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Agnico Kivalliq Projects Socio-Economic Monitoring Program January 2021

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Jan-2021

Introduction

The Agnico Kivalliq Projects Socio-Economic Monitoring Program (SEMP) provides the framework for socio-economic monitoring of Agnico Eagle’s mineral projects in the Kivalliq Region of Nunavut. This includes monitoring against the predicted impacts described in the Final Environmental Impact Statements (FEIS) of each project, as well as the concerns and priorities identified by the Kivalliq Socio-Economic Monitoring Committee (Kivalliq SEMC). This program supersedes the project-specific SEMP for the Meadowbank Gold Mine. By integrating multiple projects within a single monitoring framework, this program aims to promote consideration of cumulative impacts and streamline development and review of monitoring reports, while respecting the unique regulatory requirements of individual projects.

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Document control and change log

VERSION	WG APPROVAL	NATURE OF REVIEW / CHANGE	DATE
1.0	Feb-2018	Initial version	28-Feb-2018
2.0		2019 SEMP Update results including: Whale Tail Project, Additional data, WG Recommendations & 2019 SEMC	
3.0		Addition of VSEC 11, and indicators 11.1 and 11.3 in response to amended Whale Tail Expansion Project updated Project Certificate T&C # 46; movement of previous indicator 1.4 Employment by gender to new VSEC 11 (11.2); gender-specific initiatives stemming from Whale Tail Expansion Project updated Project Certificate; Addition of reference to the <i>Nunavut Planning and Project Assessment Act</i> in the legislative and regulatory basis section.	

About the SEMP

Newly included information based on the 2021 update (3.0) are noted with the symbol: . These will be removed prior to submission to the NIRB

Legislative and regulatory basis

The Agnico Kivalliq Projects SEMP is designed to meet the intent of Article 12, Part 7 of the *Nunavut Land Claims Agreement (NLCA)*. From a socio-economic monitoring point of view, the Program addresses sections 12.7.2(a) and 12.7.2(d):

“(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 impacts statements”

This umbrella program – encompassing all Agnico Eagle mining projects in the Kivalliq region – is being put forth to supersede the existing Meadowbank Socio-Economic Monitoring Program. It is designed to meet the intent of Article 12.7.5 of the *NLCA*:

“Any monitoring program established for a project under Section 12.7.1 shall be designed so as to avoid duplication of duties and to facilitate coordination of monitoring activities, and may, in addition to any other relevant matters, provide for the variables to be monitored and the program specifications.”

Project-specific monitoring requirements established in the Terms and Conditions contained within individual Project Certificates are provided in Appendix A: Projects List.

The SEMP is also designed to meet the intent of Section 135 of the *Nunavut Planning and Project Assessment Act*. This includes meeting the purpose of monitoring programs outlined in subsection 135(3): 

“The purpose of a monitoring program is to (a) measure the impact of the project on the ecosystemic and socio-economic environments of the designated area; (b) determine whether the project is carried out in accordance with the terms and conditions imposed under subsection 152(6) or set out in the original or amended project certificate; (c) provide the information necessary for regulatory authorities to enforce the terms and conditions of licences, permits or other authorizations that they issue in relation to the project; and (d) assess the accuracy of the predictions contained in the project impact statement.”

Program objectives

The objectives of the Agnico Kivalliq Projects Socio-Economic Monitoring Program are to:

- Collect and analyze monitoring data to verify the accuracy of socio-economic impact predictions made in projects' Final Environmental Impact Statements as well as the socio-economic priorities and concerns identified by the Kivalliq SEMC
- Assess the effectiveness of current practices to mitigate adverse effects and enhance positive effects of the Projects
- Obtain early warning should mitigation for adverse effects or measures to enhance positive effects not be achieving their intended outcomes
- Provide timely detection of unanticipated outcomes
- Report and communicate on observed socio-economic trends and impacts to the SEMC, communities and other interested parties

Working group

The *Agnico Kivalliq Projects Socio-Economic Working Group* (Working Group) was established to support the design and implementation of the SEMP. Specifically, the Working Group aims to support the development of the Program framework and undertake collaborative monitoring to identify and access priority data that will be useful in improving the socio-economic performance of the Projects. This will involve combining Project-specific performance data with data generated or provided by other members of the Working Group to support adaptive management measures implemented by the member agencies to minimize adverse effects and maximize benefits from the Projects.

