

DRAFT



Hope Bay Project

2022 Socio-economic Monitoring Program Report

July 2023

Project No.: 0684264-01

July 2023

Hope Bay Project

2022 Socio-economic Monitoring Program Report

ERM Consultants Canada Ltd.

#1000 - 1100 Melville Street
Vancouver, BC
Canada V6E 4A6

T: +1 604 689 9460

F: +1 604 687 4277

© Copyright 2023 by The ERM International Group Limited and/or its affiliates ("ERM").
All rights reserved. No part of this work may be reproduced or transmitted in any form,
or by any means, without the prior written permission of ERM.

EXECUTIVE SUMMARY

The Hope Bay Project includes the Doris Mine (in care and maintenance), the Madrid-Boston (Phase 2) Project (under construction), and other mineral exploration and development within the Hope Bay Greenstone Belt. The Hope Bay Socio-economic Monitoring Program (SEMP) is conducted annually in compliance with the Terms and Conditions for socio-economic monitoring and reporting, as applicable to the Doris Mine (Amendment No. 2 of Project Certificate No. 003) and the Madrid-Boston Project (Project Certificate No. 009) issued by the Nunavut Impact Review Board (NIRB).

The objectives of the SEMP are to verify the accuracy of socio-economic impact predictions made in the Doris North Final Environmental Impact Assessment (FEIS) and Madrid-Boston FEIS and to determine the effectiveness of planned mitigation measures.

The SEMP consists of 60 socio-economic indicators. Agnico Eagle provides data for 42 indicators. The remaining community-level indicators require data from other sources, including the Government of Canada (GC), Government of Nunavut (GN), Nunavut Housing Corporation (NHC), Royal Canadian Mounted Police (RCMP), and Nunavut Arctic College (NAC).

2022 Project Overview

On February 18, 2022, Agnico Eagle announced its decision to place the Doris Mine into Care and Maintenance and suspend production at the Project. On March 30, 2022, Agnico Eagle provided the NRB with a formal written notice of Care and Maintenance for the Doris-Madrid operations under Part J, Item 4 of the Water Licence. Care and Maintenance at Doris and Madrid includes the temporary suspension of ore extraction at Doris and Madrid and milling operation at the Doris Mine. Care and maintenance activities continued throughout 2022.

Agnico Eagle also continued exploration activities in 2022 as well as the management and modification of facilities to remain in regulatory compliance with various permits, licenses, and approvals for the Project (e.g., updates to the Boston camp).

Agnico Eagle is undertaking a strategic review of the planned activities at the Hope Bay Project and will confirm appropriate schedule for the Project once available.

Updates to the SEMP Plan and the SEMP Report

Because the Hope Bay Project was placed under care and maintenance, the SEMP Plan that guides the SEMP Report required updates to align the Plan with all phases of the Project (construction, operation, and temporary and final closure). These updates were prepared in 2022, with the Plan to be finalized in 2023. Key updates to the Plan included adding additional metrics to monitor the impacts of the Project during care and maintenance, additional mitigation measures to mitigate the reduction in Project benefits during care and maintenance, and incorporation of additional information collection methods. These new metrics and mitigation measures, as well as collection methods, are incorporated in this 2022 SEMP Report.

Report Highlights

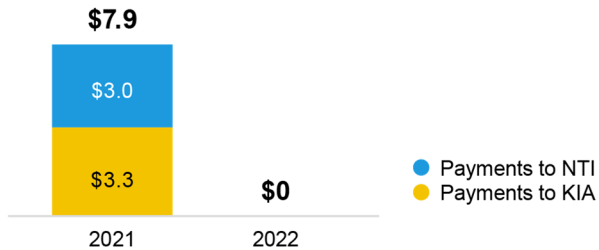
The 2022 SEMP Report highlights are summarized in the following pages.



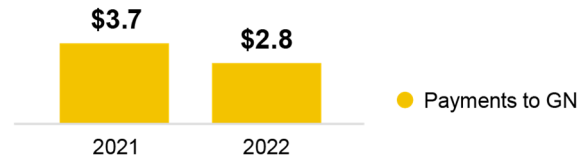
Economic Development

Agnico Eagle payments of taxes and contributions to the Kitikmeot Inuit Association (KIA) and Nunavut Tunngavik Incorporated (NTI) facilitate greater economic activity than would be possible without the Project and help to promote the social, economic, and cultural well-being of Inuit in Nunavut.

In 2022, because the Project was placed under care and maintenance and no revenue was earned from Project production, no payments were made to Inuit organizations:



In 2022, GN directly received \$2.8 million in tax payments from the Project, representing a **23% decrease** from \$3.7 million in 2021:

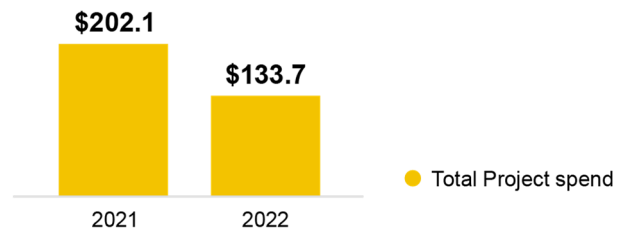


In 2022, Agnico Eagle paid **\$5.7 million** in OPEX, **\$22.1 million** in CAPEX, **\$39.9 million** in care and maintenance expenditures, and **\$42.5 million** in exploration and corporate costs. The Project continues to contribute to the Nunavut economy through direct and spin-off opportunities, although at a lesser rate than when the Doris Mine was in operation.



