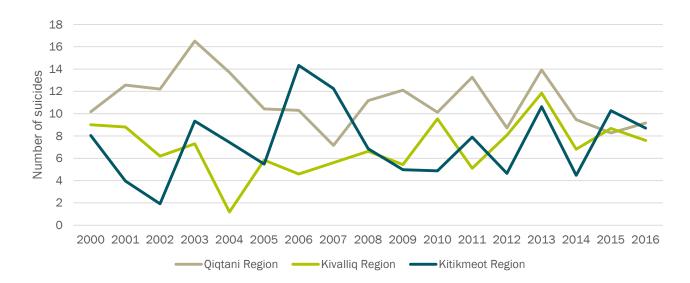


Chart 29: Suicides by per 10,000 people by community, 2000 – 2016 (source: (Nunavut Bureau of Statistics, 2016))

7.4.3 Interpretation

The suicide rate in Nunavut remains at crisis levels, with suicide rates that range from 5 to 25 times the rate of suicide in Canada (NTI, 2016). As shown in Chart 29, the suicide rate in all three regions in 2016 is similar to that in 2000. Underlying risk factors are numerous and long-standing and range from the effects of historical trauma and its symptoms to the high rates of child sexual abuse, alcohol and drug use, poverty, high school dropout rates, and the cultural losses brought about by residential schools and forced relocations.

Due to the persistent and territory-wide nature of this crisis, it is difficult to assess the impacts of the mine on suicide rates in Kivalliq communities (Eggerston, 2015). Furthermore, given the small populations of Kivalliq communities and the highly variable numbers of suicides observed in each community, short-term trends are difficult to discern. The number of suicides in the Kivalliq region each year from 2010 to 2016 were: 8, 5, 8, 12, 7, 9 and 8. These numbers alone do not point to a particular trend since the mine began production.

In July of 2016, NTI released the National Inuit Suicide Prevention Strategy, which sets out a series of actions and interventions to address the high number of deaths by suicide among Inuit. The Strategy promotes a shared understanding of the context and underlying risk factors for suicide in Inuit communities and guides policy at the regional and national levels on evidence-based approaches to suicide prevention (NTI, 2016). Other community level programs – including B.L.A.S.T. (Baker Lake Against Suicide Team) – are working to address the suicide crisis at the hamlet-level.

Impact / Goal Statement

Strong health and safety culture. Zero workplace incidents.

FEIS Prediction

The FEIS considers both the health and safety of workers and the public and recognizes that one may affect the other. "Health and safety of workers and the population at large is subject to legislation and perhaps more importantly to best practices. Health and safety training also has applications in personal life – workers often not only use new health and safety training on-the-job, but also at home in the course of daily tasks." (Cumberland Resources Ltd., 2006, p. 126)

Two indicators are used to measure and understand health and safety, particularly occupational health and safety, at Meadowbank, including progress towards meeting the impact / goal statements outlined above.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
8.1 Health and Safety Training	Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2016	↑ Neutral	Health and safety training increased substantially for Inuit and non-Inuit employees in 2016. However, due to variations in turnover and changes in training module requirements, this upward trend is considered neither positive nor negative.
8.2 Health and Safety On-Site	Combined lost-time and light duty accident frequency (per 200,000 person-hours), 2010 – 2015	→ Positive	Lost-time and light duty accident frequency decreased for four years in a row up to 2015, but increased in 2016 (from .57 to .72 accidents / 200,000 person-hours). Despite, this increase, 2016 was the second-best year in terms of this indicator. There was a small rise in visits to Agnico Eagle clinics for work-related injuries in 2016, though this is largely accounted for by an increase in employment. Overall, the number of clinic visits has been fairly stable since 2012, and the clinic continues to serve an important function in addressing
	Number of visits by employees to Agnico Eagle clinics, 2010 – 2015		the health and medical needs of workers. However, none of the data collected
	Number of visits by employees to Agnico Eagle clinics for personal conditions	→ Neutral	permits an assessment of the impacts of the mine and its programs on the general
	Number of visits by employees to Agnico Eagle clinics for work related injuries	→ Neutral	health status of workers and their families.

 Symbols and terms used to explain trends

 ↑ Increasing
 ■ Positive trend: movement towards the achievement of the desired impact or goal

 ↓ Decreasing
 ■ Negative trend: movement away from the achievement of the desired impact or goal

 → Remaining stable
 ■ Negative trend: movement away from the achievement of the desired impact or goal

Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

/ No discernable trend

EXISTING MANAGEMENT AND MITIGATION

A number of training programs are in place to support a strong health and safety culture and minimize health and safety incidents at Meadowbank, as outlined in Table 15 below.

Table 15: Agnico Eagle Health and Safety Management and Mitigation Initiatives

Program	Purpose / Description / Outcomes
Emergency	Meadowbank employs an Emergency Response Team (ERT) to assist and help in any type of situation. To join the
Response Team	team, a candidate must demonstrate: an interest in safety, good attendance and good behaviour at work, and be in
(ERT) Training	good physical condition. An ERT practice takes place weekly and each member must attend at least six (6) practices
	throughout the year. As of the end of June 2016, there were a total of 50 ERT members. Among them, two (2) were
	Inuit members (1 man, 1 woman).
JOH&S	Members of the Meadowbank Joint Occupational Health and Safety (JOH&S) committee received training in order to
Committee	improve their skills related to the management of Health & Safety. The training covered various topics including: Roles
Training	& Responsibilities of the JOH&S committee, interpretation of the Mines Act & Regulations, conducting inspections,
	conducting accident/incident investigations due diligence, part of the Criminal code and Supervision Formula training
	as well as a coaching phase.
Employee Health	General health and safety training, as required by the Nunavut Mine Act, and in line with Agnico Eagle's Health and
& Safety Training	Safety policies, is provided in English, French and Inuktitut prior to an employee's arrival on site. Further information is
	provided in section 8.1

8.1 HEALTH AND SAFETY TRAINING

8.1.1 Predictions

There are no predictions in the Meadowbank FEIS regarding health and safety training at Meadowbank.

8.1.2 Data & Trends

Table 16 identifies the number of health and safety training hours that Agnico Eagle Meadowbank employees completed in 2016. Health and Safety training includes mandatory training related to compliance with the *Nunavut Mine Act*, as well as training required within Agnico Eagle's Health and Safety policies and management system. Many of these training sessions are offered via e-learning (available in English, French and Inuktitut) prior to an employee's arrival on site. Health and safety training hours are tracked in detail through the Training Management System at Meadowbank.