Additional details on the Working Group are provided in Appendix B: Working Group Terms of Reference.

Socio-economic monitoring committee

In 2007, the Government of Nunavut established three regional 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 Nunavut Impact Review Board (NIRB). The SEMC's 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.

The Kivalliq SEMC reviews the annual SEMP results (presented in a Socio-Economic Monitoring Program Report), taking into consideration areas of mutual interest and socio-economic monitoring priorities identified by the Working Group. They also support a collaborative monitoring framework by providing data to support socio-economic impacts monitoring, recommending the prioritization of identified areas for monitoring and mitigation, and providing recommendations for additional areas of monitoring and mitigation.

Annual socio-economic monitoring program report

Agnico Eagle will prepare an annual Socio-Economic Monitoring Program Report (SEMR), presenting performance data for all Agnico Eagle projects in the Kivalliq region to the Working Group and SEMC for review, prior to submitting it to the NIRB. The annual report is due on June 30th of each year and will present all available data for the previous calendar year (January to December). The report will include both project-specific and regional project data sourced from Agnico Eagle and public sources, including the Nunavut Bureau of Statistics and Statistics Canada, among others. The report will also describe

Agnico's activities related to socio-economic performance, and participation in collaborative monitoring processes including the Kivalliq SEMC. Key sections of this report and associated public materials (e.g. presentations) will be provided in both Inuktitut and English.

Additional **resources and inputs** that will inform the report discussion include:

- The Inuit Workforce Barriers Study (IWBS)
- The Kivalliq Labour Market Analysis (KLMA)
- The annual reports of the Community Liaison Committee (CLC)
- The input from the annual SEMC meetings

Adaptive management and mitigation

Agnico Eagle will use an adaptive management approach to improving socio-economic performance throughout the lifecycle of each project. 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 outlined in the Program. The Working Group will continually strive to improve data (in both government and Agnico Eagle data sets) and analysis, and to be responsive to the priorities and concerns identified by the Kivalliq SEMC and the Community Liaison Committee.

For monitoring to be effective, projects must be responsive to identified trends and findings. Agnico Eagle will use the results of this monitoring program to inform the implementation of existing – and creation of new – socio-economic management and mitigation measures. This is true both for anticipated and unanticipated impacts, as findings from this Program can alert Agnico and the SEMC to the emergence of unanticipated effects.

Updated descriptions of existing and new management measures will be included in each annual report. Further, each report will include a discussion of the management response to changing circumstances and findings from both the current and previous reports.

VSECs, Indicators & Metrics

The SEMP addresses 11 valued socio-economic components (VSECs), each of which has a corresponding impact / goal statement. These statements – presented in the table below – provide a high-level rationale for the inclusion of the VSEC and help inform and direct the interpretation of indicators. Each VSEC includes a number of indicators, which are further divided into specific metrics that will be measured and reported.

Table 1: Valued socio-economic components and corresponding impact / goal statements

VSEC	IMPACT / GOAL STATEMENT
Employment	<ul style="list-style-type: none"> Increased and stable employment for Inuit across Kivalliq communities
Income	<ul style="list-style-type: none"> Increased income in Kivalliq communities
Contracting and Business Opportunities	<ul style="list-style-type: none"> Increased opportunities for Inuit-owned and local businesses
Education and Training	<ul style="list-style-type: none"> Improved educational attainment in Kivalliq communities Increasing mining-related skill level of Kivalliq workforce Enhanced skill profile and promotion of Inuit employees
Culture and Traditional Lifestyle	<ul style="list-style-type: none"> Respect and support for Inuit culture, language and traditional lifestyle in the workplace and in communities
Population Demographics	<ul style="list-style-type: none"> Understand what changes are occurring in Kivalliq migration, if any
Individual and Community Wellness	<ul style="list-style-type: none"> Contribute and collaborate to enhance individual and community wellness
Health and Safety	<ul style="list-style-type: none"> Strong health and safety culture. Zero workplace accidents
Community Infrastructure and services	<ul style="list-style-type: none"> Community infrastructure (transportation, energy, water, services) is maintained Social assistance costs are reduced during and beyond the life of the mine
Nunavut Economy	<ul style="list-style-type: none"> Increased economic activity (GDP) and benefits to Inuit organizations and the Government of Nunavut through royalties and taxes
Gender <small>NEW</small>	<ul style="list-style-type: none"> Contribute to success and wellbeing of women in the workplace and Kivalliq communities