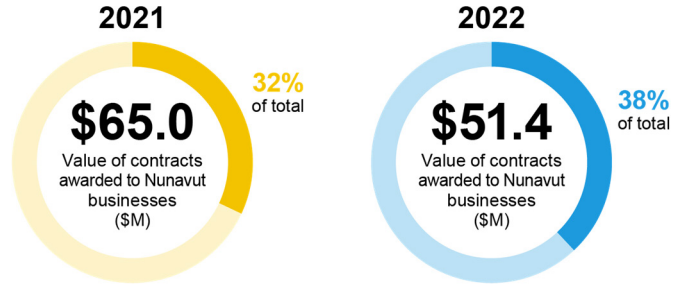
Contracting and Business Expenditures

In 2022, the Project's total spend on contracts **decreased to \$133.7 million (or by 34%)** with the placement of the Project under care and maintenance, and suspension mining activities:



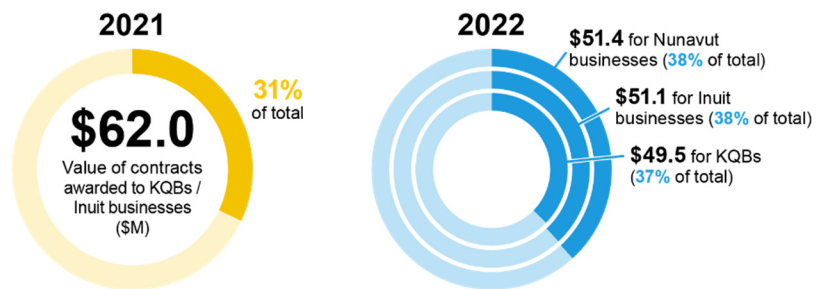
In 2022, the Project awarded **\$51.4 million in contracts to Nunavut-based businesses**, representing 38% of the total value of contracts awarded that year.

The total to-date Project spend on contracts with Nunavut-based businesses is **\$369.8 million**.



The Project awarded **\$51.1 million** in contracts to Inuit businesses, representing 38% of the total spent. The **27 contracts with NTI businesses** in 2022 included eight NTI businesses from outside the Kitikmeot.

The remaining **19 contracts were awarded to KQBs** with a combined value of **\$49.5 million**, representing 37% of the total value of contracts awarded that year.



In 2022, there were **29 KQBs** on the Hope Bay list, which is the same as in 2021.

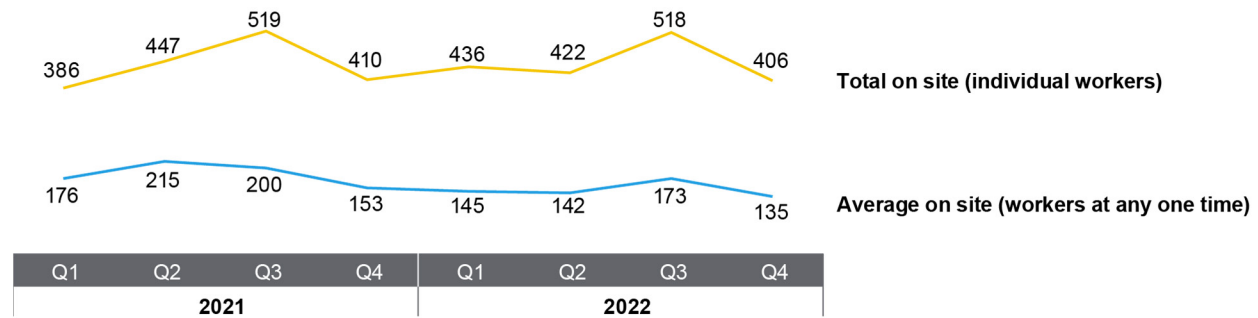
In March 2022, there were **93 NTI-registered Inuit-owned firms** in the Kitikmeot, representing an **increase from 83 in 2021**.

Of the 12 KQBs that provided services in 2021 to Hope Bay, **11 KQBs continued to provide services in 2022** when the Project was placed under care and maintenance.



Employment

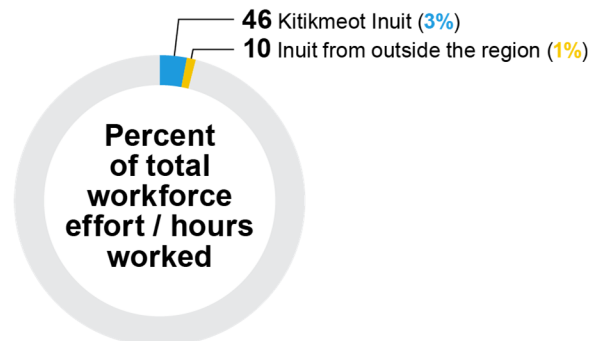
The implementation of care and maintenance at the Project in February of 2022 continued the lower levels of employment at the Project from 2021 when Nunavut-based employees (direct and contractor) were not allowed at the Project to protect Nunavut communities from the spread of COVID-19. Total employment in 2022 was as following:



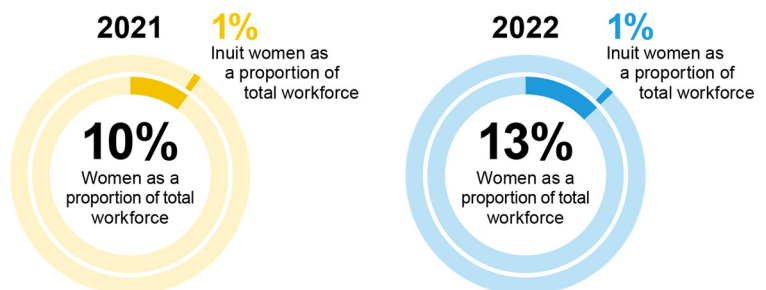
The return of the Nunavummiut workforce to Hope Bay in June and July of 2022 allowed the Hope Bay Project to resume its local hiring practices. Agnico Eagle, in addition to those already working at the Project in 2022, hired 15 Inuit employees and contractors working for Hope Bay hired an additional 18 Inuit employees.