Table 16: Health and safety training hours for Agnico Eagle Meadowbank employees, 2012 - 2016 (source: Agnico Eagle)

Employee Type	2012	2013	2014	2015	2016
Inuit Employees	1,338	612	1,522	1,389	2,066
Non-Inuit Employees	7,905	612	7,756	5,300	5,745
Total	9,243	1,224	11,292	6,689	7,811

8.1.3 Interpretation

Delivery of health and safety training can improve health and safety performance in the workplace and at home. Fluctuations in the number of health and safety hours provided to employees may be caused by a number of factors, including employee base and turnover rates. Employment hours provided to Inuit employees increased to an all-time high in 2016 though there is insufficient data to accurately draw conclusions about the relationship between the amount of training provided and health and safety outcomes.

HEALTH AND SAFETY ON-SITE 8.2

8.2.1 Predictions

There are no predictions in the Meadowbank FEIS regarding health and safety on-site at Meadowbank.

Data & Trends 8.2.2

The following charts provide an overview of the health and safety statistics for Meadowbank. Chart 30 shows the combined lost-time and light duty accident frequency on site, per 200,000 person-hours worked.

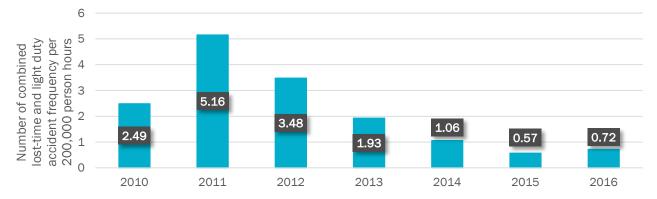


Chart 30: Combined lost-time and light duty accident frequency (per 200,000 person hours), 2010 – 2016 (source: Agnico Eagle)

Chart 31 shows the total number of visits by employees to the Agnico Eagle clinic, categorized as either work-related injuries or personal conditions (ranging from minor ailments to severe illnesses, e.g., colds to myocardial infarction). Chart 30 and the blue bar in Chart 31 are a reflection of the mine's occupational health and safety performance.

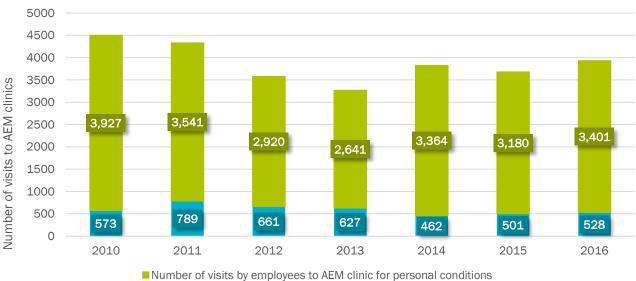


Chart 31: Number of visits by employees to Agnico Eagle clinics, 2010 - 2016 (source: Agnico Eagle)

Number of visits by employees to AEM clinic for work related injuries

8.2.3 Interpretation

Lost time and light duty accident frequency has been decreasing consistently since 2011, from a historical high of 5 per 200,000 person hours worked to 0.57 per 200,000 person hours worked in 2015. Despite an increase in 2016 year from 0.57 to 0.72, this rate remains historically low. Beginning in 2012, Agnico Eagle developed and has now implemented its Responsible Mine Management System, which includes workplace health and safety management.

Since the vast majority of visits to Agnico Eagle clinics are for non-work-related conditions, it appears the clinic serves an important function in addressing the health/medical needs of workers. Clinic visits for work-related injuries peaked at 789 in 2011 and have been declining since then, consistent with the declining lost time and light duty accident frequency over the same period. While there have been slight increases in 2015 and 2016 over 2014, this may be attributed in part to the increase in the number of employees from 789 in 2014 to 813 in 2015 and 834 in 2016. The current data does not provide any indication of how health and safety training is affecting practices at home and community health and safety outcomes.

VSEC 9: Community Infrastructure and Services

Impact / Goal Statement

Community infrastructure (transportation, energy, water, services) is maintained; Social assistance costs are reduced in the long term.

FEIS Prediction

"The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery." (Cumberland Resources Ltd., 2006, p. 128)

Four indicators are used to measure and understand Meadowbank's impact on community infrastructure and services in the Kivalliq Region, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS community infrastructure and services prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
9.1 Use of Public Physical Infrastructure	Estimates of use of this infrastructure directly related to Meadowbank	→ neutral	Meadowbank's direct uses of public physical infrastructure include: public airports for employee travel and the Baker Lake Community Centre (5-10 times/year) for public engagement activities. Airports and the community centre receive fees from users in both cases. At this time, it appears that the impact of Meadowbank on public physical infrastructure is neutral. The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine is owned and operated by Agnico but is accessible to community members who use it for hunting activity.
9.2 Use of GN Health Services	Kivalliq community health centre visits per capita, 2006 – 2015	↑ neutral	Per capita health centre visits in communities with the most Meadowbank employees (Baker Lake, Rankin Inlet, and Arviat are beginning to show an upward trend, most notably in Baker Lake and
	Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2016	↓ neutral	Arviat. The number of employees referred to their community health care centres for personal or work-related reasons ranges (from 14 to 58 people per year), though it is difficult to draw a relationship between movement of this indicator and use of GN Health Services.
9.3 Demand on Social Services	No data available at this time.	/	
9.4 Social Assistance	Per capita social assistance expenditures by Kivalliq community, 2006 to 2014	/	Despite declines from historical highs, social assistance data does not show a clear correlation between Meadowbank-related employment and social assistance requirements in Baker Lake or Arviat. Data suggests that
	Percentage of households receiving social assistance by Kivalliq community, 2006 - 2015	/	both expenditures and percentage of households receiving social assistance have been declining in Rankin Inlet since the mine opened.

 Symbols and terms used to explain trends

 ↑ Increasing
 ■ Positive trend: movement towards the achievement of the desired impact or goal

 ↓ Decreasing
 ■ Negative trend: movement away from the achievement of the desired impact or goal

 → Remaining stable
 ■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

 / No discernable trend
 ■ Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

While no Agnico Eagle programs are in place with the primary goal of mitigating impacts to community infrastructure and services, a number of Agnico Eagle's economic programs are meant to improve community infrastructure and services in the long term. For example, programs which aim to increase local employment, contracting and business opportunities can reduce social assistance expenditures over time. These programs are outlined in the respective sections of this report (see VSEC 1 and 3).