Notes and Considerations

- Indicator level.** Different indicators provide data at the project, community, regional and / or territorial level. The level of each indicator is reflected in titles of the metric. Additionally, data that is provided by project is indicated through a checkmark in the rightmost column of the tables below. For example, 'project employment' is employment data broken down by project, while 'project Inuit employment by Kivalliq community' is employment data broken down by project and community. Data from the government (i.e. Nunavut Bureau of Statistics) is typically available at the territorial level (Nunavut), at the regional level (Kivalliq in this case), and sometimes at the community level (for each of the seven Kivalliq communities).
- Data availability and constraints.** Some of the indicators presented below are subject to data constraints outside of Agnico Eagle's control. These include the release dates for Nunavut Bureau of Statistics (NBS) and Statistics Canada (StatsCan) data, Census / Aboriginal Peoples Survey data, and the historical availability of project data. Indicators for which data availability is uncertain are indicated as such with footnotes.

1. Employment

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
1.1 Total project employment			
Project employment (permanent, temporary & contractor)	· Employees · Person-hours	· Agnico Eagle	✓
1.2 Project Inuit employment			
Project employment (Inuit & non-Inuit)	· Employees · Person-hours	· Agnico Eagle	✓
Project contractor employment (Inuit & non-Inuit)	· Employees · Person-hours	· Agnico Eagle	✓
1.3 Project employment by Kivalliq community			
Project Inuit employment by Kivalliq community	· Employees · Person-hours	· Agnico Eagle	✓
Project contractor employment by Kivalliq community (Inuit & non-Inuit)	· Employees	· Agnico Eagle	✓
1.5 Project turnover			
Project turnover (Inuit & non-Inuit)	· Employees · Rate	· Agnico Eagle	✓
Project turnover by Kivalliq community	· Employees	· Agnico Eagle	✓
Project Inuit turnover (dismissal, resignation or voluntary termination, end of contract)	· Employees	· Agnico Eagle	✓

2. Income

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
2.1 Income paid to project's Inuit employees			
Income paid to project employees (Inuit & non-Inuit)	· Dollars	· Agnico Eagle	✓
2.2 Income by Kivalliq community			
Median employment income of tax filers by Kivalliq community	· Dollars	· StatsCan / NBS	

3. Contracting and business opportunities

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
3.1 Contract expenditures			
Project contract expenditure on Nunavut Tunngavik Incorporated (NTI) registered businesses by business location	· Dollars · Percent of total	· Agnico Eagle	✓*
Project contracts on NTI registered businesses by business location	· Contracts · Percent of total	· Agnico Eagle	✓*
Project contract expenditures on Nunavummi Nangminiqqtunik Ikajuuti (NNI) registered businesses by business location	· Dollars · Percent of total	· Agnico Eagle	✓*
Project contracts on NNI registered businesses by business location	· Contracts · Percent of total	· Agnico Eagle	✓*
Project contract expenditures on NNI and NTI-registered businesses by category and business location	· Dollars · Percent of total	· Agnico Eagle	✓*

* Project-specific metrics will be reported when possible, however some contracts will be tendered to all Agnico Projects

4. Education and training

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
4.1 Investment in school-based initiatives			
Agnico Eagle investments in school-based initiatives	· Dollars	· Agnico Eagle	
Enrollment in Agnico Eagle summer student program (Inuit & non-Inuit)	· Students	· Agnico Eagle	✓
4.2 Secondary school graduation by region			

Secondary school graduation rate by region	· Graduate rate	· GN Department of Education / NBS	
4.3 Project training and education			
Agnico Eagle investments in mine training and education initiatives	· Dollars	· Agnico Eagle	
Training hours by type (Inuit & non-Inuit)	· Mean hours / employee	· Agnico Eagle	✓
Participation in skills programs by program	· Enrollees · Graduates	· Agnico Eagle	✓
Participation in pre-apprenticeship programs by community	· Enrollees · Graduates	· Agnico Eagle	✓
Participation in apprenticeships by type and community	· Enrollees · Graduates	· Agnico Eagle	✓
4.4 Project employment by skill level			
Project employment by skill level (Inuit, non-Inuit)	· Employees	· Agnico Eagle	✓
4.5 Trade certificates / apprenticeships in Nunavut			
Trade certificates / Apprenticeships by Kivalliq community	· Apprenticeships	· Department of Family Services / NBS	