In 2022, **46 Kitikmeot Inuit (3% of total workforce effort)** and **10 Inuit from outside the region (1% of total workforce effort)** worked at the Project.

The placement of the Hope Bay Project under care and maintenance allowed **two Kitikmeot Inuit** to be moved from operation-specific positions to care and maintenance. **Two other Inuit, residing in Edmonton**, who previously worked at Hope Bay were redeployed to other Agnico Eagle projects (Meliadine and Kirkland Lake).



Female participation in Project employment has been relatively low, and has also been affected by the placement of the Project under care and maintenance. Agnico Eagle has several practices in place to encourage the employment and retention of women and expects to have the opportunity to hire more women and increase the number of hours worked by women as the Project becomes operational again.

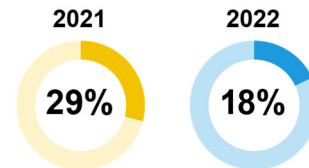




In 2022, total payroll at the Project reached **\$16.8 million**, with **\$0.9 million of that paid to Inuit workers**. To compare, in 2021, **\$25.4 million** was paid in total income, with **\$1.7 million paid to Inuit**.

Kitikmeot Inuit earned \$577,950 in employment income, for a total employment income paid to all Inuit workers of \$889,374.

Lower turnover for Inuit employees in 2022 likely resulted from the lower rate of employment of Inuit due to limited activities at the Project consisting of care and maintenance and exploration activities.

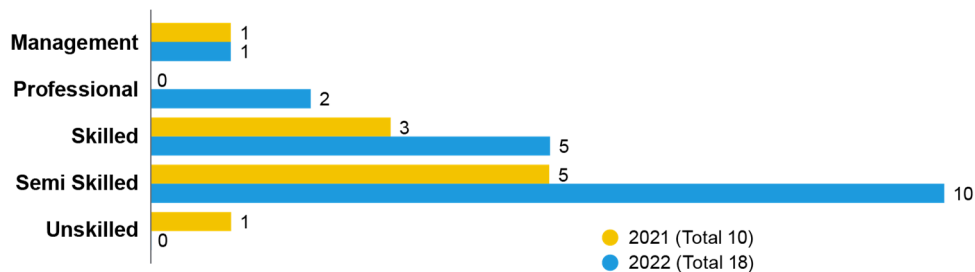


In 2022, there was **one lost time incident** that involved a driller who experienced a partial shoulder dislocation.

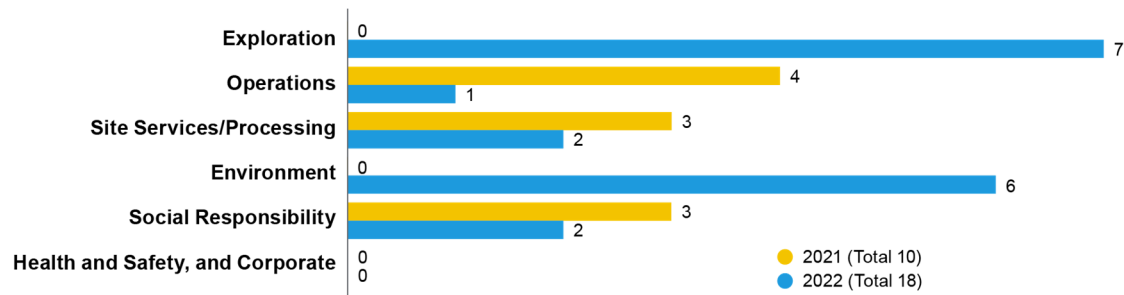
In 2022, despite the placement of the Project under care and maintenance, **13,193 hours** of training were delivered to Project employees, including **2,294 hours of training delivered to Inuit employees** (which represented 17% of total training).



Inuit employees hold a mix of semi-skilled and skilled positions, while being underrepresented in professional and management positions.



By departments, Inuit employees worked most in exploration and environment.



In 2022, three Kitikmeot residents left temporary positions they had in community roles (with the GN and Hamlets) to obtain employment with Agnico Eagle at the Hope Bay Project. One Hope Bay employee left employment with Agnico Eagle to work in Yellowknife.



Education and Training

Post-Secondary Education

In the 2022/23 school year, the Kitikmeot NAC campus did not offer any mining-related courses and pre-trades were not available in the region. Industrial trades such as culinary arts, and trades and technology courses including environmental technology, skilled trades, and apprenticeship were available in Rankin Inlet. Closure and reclamation programs/courses or post-closure monitoring programs/courses were neither offered by NAC in the 2022/23 school year in the Kitikmeot region, nor elsewhere in Nunavut.

For the 2022/23 school year, 11 students enrolled from Cambridge Bay, two from Gjoa Haven, and two from Taloyoak in programs including social work, college foundation, Nunavut Teacher Education Program (NTEP) and Adult Basic Education (ABE).