9.1 USE OF PUBLIC PHYSICAL INFRASTRUCTURE

9.1.1 Predictions

The Meadowbank FEIS makes the following prediction:

• "The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery." (Cumberland Resources Ltd., 2006, p. 128)

9.1.2 Data & Trends

The Meadowbank mine has its own dedicated energy, water, and communications infrastructure, so it is largely independent of the public physical infrastructure. Areas of potential impact on public infrastructure include the use of airports for travel to and from the mine (e.g. employees beginning and ending their two work rotations), the use of community meeting spaces for public engagement and the use of local health care facilities.

Estimates of use of this infrastructure directly related to Meadowbank are as follows:

- Use of Baker Lake Airport to access commercial flights: Between 75 and 100 times per year (passenger trips)
- Use of other Nunavut airports to access commercial flights: Between 2000 and 3000 times per year (passenger trips)
- Use of Baker Lake Community Centre: Between 5 and 10 times per year

These numbers are best estimates, and do not include use of infrastructure by employees while they are not actively travelling for work related purposes (personal travel) or while they are doing non-work related activities.

The all-weather access road (AWAR) connecting Baker Lake to the Meadowbank mine was constructed and paid for by Agnico Eagle. Meadowbank controls traffic on this road, but it is accessible to community members to provide access to hunting trails and participate in traditional activities by snowmobile and ATV.

9.1.3 Interpretation

The use of public physical infrastructure by Meadowbank and its employees consists primarily of the use of airports and has been relatively consistent since operation began in 2010. There are no indications of significant positive or negative impacts on this infrastructure.

9.2 USE OF GN HEALTH SERVICES

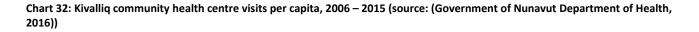
9.2.1 Predictions

The Meadowbank FEIS makes the following prediction:

- "The potential public health and safety impacts of the project, of unknown magnitude, are negative, and, because there is such high impact at the individual level in the event that a risk is realized, the effects must be considered long term and of high significance." (Cumberland Resources Ltd., 2006, p. 126)
- "Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services." (Cumberland Resources Ltd., 2006, p. 128)

9.2.2 Data & Trends

Community health centre visits are an indicator of demand on local health care services. Chart 32 shows per capita health centre visits for each Kivalliq community between 2006 and 2015 (Baker Lake indicated with bold line). Data for 2016 is currently unavailable.



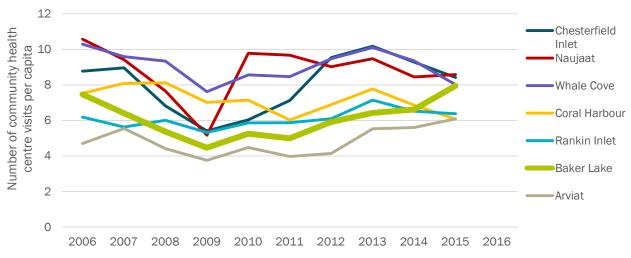


Chart 33 shows the number of Meadowbank employees referred to their community health care centre for personal or work-related reasons.

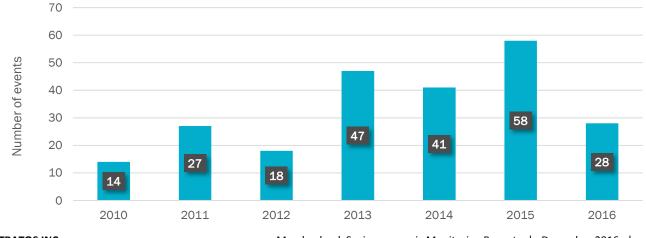


Chart 33: Number of Meadowbank employees referred to their community health care centre for personal or work-related reasons, 2010 – 2016 (source: Agnico Eagle)

STRATOS INC.

Meadowbank Socio-economic Monitoring Report | December 2016 | p. 63

9.2.3 Interpretation

Most Kivalliq communities experienced steady or declining community health centre visits up to 2009. From 2009 to 2010, which coincides with Meadowbank's start-up and operation, per capita visits increased in every community except Coral Harbour. However, since 2010, per capita visits have remained relatively steady in most communities with the exception of Chesterfield Inlet and Baker Lake. While per capita visits increased slightly in Baker Lake from 2011 to 2013, the levels remain lower than 2006 and 2007 levels. Health care visits in all communities, except Bake Lake and Arviat, either decreased or remained steady between 2014 and 2015.

Since the mine began production, between 14 and 58 employees have been referred to community health centres per year. The number of referrals have been highest in recent years (2013-2015), though there was a significant drop in 2016. Referrals for work-related reasons may or may not represent increased demand on GN health services. Additional information on the reasons for health centre visits and client demographics may provide more insight on the reasons for changes observed in each community, including the noteworthy increase in Chesterfield Inlet and potential linkages to the Meadowbank mine and/or other factors. Currently, this data alone does not indicate:

- Whether a Meadowbank worker, on average, is a higher user of health care services than other workers or unemployed people or if there is a counter effect where employees use on-site medical services in lieu of GN health services while on rotation.
- To what extent these referrals are for work related reason

9.3 DEMAND ON SOCIAL SERVICES

9.3.1 Predictions

The Meadowbank FEIS makes the following prediction:

• "The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery." (Cumberland Resources Ltd., 2006, p. 128)

In terms of positive impacts on social services, the FEIS also describes how increased economic security and well-being may reduce dependence on social services: "Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services."

9.3.2 Data & Trends

At the time of writing this report, no data on the demand on social services (e.g. social services for children) was available. The Department of Family Services has indicated that it will be assessing the quality of program-level information and data collected and reported to the Department from its service delivery partners.