5. Culture and traditional lifestyle

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
5.1 Perceptions of culture and traditional lifestyle			
Self-reported effect of project on culture and traditional activities ¹	· Qualitative / semi-quantitative survey results	· Agnico Eagle	✓
5.2 Culture and traditional lifestyle			
Population identifying Inuktitut as their mother tongue, by Kivalliq community	· Percentage of population	· StatsCan	
Percentage of Inuit employees identifying Inuktitut as their first language	· Percentage of employees	· Agnico Eagle	✓
Use of AWAR by community	· Trips	· Agnico Eagle	✓
5.3 Country food use at project			
Country food kitchen usage	· Employees	· Agnico Eagle	
Country food night events attendance	· Employees	· Agnico Eagle	✓

¹ Survey results will be available beginning in the 2019 reporting year

6. Population demographics

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
6.1 Employee migration			
Project employees residing in Southern provinces (Inuit)	· Employees	· Agnico Eagle	✓
Project employees migrating to and from Nunavut, Baker Lake and Rankin Inlet (Inuit & non-Inuit) ²	· Employees	· Agnico Eagle	✓
6.2 Population estimates in Kivalliq communities			
Population estimates in Kivalliq communities (Inuit & non-Inuit)	· Residents	· StatsCan / NBS	

7. Individual and community wellness

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
7.1 AEM programs			
Agnico Eagle wellness program offerings & utilization by project employees	· Program utilization	· Agnico Eagle	✓*
Agnico Eagle wellness program offerings & utilization by community members	· Program utilization	· Agnico Eagle	
7.2 Perceptions of health & wellness			
Self-reported effect of project on health & wellness ³	· Qualitative / semi-quantitative survey results	· Agnico Eagle	✓*
7.3 Criminal violations			
Criminal violations per hundred people by Kivalliq community	· Violations	· StatsCan / NBS	
Criminal violations per hundred people by type (Baker Lake, Chesterfield Inlet & Rankin Inlet)	· Violations	· StatsCan / NBS	
7.4 Health centre visits			
Health centre/clinic visits by Kivalliq community by reason for visit	· Visits	· StatsCan / NBS	
7.5 Housing			
Persons aged 15 years and over wait-listed for public housing by Kivalliq community	· Individuals	· Nunavut Housing Corporation / NBS	

² Data only available from 2018 onward

³ Survey results will be available beginning in the 2019 reporting year

Overcrowding of public housing by community	· Overcrowding rates	· Nunavut Housing Corporation	
7.6 Food security			
Food security by region or community ⁴	· Food security rate	· TBD	
7.7 Suicide			
Suicides per 10,000 people by region (Inuit and non-Inuit)	· Suicides	· StatsCan / NBS	

8. Health and safety

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
8.1 Health and safety training			
Project health and safety training hours (Inuit & non-Inuit)	· Mean hours / employee	· Agnico Eagle	✓
8.2 Health and safety on-site			
Visits by project employees to Agnico Eagle clinic for work related and other reasons	· Visits · Rate	· Agnico Eagle	✓
Project combined lost-time and light duty accident frequency (per 200,000 person-hours)	· Incident rate	· Agnico Eagle	✓

9. Community infrastructure and services

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
9.1 Use of GN health services			
Kivalliq community health centre visits per capita	· Visits	· GN Department of Health	
Employees referred to community health care centre for personal or work-related reasons	· Referrals	· Agnico Eagle	✓
Incidents requiring use of GN emergency health services	· Incidents	· Agnico Eagle	✓
9.2 Use of public infrastructure			
Estimates of use of public physical infrastructure directly related to Project (airports, port, meeting facilities, roads)	· Infrastructure use by type	· Agnico Eagle	✓

⁴ Government data for this indicator is currently unavailable, however other sources such as the May 2019 study "Food insecurity in Nunavut following the introduction of Nutrition North Canada" will be used to provide context and analysis

9.3 Social assistance			
Per capita social assistance expenditures by Kivalliq community	· Dollars	· GN Department of Family Services	
Percentage of households receiving social assistance by Kivalliq community	· Percentage of households	· GN Department of Family Services	

10. Nunavut economy

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
10.1 Royalties and taxes			
Project compensation, royalties and taxes paid	· Dollars	· Agnico Eagle	✓
10.2 Trade balance			
Nunavut Trade Balance	· Dollars	· StatsCan	
10.3 Nunavut GDP			
Nunavut GDP (all industries), Nunavut GDP (mining, quarrying and oil & gas)	· Dollars	· StatsCan	