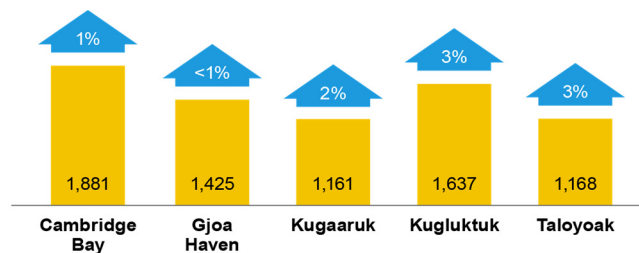


In 2022, Agnico Eagle hosted a two-week Smart Ice Training program at the Cambridge Bay office.



Population and Demographics

In 2022, population by community was as follows (% in arrows show the 2021-2022 estimated change in population):





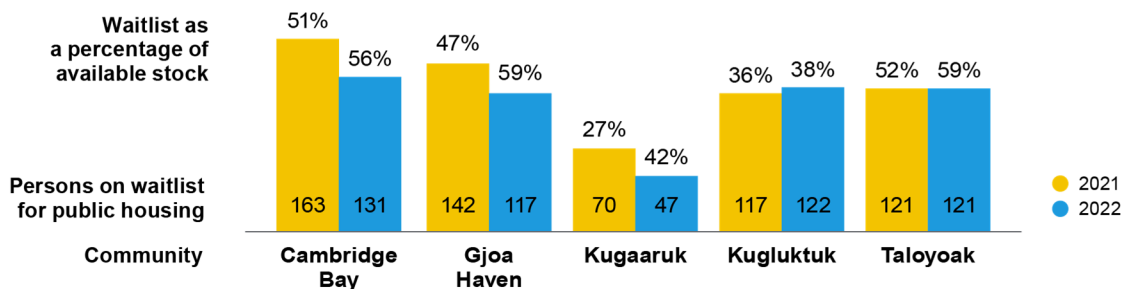
In 2022, one employee moved from Kugluktuk to Cambridge Bay when he started working at Hope Bay. No employees moved from the South to Cambridge Bay or Kugluktuk. One Project employee moved from Edmonton to Gjoa Haven, while two moved from Kugluktuk, one to Edmonton and one to Yellowknife.

In-migration to Kitikmeot communities as a result of the Project is minimal and the Project does not appear to be a driver for population growth as growth is highest in low employment communities.



Community Infrastructure and Public Services

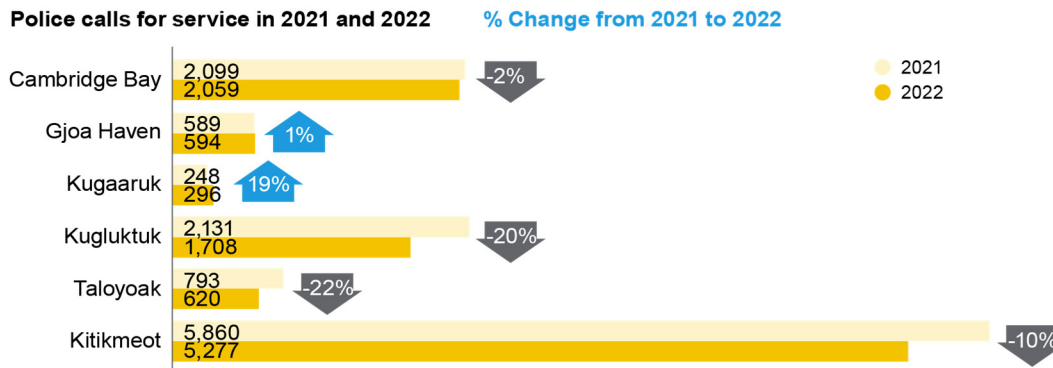
Demand for public housing remains an issue in the Kitikmeot, with Taloyoak, Cambridge Bay, Gjoa Haven and Kugaaruk rated as “critical” in terms of housing need, and Kugluktuk rated as “high”. While the number of people waiting for public housing has been generally increasing, it does not appear that the Project has affected the demand for public housing.



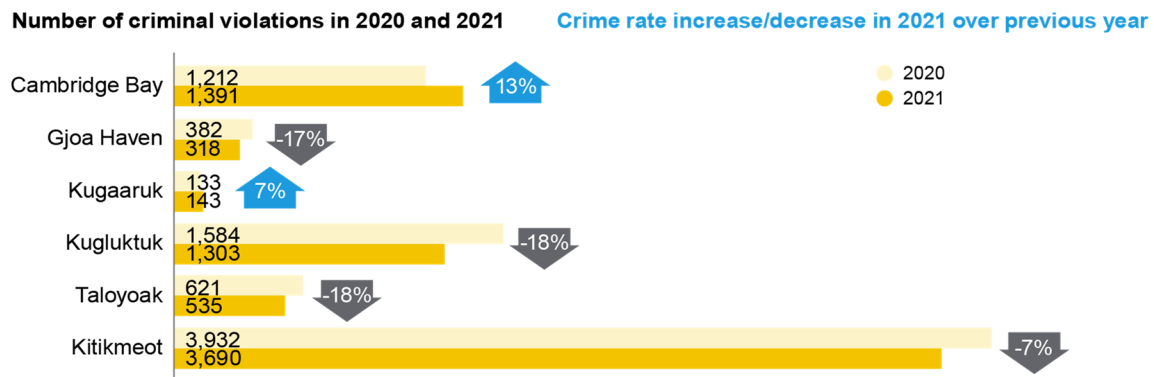
In 2022, **two Nunavut Down Payment Assistance Program (NDAP) applications were approved - one in Cambridge Bay and one in Gjoa Haven**. There is no evidence the Project has affected the number of NDAP applications.