9.4 SOCIAL ASSISTANCE

9.4.1 Predictions

The Meadowbank FEIS makes the following prediction:

• "The impacts on social services and infrastructure, of low to medium magnitude, are considered largely positive in the medium term and of moderate significance. There is some potential for closure to have a negative impact on social service delivery." (Cumberland Resources Ltd., 2006, p. 128)

In terms of positive impacts on social services, the FEIS also describes how increased economic security and well-being may reduce dependence on social services, understood to also include social assistance payments: "Increased employment and business opportunities will result in increased income, a measure of economic security, capacity building that will contribute to employability over the long term, and improved self-image of employees and their families. This could result in reducing dependence on government social services."

9.4.2 Data & Trends

Chart 34 and Chart 35, below, displays the average percentage of households receiving social assistance by Kivalliq community.

A note on methodology

Caseload refers to the number of households receiving social assistance. The percentage of households in a community receiving social assistance was determined by dividing the average monthly caseload by the estimated number of households. The number of households is based on 'private dwellings occupied by usual residents' as reported in the census. Data from the 2006, 2010, and 2016 censuses were used, interpolating the number of households for intervening years by assuming a constant rate of change between censuses.

Chart 35 show social assistance expenditures (in dollars) and the Department of Family Services' social assistance case load (# of cases) by Kivalliq community over time. Baker Lake data are represented with a bold line in both charts. 2016 data is not available for either metric at the time of writing this report.

The following definitions are used in interpreting the charts below:

- 1) Social Assistance or income support is a program of last resort for Nunavummiut who, because of inability to obtain employment, loss of principal family provider, illness, disability, age or any other cause cannot provide adequately for themselves and their dependents. Social assistance is provided by the Government of Nunavut in the form of monthly financial payments to help individuals meet a minimum standard of living. All residents of Nunavut between the ages of 18 and 59 can apply for social assistance.
- 2) **Expenditures** are payments to social assistance recipients for food, shelter, utilities and fuel. This financial support is calculated to meet the basic needs of recipients and their dependents.
- 3) Caseloads refers to a single family receiving social assistance from the Department of Family Services

The Department of Family Services, Government of Nunavut, notes that it uses reasonable efforts to provide accurate and up-to-date information, but that some of the information provided is gathered manually and as a result may not be completely accurate. Since the year 2000, the social assistance program has been delivered without an electronic case management system.

Chart 34: Per capita social assistance expenditures by Kivalliq community, 2006 to 2014 (source: (Government of Nunavut Department of Family Services, 2014))

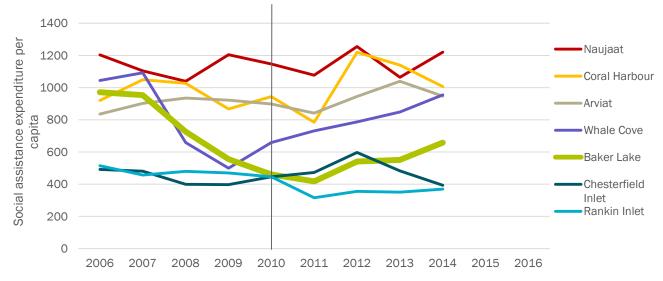
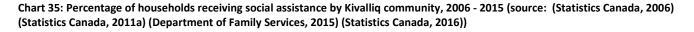
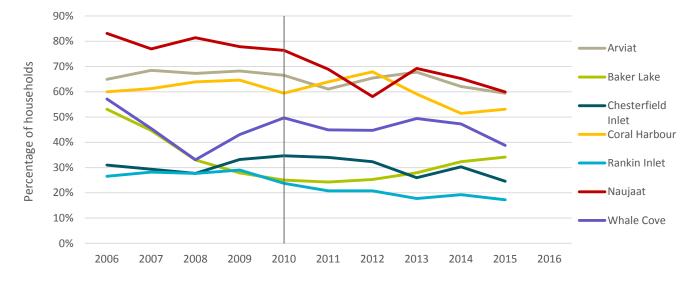


Chart 35, below, displays the average percentage of households receiving social assistance by Kivalliq community.

A note on methodology

Caseload refers to the number of households receiving social assistance. The percentage of households in a community receiving social assistance was determined by dividing the average monthly caseload by the estimated number of households. The number of households is based on 'private dwellings occupied by usual residents' as reported in the census. Data from the 2006, 2010, and 2016 censuses were used, interpolating the number of households for intervening years by assuming a constant rate of change between censuses.





9.4.3 Interpretation

Per capita social assistance expenditures began to increase in 2010-2011 for several communities (including Baker Lake and Arviat) following a period of declining or steady expenditure in earlier years, including a notable decline in 2007/08 coinciding with construction starting at Meadowbank. There has been a continuous increase in expenditures for Baker Lake since 2011, while those of Rankin Inlet have remained relatively constant. However, per capita expenditures in both Baker Lake and Rankin Inlet are lower in 2015 than historic high levels prior to 2007/08. Arviat's levels of per capita social expenditures have risen slightly compared to 2007/2008.

For the Kivalliq region as a whole, per capita social assistance expenditures decreased gradually from 2007 to 2011, rose significantly in 2012, and have remained stable since then at a level (~\$750) that is slightly lower than what it was in 2007 and 2006 (~\$800).

The percentage of households receiving social assistance in Baker Lake declined significantly between 2006 and 2011, from 54% to 24%, coinciding with construction at Meadowbank and the opening of the mine. The proportion households receiving social assistance increased gradually between 2011 and 2015 (from 24% to 34%), but has remained below 2007 levels. In 2015, Baker Lake had the third lowest percentage of households receiving social assistance in the region (after Rankin Inlet and Chesterfield Inlet).

Despite declines from historical highs, social assistance data does not show a clear correlation between Meadowbankrelated employment and social assistance requirements in Baker Lake or Arviat. Data suggests that both expenditures and percentage of households receiving social assistance have been declining in Rankin Inlet since the mine opened.

VSEC 10: Nunavut Economy

Impact / Goal Statement

Increased economic activity (GDP) and benefits to government through royalties and taxation

FEIS Prediction

"The economic impacts on the economy of Nunavut, of high magnitude, are positive over the medium term and of high significance, particularly during the construction phase." (Cumberland Resources Ltd., 2006, p. 129)

Three indicators are used to measure and understand Meadowbank's impact on the Nunavut economy, including progress towards meeting the impact / goal statement outlined above, and performance relative to the overarching Meadowbank FEIS Nunavut economy prediction.