11. Gender NEW

INDICATORS / METRICS	UNIT(S)	SOURCE	PROJECT-SPECIFIC
11.1 Gender-specific initiatives			
Overview and assessment of gender-specific initiatives	· Varied / Qualitative	· Agnico Eagle	
11.2 Project employment by gender			
Project employment (gender; Inuit & non-Inuit)	· Employees · Person-hours	· Agnico Eagle	✓
Project contractor employment (gender; Inuit & non-Inuit)	· Employees · Person-hours	· Agnico Eagle	✓
11.3 Project employment by gender and skill level			
Project employment by skill level (gender; Inuit & non-Inuit)	· Employees	· Agnico Eagle	✓

Reporting approach

Annual Socio-Economic Monitoring Reports will report on the VSECs and associated indicators presented in the previous section overtime (noting constraints in some baseline data). Reporting will provide project-specific data to ensure the requirements of individual project certificates are adequately met. Additionally, whenever possible, the annual report will provide a cumulative / regional lens to better identify and assess the effects of Agnico's projects on the Kivalliq region. The annual report will aim to reconcile the complexity of presenting multi-project data with the need for clear, accurate and actionable reporting outcomes.

For each VSEC, the report will describe existing Agnico programs and practices that are relevant to performance (enhancing benefits or mitigating impacts) for indicators associated with that VSEC.

For each indicator, the report will address the following:

- **Prediction:** Provide the prediction from the projects' FEIS against which the indicator will be assessed. This will include directionality and magnitude as well as specific targets/levels, where available.
- **Data and Trends:** Present and describe the indicator data in a clear manner through the use of charts, tables and text.
- **Interpretation:** Analyse the data and assess trends against the specific indicator prediction and impact / goal statements, more generally. Where possible, examine changes in trends over time with respect to the periods before and after the commenced operation, recognizing that isolating the effects of individual projects will become challenging with multiple operations in the region.
- Applicable Project Certificate Term and Condition

Appendix A: Project List

PROJECT	PROJECT CERTIFICATE CONDITION
1. Meadowbank Gold Mine	<p>Meadowbank Project Certificate, Condition 64</p> <p>“Cumberland⁵ 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.</p> <p>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 Office.”</p>
2. Meliadine Gold Mine	<p>Meliadine Project Certificate, Condition 89</p> <p>“The Proponent shall develop the Meliadine Socio-economic Monitoring Program to monitor the predicted impacts outlined in the FEIS as well as regional concerns identified by the Kivalliq Socio-economic Monitoring Committee (SEMC). Where possible, the Proponent is encouraged to work in collaboration with all other socio-economic stakeholders such as the KIA, GN, AANDC and the communities of the Kivalliq region in developing this program, which should include a process for adaptive management and mitigation in the event unanticipated impacts are identified. Details of the Meliadine Socio-economic Monitoring Program are to be provided to the NIRB upon finalization, and within one year of issuance of the Project Certificate.”</p>
3. Whale Tail Pit	<p>Whale Tail Project Certificate, Condition 46</p> <p>“The Proponent should develop a Project-specific Whale Tail Pit Socio- Economic Monitoring Program designed to:</p> <ul style="list-style-type: none"> • Monitor for project-induced effects, including the impacts predicted in the Environmental Impact Statement through indicators presented in the Whale Tail Pit Socio-Economic Monitoring Plan; • Reflect regional socio-economic concerns identified by the Kivalliq Socio-Economic Monitoring Committee (KivSEMC); • Work in collaboration with all other socio-economic stakeholders such as the Kivalliq Inuit Association, the Government of Nunavut, and Indigenous and Northern Affairs Canada, and the communities of the Kivalliq region to develop the program; and • Include a process for adaptive management and mitigation to respond if unanticipated impacts are identified” • Monitor the success of existing and newly implemented gender-specific initiatives to determine their success and why they were considered successful or to identify any challenges to their implementation. 

⁵ Agnico Eagle acquired the Meadowbank property from Cumberland in 2007

Appendix B: Working Group Terms of Reference

'AGNICO EAGLE MINES LIMITED ('AEM') PROJECTS SOCIO-ECONOMIC MONITORING WORKING GROUP TERMS OF REFERENCE' Attached separately.