The Project did not use emergency medical services in 2022.

The overall number of calls for police service decreased in 2022 by 10% and varied by community:



The overall crime rate in the Kitikmeot decreased by 7% from 2020 to 2021 (2021 is the latest year for which this data was available at the time this report was prepared). While the general crime rate in the Kitikmeot is on par with the crime rate in Nunavut, both are substantially higher than the average crime rate for Canada.



A direct correlation between changes in Project-related employment and income, and changes in the demand for police services and crime in the Kitikmeot **is not evident**.



Individual and Community Health and Wellness

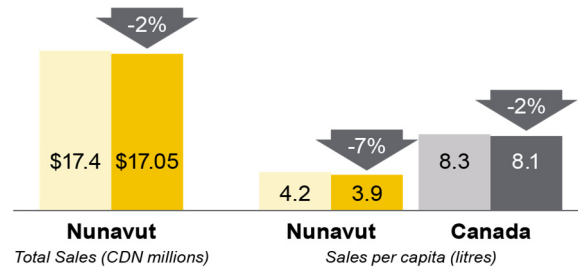
There were **four Inuit who left direct Project employment in 2022**. Of those, one was dismissed with cause, two resigned due to either finding another job or dissatisfaction with the job, and one termination related to a company reorganization.

Financial literacy training was not offered in 2022. Agnico Eagle will consider alternative program delivery options to increase interest and participation in financial literacy training in the future.



The **Country Food Kitchen** continued to be used by Agnico Eagle employees and contractors; however, country foods were not served by the Project canteen.

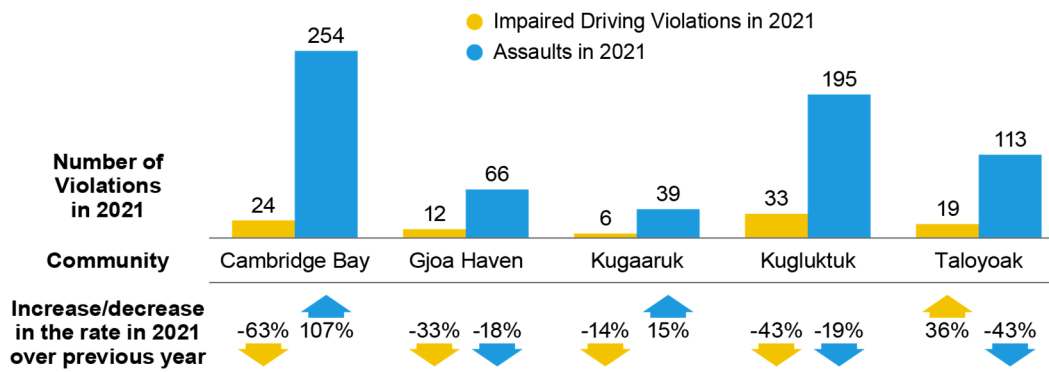
Sales of alcoholic beverages drastically increased in Nunavut with the opening of the first beer and wine store in Iqaluit in 2019. The second store opened in Rankin Inlet in December 2021, but the overall impact on alcohol sales appears minimal. There is no beer and wine store in the Kitikmeot.



In 2021 (the latest year for which crime data is available), there was an **overall decrease in the number and rate of impaired driving violations** in all communities, except for Taloyoak.



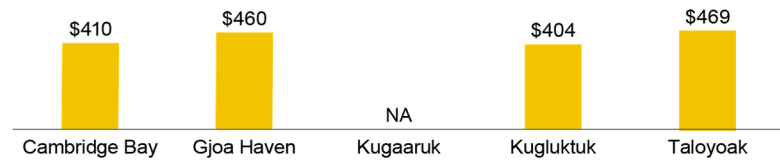
The number and rate of assaults **increased in Cambridge Bay and Kugaaruk**, but **decreased in other communities**.



Drug-related violations remain minimal in Kitikmeot communities after the legalization of marijuana in 2018. It is challenging to assess the effect of Project income on the number of violations in each community; however, a possible positive correlation cannot be discounted.

In March 2021, compared with March 2020, **the cost of the RNFB decreased in Cambridge Bay, Kugluktuk, and Taloyoak**, while it remained unchanged in Gjoa Haven; the RNFB is not available for Kugaaruk. **This general decrease in the cost of the RNFB contradicts the average inflation rate in Canada** that increased by 1.4% over the same period – March 2020 to March 2021. Inflation in Canada covering the entire year (January to December 2021) suggests a much higher inflation of 4%. Thus, it is possible that the cost of the RNFB increased towards the end of 2021. Similar information for 2022 was not available.

Cost of the Revised Northern Food Basket 2021



% change in the cost of the Revised Northern Food Basket in 2021 over last year



ACKNOWLEDGEMENTS

This report was prepared for Agnico Eagle Ltd. by Klaudia Sieminska (B.A., M.A.) of ERM Consultants Canada Ltd. (ERM). Stephanie Mayer (M.E.S.) was the Partner-in-Charge. The substantial help and information provided by Alex Buchan, Dany Jutras, and others at Agnico Eagle is gratefully acknowledged.