Indicators	Metrics	Trends	Observations / Impacts vs. Predictions
10.1 Business Expenditures for Nunavut	Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2016		Over \$100M of expenditures per year are being directed to Nunavut-based businesses, which will have a multiplier effect on the Nunavut economy and generate tax revenue for the
	Northern business contract expenditures	↑ positive	GN. The proportion of contracts going to Northern-based businesses rose substantially from 42% in 2015 to 56% in 2016.
	Proportion of expenditures on northern business	↑ positive	
	Meadowbank northern contract expenditures in \$M, by business type and location, 2011 - 2016		
	Nunavut business contract expenditures	↑ positive	
	Baker Lake business contract expenditures	↑ positive	
	NTI registered business contract expenditures	↑ positive	
10.2 Royalties & Taxes	Compensation, royalties and taxes paid		Since 2007, Meadowbank has provided \$14.3M to NTI and the KIA in royalties and compensation.
		→ neutral	Employment taxes at Meadowbank provide \$30M/year on average to the Government of Canada, \$3M/year on average to the GN, with an additional \$1.1M provided to the GN in property taxes.
10.3 GDP of Nunavut	Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas), 2000– 2016	↑ positive	According to the Conference Board of Canada, Meadowbank has been a driver of Nunavut's GDP growth, both during the construction of the mine and since production began in 2010. The contribution of mining, quarrying, and oil & gas activity increased significantly in 2010 and has accounted for over 15% of Nunavut's GDP since that time.

Symbols and terms used to explain trends	
↑ Increasing	Positive trend: movement towards the achievement of the desired impact or goal
↓ Decreasing	Negative trend: movement away from the achievement of the desired impact or goal
➔ Remaining stable	
/ No discernable trend	Neutral trend: no observed movement in regard to the achievement of the desired impact or goal

EXISTING MANAGEMENT & MITIGATION

Maximizing benefits for the Nunavut economy is achieved through Agnico Eagle actions to maximize local employment and local contracting, and ensure community health, safety and well-being – as described under previous VSECs in this report.

10.1 BUSINESS EXPENDITURES FOR NUNAVUT

10.1.1 Predictions

The Meadowbank FEIS makes the following predictions:

- "If at least 20% of expenditures were spent in the region over the lifetime of the project, there would be a total expenditure in Nunavut of over \$224 M. This figure is made up of about \$61 M during the 24-month construction phase, \$20 M per year over a ten-year operation phase, and a further \$2.6 M over the closure phase." (Cumberland Resources Ltd., 2006, p. 119)
- "As project expenditures are comparatively large relative to the size of the regional and territorial economies, the impact is considered of medium magnitude, positive, long term and of moderate significance." (Cumberland Resources Ltd., 2006, p. 119)

10.1.2 Data & Trends

Chart 36 shows contract expenditures, by northern and southern business.

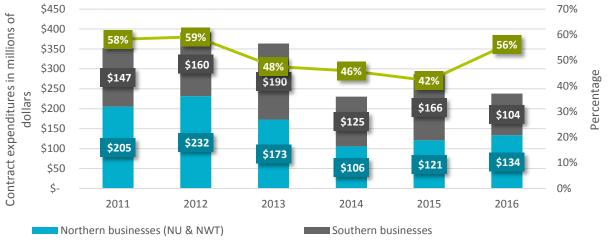


Chart 36: Meadowbank contract expenditures in \$M, by northern and southern business, 2011 – 2016 (source: Agnico Eagle)

Proportion of expenditures on Northern business

Table 17 below further breaks down Meadowbank contract expenditures by geographical location or ownership (i.e. NTI registered indicates Inuit-owned). Note that the categories in this table are not all independent of one another. For example, expenditures on Baker Lake businesses are also included in the expenditures on Nunavut businesses category. Similarly, expenditures on Nunavut businesses are also included in the expenditures in the Northern businesses category.

Geographic location or ownership	2011	2012	2013	2014	2015	2016
Nunavut business	\$190	\$230	\$172	\$105	\$119	\$132
Baker Lake business	\$79	\$120	\$82	\$38	\$27	\$50
NTI Registered business	\$44	\$127	\$101	\$86	\$115	\$129
Total Northern businesses (NU & NWT)	\$205	\$232	\$173	\$106	\$121	\$134

Table 17: Meadowbank northern contract expenditures in \$M, by business type and location, 2011 – 2016 (source: Agnico Eagle)

10.1.3 Interpretation

The FEIS predicts an expected \$20M in annual business expenditures in Nunavut over the operations phase. This prediction has been far exceeded, with over \$100M of annual expenditures for Nunavut based businesses. The predicted total expenditure for Nunavut over the lifetime of the project (\$224M) has already been exceeded.

The proportion of total contract expenditures spent on Northern businesses rose substantially in 2016 to 56%, following a steady decrease to a low of 42% in 2015. 2015. Within the northern business category, there has been a substantial increase in expenditures on NTI registered businesses, and contract expenditures going to Baker Lake based businesses. One factor for this may be a result of greater understanding of Agnico Eagle's preferential hiring policies prompting businesses to apply for NTI registration. Refer to section 3 for a more in-depth interpretation on contract expenditures.

10.2 ROYALTIES & TAXES

10.2.1 Predictions

There are no predictions in the Meadowbank FEIS regarding royalties and taxes for Kivalliq, Nunavut or Canada.

10.2.2 Data & Trends

Table 18 provides an overview of the compensation, royalties and taxes paid to NTI / KIA and the GN.

Table 18: Compensation, royalties and taxes paid (source: Agnico Eagle)

Payment	Timeframe	Cumulative value	
Meadowbank Resource Royalties paid to NTI	Total, 2007 - 2016	\$12.6M	
Compensation paid to the KIA (IIBA implementation costs, quarry and	Total, 2007 - 2016	\$13.4	
other usage fees) (from Meadowbank, Meliadine & exploration)			
Payment	Timeframe	Average Annual Value	
Payroll Taxes paid by Agnico Eagle to the GN	Average Annual Value	\$3.0M	
Property taxes paid by Agnico Eagle to the GN	Average Annual Value	\$1.8M	
Payroll Taxes paid by employees to the Government of Canada	Average Annual Value	\$30M	

10.2.3 Interpretation

The Meadowbank Mine provides revenue to the Inuit, Territorial and Federal governments through royalties, taxation and compensation paid to the KIA. Given the location of the mine on Inuit Owned Lands, all resource royalties flow directly to NTI as the Inuit authority. As this data is not broken down by year, we are unable to identify trends in the value of money flowing to the various governments over time.