CONTENTS

EXECUTIVE SUMMARY	I
ACKNOWLEDGEMENTS.....	XI
ACRONYMS AND ABBREVIATIONS	XIX
1. INTRODUCTION.....	1-1
1.1 Hope Bay Project Overview	1-1
1.2 Description of Socio-economic Monitoring Program	1-3
1.2.1 Compliance Requirements	1-3
1.2.1.1 Nunavut Land Claims Agreement	1-3
1.2.1.2 Socio-economic Monitoring Program	1-3
1.2.2 Kitikmeot Region Socio-economic Monitoring Committee	1-4
1.2.3 Inuit Impact and Benefit Agreement	1-4
1.2.3.1 Inuit Impact and Benefit Agreement Implementation Committee	1-5
1.2.4 Project Socio-economic Management and Mitigation.....	1-5
1.2.4.1 Agnico Eagle Relevant Policies	1-6
1.3 Purpose of this Report	1-8
1.4 Structure of this Report	1-9
2. METHODS.....	2-1
2.1 Indicators	2-1
2.2 Data Analysis and Interpretation	2-8
2.2.1 Quantitative Data	2-8
2.2.2 Qualitative Information	2-8
2.2.3 Charts, Graphs, and Infographics	2-9
2.2.4 Community Data Challenges.....	2-9
3. ECONOMIC DEVELOPMENT	3-1
3.1 Growth of Revenues to Inuit Organizations.....	3-1
3.1.1 Predictions	3-1
3.1.2 Results	3-1
3.1.3 Interpretation	3-2
3.2 Growth in Revenues to the Government of Nunavut.....	3-2
3.2.1 Predictions	3-2
3.2.2 Results	3-2
3.2.3 Interpretation	3-2
3.3 Growth in Mining Industry Expenditures.....	3-3
3.3.1 Predictions	3-3
3.3.2 Results	3-3
3.3.3 Interpretation	3-5
3.4 Effects Management and Mitigation	3-5

4.	CONTRACTING AND BUSINESS EXPENDITURES	4-1
4.1	Procurement Expenditures.....	4-1
4.1.1	Predictions	4-1
4.1.2	Results	4-1
4.1.3	Interpretation	4-2
4.2	Procurement from Nunavut Businesses.....	4-2
4.2.1	Predictions	4-2
4.2.2	Results	4-2
4.2.3	Interpretation	4-2
4.3	Procurement from Kitikmeot Businesses	4-3
4.3.1	Predictions	4-3
4.3.2	Results	4-3
4.3.3	Interpretation	4-3
4.4	Procurement from Inuit Firms.....	4-4
4.4.1	Predictions	4-4
4.4.2	Results	4-4
4.4.3	Interpretation.....	4-5
4.5	Business Development	4-5
4.5.1	Predictions	4-5
4.5.2	Results	4-5
4.5.3	Interpretation.....	4-12
4.6	Effects Management and Mitigation.....	4-12
5.	EMPLOYMENT	5-1
5.1	Overall Employment.....	5-1
5.1.1	Predictions	5-1
5.1.2	Results	5-1
5.1.3	Interpretation.....	5-3
5.2	Inuit and Kitikmeot Employment.....	5-3
5.2.1	Predictions	5-3
5.2.2	Results	5-4
5.2.3	Interpretation	5-7
5.3	Gender Equity	5-7
5.3.1	Predictions	5-7
5.3.2	Results	5-8
5.3.3	Interpretation	5-9
5.4	Employment Income	5-10
5.4.1	Predictions	5-10
5.4.2	Results	5-10
5.4.3	Interpretation	5-12
5.5	Employee Retention.....	5-12
5.5.1	Predictions	5-12
5.5.2	Results	5-12

5.5.3	Interpretation	5-13
5.6	Worker Health and Safety	5-13
5.6.1	Predictions	5-13
5.6.2	Results	5-14
5.6.3	Interpretation	5-15
5.7	On-the-Job Training	5-15
5.7.1	Predictions	5-15
5.7.2	Results	5-15
5.7.3	Interpretation	5-17
5.8	Apprenticeships	5-18
5.8.1	Predictions	5-18
5.8.2	Results	5-18
5.8.3	Interpretation	5-18
5.9	Skill Levels	5-18
5.9.1	Predictions	5-18
5.9.2	Results	5-18
5.9.3	Interpretation	5-21
5.10	Retention of Skilled Workers in Community Roles	5-21
5.10.1	Predictions	5-21
5.10.2	Results	5-21
5.10.3	Interpretation	5-22
5.11	Effects Management and Mitigation	5-22
6.	EDUCATION AND TRAINING	6-1
6.1	Availability of Post Secondary Education	6-1
6.1.1	Predictions	6-1
6.1.2	Results	6-1
6.1.3	Interpretation	6-2
6.2	Participation in Post Secondary Education	6-2
6.2.1	Predictions	6-2
6.2.2	Results	6-2
6.2.3	Interpretation	6-5
6.3	Investment in Education	6-5
6.3.1	Predictions	6-5
6.3.2	Results	6-5
6.3.3	Interpretation	6-6
6.4	Understanding of Employment Opportunities	6-6
6.4.1	Predictions	6-6
6.4.2	Results	6-6
6.4.3	Interpretation	6-7
6.5	High-School Participation	6-7
6.5.1	Predictions	6-7
6.5.2	Results	6-7

6.5.3	Interpretation	6-9
6.6	High School Completion	6-9
6.6.1	Predictions	6-9
6.6.2	Results	6-10
6.6.3	Interpretation	6-10
6.7	Effects Management and Mitigation	6-11
7.	POPULATION DEMOGRAPHICS	7-1
7.1	Population Stability	7-1
7.1.1	Predictions	7-1
7.1.2	Results	7-1
7.1.3	Interpretation	7-3
7.2	Effects Management and Mitigation	7-4
8.	COMMUNITY INFRASTRUCTURE AND PUBLIC SERVICES	8-1
8.1	Housing Availability	8-1
8.1.1	Predictions	8-1
8.1.2	Results	8-1
8.1.3	Interpretation	8-3
8.2	Housing Status	8-3
8.2.1	Predictions	8-3
8.2.2	Results	8-4
8.2.3	Interpretation	8-4
8.3	Project Use of Emergency Services	8-4
8.3.1	Predictions	8-4
8.3.2	Results	8-4
8.3.3	Interpretation	8-4
8.4	Demand for Health and Social Services	8-5
8.4.1	Predictions	8-5
8.4.2	Results	8-5
8.4.3	Interpretation	8-7
8.5	Demand for Police Services	8-8
8.5.1	Predictions	8-8
8.5.2	Results	8-8
8.5.3	Interpretation	8-11
8.6	Effects Management and Mitigation	8-11
9.	INDIVIDUAL AND COMMUNITY HEALTH AND WELLNESS	9-1
9.1	Work-Life Balance	9-1
9.1.1	Predictions	9-1
9.1.2	Results	9-1
9.1.3	Interpretation	9-2
9.2	Household Financial Management	9-3
9.2.1	Predictions	9-3

9.2.2	Results	9-3
9.2.3	Interpretation	9-3
9.3	Spending Decisions and Lifestyle Choices	9-3
9.3.1	Predictions	9-3
9.3.2	Results	9-4
9.3.3	Interpretation	9-8
9.4	Country Foods Consumption	9-8
9.4.1	Predictions	9-8
9.4.2	Results	9-8
9.4.3	Interpretation	9-9
9.5	Food Security	9-9
9.5.1	Predictions	9-9
9.5.2	Results	9-9
9.5.3	Interpretation	9-11
9.6	Household Economic Self-sufficiency	9-12
9.6.1	Predictions	9-12
9.6.2	Results	9-12
9.6.3	Interpretation	9-12
9.7	Effects Management and Mitigation	9-13
10.	CONCLUSIONS	10-1
10.1	Summary of Results	10-1
10.2	Management Response	10-1
11.	REFERENCES	11-1

APPENDIX A SUMMARY OF PROJECT ACTIVITIES, 2013 TO 2022

List of Tables

Table 2.1-1: Valued Socio-economic Components (VSECs).....	2-1
Table 2.1-2: Socio-economic Indicators	2-3
Table 3.3-1: Project Expenditures (\$M)	3-4
Table 3.3-2: Project Revenue and Expenditures in 2021 and in 2022 (\$000)	3-4
Table 3.4-1: Economic Development Management and Mitigation Measures.....	3-6
Table 4.2-1: Contracts Awarded to Nunavut Businesses (\$M), 2017 to 2022	4-2
Table 4.3-1: Contracts Awarded to Kitikmeot Businesses (\$M), 2017 to 2022.....	4-3
Table 4.4-1: Contracts Awarded to Inuit Businesses (\$M), 2017 to 2022.....	4-4
Table 4.5-1: Profile of Registered Inuit Firms in the Kitikmeot Region, 2022.....	4-7
Table 4.5-2: KQB's Providing Services to the Hope Bay Project.....	4-11
Table 4.6-1: Contracting and Business Expenditures Management and Mitigation Measures	4-12
Table 5.4-1: Total Agnico Eagle Payroll for Inuit Employees by Community, 2017, 2018, 2019, and 2022.....	5-11
Table 5.6-1: Hope Bay Project Lost Time Incidents, 2014 to 2022.....	5-14

Table 5.6-2: Hope Bay Project Injuries, 2017 to 2022	5-14
Table 5.7-1: On-the-Job Training Courses, 2018 to 2022	5-16
Table 5.7-2: On-the-Job Training Courses delivered to Inuit Employees, 2018 to 2022	5-16
Table 5.11-1: Employment Management and Mitigation Measures.....	5-23
Table 6.7-1: Education and Training Management and Mitigation Measures.....	6-11
Table 7.2-1: Population Stability Management and Mitigation Measures	7-4
Table 8.6-1: Infrastructure and Public Services Management and Mitigation Measures	8-11
Table 9.7-1: Health and Wellness Management and Mitigation Measures.....	9-14
Table 10.1-1: Key 2022 SEMP Results	10-2