Note that compensation paid to KIA stems from Meadowbank, Meliadine and exploration activities. Payroll taxes paid by Agnico Eagle to the GN includes payments to the Worker Safety and Compensation Commission (WSCC) and 2% paid by non-Inuit employees to the GN (compensated by Agnico Eagle).

10.3 GDP OF NUNAVUT

10.3.1 Predictions

The Meadowbank FEIS makes the following predictions:

 "The results indicate that during the construction phase, the project would contribute \$120.3 M to the GDP of Nunavut ... During the operations phase, the annual contribution to GDP would be \$35.5 M ..." (Cumberland Resources Ltd., 2006, p. 27)

10.3.2 Data & Trends

The following chart shows the value of Nunavut gross domestic product (GDP), in current prices, from 2000 to 2016.

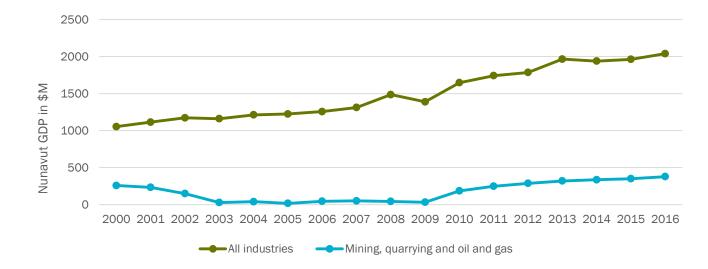


Chart 37: Nunavut GDP all industries and mining, quarrying and oil & gas, 2000-2016 (source: (Statistics Canada, 2016))

10.3.3 Interpretation

Nunavut's GDP steadily increased from 2000 to 2008 at an average rate of approximately 4% per year. Following a decline in 2009 due to the global recession, a sharp increase was seen in 2010, when Meadowbank began production. Coinciding with Meadowbank becoming operational Nunavut's GDP has grown at a faster rate from 2009 to 2016 (6% annual growth). As seen in the graph above, the growth from 2009 onwards can largely be attributed to an increase in mining, quarrying and oil & gas activity. Given that Meadowbank was the only operating mine in Nunavut from 2010 to 2015 (when Baffinland's Mary River Project began operations), the GDP growth data suggest that Meadowbank's contribution to GDP has exceeded the FEIS prediction. Mining industry GDP growth was relatively flat in 2013-2015 reflective business conditions in the industry. For Meadowbank, this has been a period of relatively stable operation and reduced total contract expenditures (as described under VSEC 3: Contracting and Business Opportunities).

Management Response

Agnico Eagle will continue to implement, support and improve the existing management and mitigation activities described at the beginning of each section for the ten VSECs covered by this report. Agnico Eagle is also working together with the community of Baker Lake to improve community wellness through the *Baker Lake Wellness Report and Implementation Plan*, as well as working closely with the Kivalliq Inuit Association in the implementation of the 2017 Meadowbank IIBA. This report, along with the *Baker Lake Wellness Report and Implementation Plan* and *IIBA Implementation Report*, informs Agnico Eagle's efforts in fulfilling best practices in social responsibility, and acting as a resource for communities and other stakeholders, as indicated in the purpose section of this report.

Continual Improvement in Socio-Economic Monitoring

Given the complexity of socio-economic phenomena (i.e. multiple factors at play), there are limitations in establishing causal relationships between mining activity and some socio-economic indicators in this report. For future reports, Agnico Eagle will continue to work with the SEMC to improve data (in both government and Agnico Eagle data sets) and to refine indicator selection and analysis to more clearly identify potential links between socio-economic impacts and Agnico Eagle activities and/or other factors. This will help inform the refinement of existing management and mitigation activities, as well as identification of the need for any additional mitigation measures.

In September 2017, Agnico Eagle participated in a meeting with GN and other mining companies operating in Nunavut to discuss the evolution of socio-economic reporting in the territory and to identify core indicators that could be reported by all projects. With the construction of Agnico Eagle's Meliadine mine and the approval of its Whale Tail project, Agnico Eagle will be moving to an integrated socio-economic monitoring report for all sites for the 2017 reporting year and thereafter, while meeting the requirements for presenting site-specific data. This approach is supported by the GN and INAC, and will be reflected in revised Socio-Economic Monitoring Working Group Terms of Reference, which will be finalized in 2017. Agnico Eagle has also committed to submitting future socio-economic monitoring reports by June 30. While more timely reporting is generally more desirable, it will also result in more data gaps as some public data (from NBS, GN, and StatsCan) is not released until late fall or winter.

It is our hope that this compilation of data will provide the SEMC with a useful information base from which to understand emerging trends, impacts and benefits to date, and inform future collaboration and coordination on priority areas for attention.

Meadowbank Gold Mine Project

Terms of Reference for the Meadowbank Socio-Economic Monitoring Program

1. Premise

1.1 The implementation of the project-specific monitoring program, developed in consultation with the Kivalliq Socio-Economic Monitoring Committee (SEMC), is the responsibility of the proponent.

1.2 Regional (or cumulative) socio-economic monitoring is the responsibility of Government(s).

2. Introduction

2.1 The Meadowbank Socio-Economic Monitoring Program (the "Program") has been designed to satisfy Condition 64 of the Meadowbank Gold Project Certificate which states:

"Cumberland shall work with GN and INAC to develop the terms of reference for a socio-economic monitoring program for the Meadowbank Project, including the carrying out of monitoring and research activities in a manner which will provide project certificate specific data which will be useful in cumulative effects monitoring (upon request of Government or NPC) and consulting and cooperating with agencies undertaking such programs. Cumberland shall submit draft terms of reference for the socio-economic monitoring program to the Meadowbank SEMC for review and comment within six (6) months of the issuance of a Project Certificate, with a copy to NIRB's Monitoring Officer."

2.2 The Program is designed to meet the intent of Article 12, Part 7 of the Nunavut Land Claim Agreement. From a socioeconomic monitoring point of view, the Program is primarily concerned with fulfilling sections 12.7.2.a and 12.7.2.d of the Nunavut Land Claims Agreement:

(a) to measure the relevant effects of projects on.... socio-economic environments of the Nunavut Settlement Area;(d) to assess the accuracy of the predictions contained in the project impact statements.

3. Program Framework

3.1 This program framework is meant to assist the proponent in fulfilling its annual obligation to report on socio-economic project impacts to NIRB (as per Project Certificate Appendix 'D'). It comprises six steps leading to the verification of the socio-economic impacts predictions contained in the Final Environmental Impact Statements (FEIS). In this context the proponent should:

- a) Review impact predictions for each Valued Socio-economic Component contained in the Meadowbank FEIS.
- b) Select indicators to determine prediction changes (up/down, toward/away from expectation, magnitude, etc.).
- c) Gather data needed to verify impact predictions. Some data (both mine-site specific and employee level) is expected to be generated by the Proponent. Other information will be acquired from external sources.
- d) Conduct qualitative data collection (such as employee satisfaction or exit surveys, traditional lifestyle questionnaires, community wellness focus groups, etc.), in an attempt to gain additional community level perceptions, comments, and information on the project, and its predicted impacts.
- e) Analyze information from steps 3 and 4 and assesses the accuracy of impact predictions as contained in Final Environmental Impact Statements, as well as the positive and negative impacts of the Meadowbank Project on the closest communities
- f) Report annually to the Nunavut Impact Review Board with an assessment of the positive and negative impacts of the Meadowbank Project on the affected communities and on mitigation and adaptive management strategies undertaken (or proposed). Reports will be submitted to the NIRB by 31 March of every year, reporting on indicators for the previous calendar year.

- g) Data should have some degree of consistency and quality, and the Proponent will collect information with guidance from Statistics Canada's Quality Assurance Framework.
- h) Members of the Meadowbank Socio-Economic Monitoring Program shall meet at least once a year, preferably immediately before or after the Kivalliq Socio Economic Monitoring Committee.

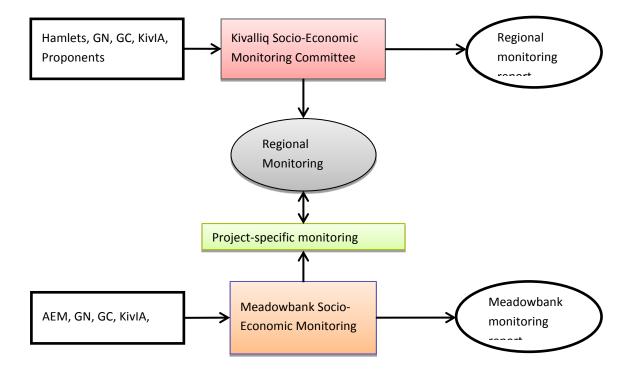
4. Membership

4.1 Membership to the Meadowbank Socio-Economic Monitoring Program shall be composed of:

- a) The Proponent;
- b) Government of Nunavut;
- c) Government of Canada;
- d) Kivalliq Inuit Association; and
- e) Additional members as needed.

4.2 Members are responsible for their own costs associated with attending any meetings.

4.3 Members are responsible for ensuring that project-specific monitoring meets the requirements of the Project Certificate and that efforts are aligned with other monitoring initiatives in the Territory such as the Kivalliq SEMC, and the Nunavut General Monitoring Plan.



Appendix B: Skills Level Classification

Job Category	Lead Statement	Main duties	Example Titles	Employment	Reference to
		-		Requirements	NOC
Unskilled	Unskilled workers	-Perform material	Janitor,	-High school degree	Skill level D
	perform work that	handling, clean-up,	Dishwasher,	may be required.	
	requires no specific	packaging	Labour, Helper		
	education or experience.	- Clean work areas and			
	They hold positions that	equipment			
	are not necessarily critical	- Assist in repairing,			
	to achieving production	maintaining and			
	although they are	installing material and			
	important for the smooth	equipment			
	running of operations.	- Move tools, equipment			
		and other materials to			
	No specific skill level and	and from work areas			
	education requirements.				
	Basic on-the-job training				
	is usually provided for				
	these occupations.				
Semi-skilled	Semi-skilled workers	- Operate and clean	Security Guards,	- High school degree	Skill level C
	perform jobs that require	equipment	Building Mechanic,	may be required.	
	some skills but do not	- Follow operating	Driller & Blaster,	- On-the-job training is	
	possess the skill level	procedures and achieve	Process Plant	provided.	
	and/or experience to	production targets	operators, Heavy	- Relevant experience	
	perform specialized work.	-Perform routine	Equipment	depending on the	
		maintenance of	Operators,	position.	
	Occupations usually	machinery	Apprentice		
	require high school	- Record production data			
	diploma and/or	and complete reports			
	occupation specific				
	training.				
Skilled	Skilled workers possess	TRADES	Electricians, Heavy	TRADES	Skill level B
	special skills, training,	- Maintain and repair	Duty Mechanic,	- Completion of high	
	knowledge, and ability in	tools and equipment	Mining	school level usually	
	their work. They occupy	 Read and interpret 	Technicians,	required.	
	jobs that are generally	drawings and sketches	Millwright,	- Completion of an	
	characterized by high	to determine	Environmental	apprenticeship	
	education or expertise	specifications and	Technician	program or equivalent	
	levels.	calculate requirements		- Red Seal	
		-Install, repair and		endorsement	
	Occupations usually	maintain industrial		according to the level	
	require college or	mobile and fixed		of the position	
	apprenticeship training. In	systems		occupied	
	house skilled training may	- Test equipment and			
	be seen as an equivalent	components		TECHNICIANS	
	to formal education.			- Completion of high	
		TECHNICIANS		school level usually	
		- Conduct or direct		required.	
		mining survey programs		- Completion of a	
		- Prepare and analyze		college degree	
		notes, sketches and		- Relevant experience	
		maps		in the concerned	

		- Record measurements and other information - Assist professionals in supervising technical delivery of work		discipline	
Professionals	Professionals occupy a profession recognized as such and support the operations of near or far from their own expertise. They are normally subject to professional standards and can be part of an established order that envelops the performance of their work. Occupations that usually requires university education.	 Plan, develop, implement and evaluate strategies including policies, programs and procedures to address an organization's requirements. Determine and advise on appropriate and safe working methods Plan, organize and supervise the technical aspect of work 	Engineers, Geologist, Nurses, HR professionals	- University degree -Relevant experience according to the level of the position	Skill level A
Management	Managers plan, organize, direct, control and evaluate the activities of a department or service. They are performing in different sectors directly related to operations or to the support of mining operations. Occupations that usually requires university education or equivalent extensive work experience with a supervisory component to the job.	 Plan, organize, direct, control and evaluate the activities and operations of a department; Develop and implement policies, standards and procedures Supervise, co-ordinate and schedule the activities of workers; Establish methods to meet work schedules and co-ordinate work activities with other departments 	Supervisors, Superintendents	- University degree -Extensive experience in the discipline - Experience with supervision of a team	Skill level A

References

Buell, M. (2006). Resource Extraction Development and Well-Being in Well-Being in the North - A Scan of the Unique Challenges of Development in Inuit Communities. Ottawa: National Aboriginal Health Organization. Retrieved from http://www.naho.ca/documents/it/2006_Resource_Extraction.pdf CBC News. (2015). Social promotion, Inuktitut still hot topics in Nunavut education. Retrieved from http://www.cbc.ca/news/canada/north/social-promotion-inuktitut-still-hot-topics-in-nunavut-education-1.3072420 Conference Board of Canada. (2014). Education and Skills in the Territories. Retrieved from http://www.conferenceboard.ca/hcp/provincial/education/edu-territories.aspx Conference Board of Canada. (2015). Suicides: Provincial and Territorial Ranking. Retrieved from http://www.conferenceboard.ca/hcp/provincial/health/suicide.aspx Cumberland Resources Ltd. (2006). Meadowbank Gold Project Environmental Impact Statement. Eggerston, L. (2015). Nunavut should declare state of emergency over suicide crisis. CBC News. Retrieved November 2015, from http://www.cbc.ca/news/canada/north/nunavut-suicide-1.3245844 Government of Nunavut Department of Education. (2012). Education. Retrieved from Nunavut Bureau of Statistics: http://www.stats.gov.nu.ca/en/Social%20education.aspx Government of Nunavut Department of Education. (2016). Nunavut Bureau of Statistics. Retrieved from Education: http://www.stats.gov.nu.ca/en/Social%20education.aspx Government of Nunavut Department of Family Services. (2014). Social Assistance. Retrieved from Nunavut Bureau of Statistics: http://www.stats.gov.nu.ca/en/Social%20assistance.aspx Government of Nunavut Department of Health. (2016). Health. Retrieved from Nunavut Bureau of Statistics: http://www.stats.gov.nu.ca/en/Social%20health.aspx McGill University and the Douglas Mental Health University Institute. (2013). Learning from Lives That Have Been Lived. MiHR. (2016). Canadian Mining Industry Employment Hiring Requirements and Available Talent. Retrieved from http://www.mihr.ca/en/publications/resources/MiHRNationalReport2016 EN WEB.pdf MiHR. (2016). Canadian Mining Industry Employment Hiring Requirements and Available Talent. NTI. (2016). National Inuit Suicide Prevention Strategy. Retrieved from https://www.itk.ca/national-inuit-suicide-preventionstrategy/ Nunavut Bureau of Statistics. (2016). Nunavut Suicides by Region, Sex, Age Group and Ethnicity, 199 to 2015. Nunavut Bureau of Statistics. (2016). Population Estimates. Retrieved from Nunavut Bureau of Statistics: http://www.stats.gov.nu.ca/en/Population%20estimate.aspx Nunavut Bureau of Statistics and Statistics Canada. (2010). Nunavut Housing Needs Survey (NHNS). Retrieved from Nunavut Bureau of Statistics : http://www.stats.gov.nu.ca/en/datatables.aspx Nunavut Housing Corporation. (2016). Annual Report 2015 - 16. Retrieved from https://s3.amazonaws.com/nhcweb/publications/annualreport 2014-15 0.pdf Nunavut Impact Review Board. (2006). Meadowbank Project Certificate. Nunavut Tunngavik Inc. (2016). Inuit Firm Registry. Retrieved from http://inuitfirm.tunngavik.com/search-the-registry/ Office of the Auditor General. (2013). Report of the Auditor General of Canada to the Legislative Assembly of Nunavut -Education in Nunavut. Retrieved from http://www.oag-bvg.gc.ca/internet/docs/nun 201311 e 38772.pdf Rohner, T. (2014). Social promotion a hot topic for Nunavut DEA reps. Nunatsiag Online. Retrieved from http://www.nunatsiagonline.ca/stories/article/65674social promotion a hot topic among nunavuts education authorities/

Statistics Canada. (2006). 2006 Census Profile.

Statistics Canada. (2011a). 2011 Census Data. Retrieved from Nunavut Bureau of Statistics:

http://www.stats.gov.nu.ca/en/Census%202011.aspx

Statistics Canada. (2011b). 2006 Profile of Aboriginal Children, Youth and Adults. Retrieved from

http://www12.statcan.gc.ca/census-recensement/2006/dp-pd/89-635/index.cfm?lang=eng Statistics Canada. (2011c). Figure 3 Proportion of the population aged 25 to 64 by highest level of educational attainment, Canada, provinces and territories, 2011. Retrieved from National Household Survey:

http://www12.statcan.gc.ca/nhs-enm/2011/as-sa/99-012-x/2011001/c-g/c-g03-eng.cfm

Statistics Canada. (2015). Nunavut Bureau of Statistics. Retrieved from Income:

http://www.stats.gov.nu.ca/en/Economic%20income.aspx

Statistics Canada. (2016). Retrieved from Gross domestic product, expenditure-based, by province and territory; CANSIM Table 379-0030.

- Statistics Canada. (2016). 2016 Census. Retrieved from http://www12.statcan.gc.ca/census-recensement/2016/dppd/prof/details/page.cfm?Lang=E&Geo1=CSD&Code1=6205016&Geo2=CD&Code2=6205&Data=Count&SearchText =Whale%20Cove&SearchType=Begins&SearchPR=01&B1=All&TABID=1
- Statistics Canada. (2016). *Crime & Justice*. Retrieved from Nunavut Bureau of Statistics: http://www.stats.gov.nu.ca/en/Social%20crime.aspx
- Wallace, S. (2014). *Inuit health: Selected findings from the 2012 Aboriginal Peoples Survey*. Retrieved from Statistics Canada: http://www.statcan.gc.ca/pub/89-653-x/89-653-x2014003-eng.htm