List of Figures

Figure 1.1-1: Hope Bay Project Location	1-2
Figure 3.1-1: Payments to Inuit Organizations (\$M)	3-1
Figure 3.2-1: Payments to the Government of Nunavut (\$M)	3-3
Figure 3.3-1: Nunavut Gross Domestic Product (\$M).....	3-5
Figure 4.1-1: Total Project Spend (\$M), 2017 to 2022	4-1
Figure 4.5-1: NTI Registered Inuit-owned Firms and KQBs in Kitikmeot, 2017 to 2022	4-6
Figure 5.1-1: Number of Project Employees and Contractors, 2013 to 2022	5-2
Figure 5.1-2: Workforce Effort by Project Employees and Contractors, 2014 to 2022	5-2
Figure 5.2-1: Inuit and Kitikmeot Employment (Average Number of Workers and Percent of Total Workforce), 2018 to 2022.....	5-4
Figure 5.2-2: Project Workforce Effort (Employees and Contractors), 2018 to 2022.....	5-5
Figure 5.2-3: Kitikmeot Workers (Number and Percent of Total Workforce) by Community, 2018 to 2022	5-6
Figure 5.3-1: Workforce Effort by Women, 2015 to 2022	5-8
Figure 5.3-2: Workforce Effort by Inuit Women, 2018 to 2022.....	5-9
Figure 5.4-1: Total Agnico Eagle Payroll (Kitikmeot-based and On-site, \$M), 2015 to 2022	5-11
Figure 5.5-1: Turnover Rate for All Employees and for Inuit Employees, 2017 to 2022	5-12
Figure 5.9-1: Inuit Workers (Agnico Eagle) by Category, 2018 to 2022	5-19
Figure 5.9-2: Inuit Workers (Agnico Eagle) by Department, 2016 to 2022	5-20
Figure 6.2-1: Enrollment at the NAC by Campus	6-3
Figure 6.2-2: Enrollment by NAC Program	6-4
Figure 6.2-3: Student Enrollment per Program, NAC 2019/20	6-4
Figure 6.5-1: Public School Enrollment by Community (Total and Rate per 100,000 Persons), 2003 to 2018	6-8
Figure 6.5-2: Kitikmeot Public School Enrollment by Grade, 2003 to 2017	6-9
Figure 6.6-1: Secondary School Graduates by Community, 2001/02 to 2017/18.....	6-10
Figure 7.1-1: Population by Community and in the Kitikmeot Region (Estimate and Percentage Change from Previous Year), 2001 to 2022.....	7-3
Figure 8.1-1: Number of People on the Public Housing Waitlist – Total and as a Percentage of Available Public Housing Stock.....	8-2

Figure 8.4-1: Health Centre Visits by Community and Region (Total and per Capita), 2003 to 2016.....	8-6
Figure 8.4-2: Social Assistance Average Monthly Caseload by Community (Total and per 100,000 Persons), 2004 to 2018.....	8-7
Figure 8.5-1: Police Calls for Service (Total and per Capita), 2010 to 2022.....	8-9
Figure 8.5-2: Criminal Code Violations for the Kitikmeot Region and by Community (Total Number and per 100,000 Persons), 2001 to 2021.....	8-10
Figure 9.3-1: Sale of Alcoholic Beverages in Nunavut, 2004/05 to 2021/22.....	9-4
Figure 9.3-2: Impaired Driving Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021.....	9-5
Figure 9.3-3: Drug-Related Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021.....	9-6
Figure 9.3-4: Assault-Related Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021.....	9-7
Figure 9.5-1: NFPS – Comparison of 24 Select Food Items Basket, 2014 to 2018.....	9-10
Figure 9.5-2: Cost of the Revised Northern Food Basket (\$), 2012 to 2021.....	9-11
Figure 9.6-1: Low Income Families and Non-family Persons (Total and as a Percentage of All Families and Non-family Persons), 2004 to 2018.....	9-13

ACRONYMS AND ABBREVIATIONS

\$M	Million Canadian Dollars
Agnico Eagle Mines	Agnico Eagle
the Belt	The Hope Bay Belt
CAPEX	Capital Expenditures
Care and Maintenance	Project activities consisting of regular site and infrastructure maintenance, and ongoing environmental monitoring to ensure a safe and stable condition. Project development and operation activities are suspended.
CIRNAC	Crown-Indigenous Relations and Northern Affairs Canada
CPA	Chartered Professional Accountants
CPI	Consumer Price Index
Doris	Doris Project (also known as the Doris North Project in regulatory approvals and permits)
EFAP	Employee and Family Assistance Program
ERM	ERM Consultants Canada Ltd.
FAI	First Aid Injury
FEIS	Final Environmental Impact Statement
GC	Government of Canada
GN	Government of Nunavut
HR	Human Resources
HSLP	Health Safety and Loss Prevention
IIBA	Inuit Impact and Benefit Agreement
INAC	Indigenous and Northern Affairs Canada (now CIRNAC)
Inuit	Aboriginal peoples of northern Canada and Greenland. In the context of Nunavut, those with status under the Nunavut Agreement.
IC	Implementation Committee of the IIBA
IET	Inuit Employment Targets
ITT	Inuit Training Targets
ITK	Inuit Tapiriit Kanatami
IQ	Inuit Qaujimajatuqangit
KIA	Kitikmeot Inuit Association
KitSEMC	Kitikmeot Socio-Economic Monitoring Committee

KQB	Kitikmeot Qualified Businesses
MAI	Medical Aid Injury
MMC	Miramar Mining Corporation. The parent company that owned the Doris Project prior to Hope Bay Mining Limited.
NAC	Nunavut Arctic College
NAICS	North American Industry Classification System
NDAP	Nunavut Down Payment Assistance Program
NFPS	Nunavut Food Price Survey
NHC	Nunavut Housing Corporation
NIRB	Nunavut Impact Review Board
Non-KQB	Other Kitikmeot-based businesses
NTI	Nunavut Tunngavik Incorporated
NWB	Nunavut Water Board
Nunavummiut	Residents of Nunavut
OPEX	Operating Expenditures
Phase 2 (Madrid-Boston) Project	Phase 2 represents the next stage of continued mining operations within the Hope Bay Greenstone Belt, including mining at Madrid North, Madrid South and Boston sites, supported by continued operations at Doris and Roberts Bay.
PME	Personal Mobile Equipment
RCMP	Royal Canadian Mounted Police
RWI	Restricted Work Injury
SEMWG	Socio-economic Monitoring Working Group
SEMC	Socio-economic Monitoring Committee
SEMP	Socio-economic Monitoring Program
the Project	Hope Bay Project
TIA	Tailings Impoundment Area
TMAC	TMAC Resources Inc.
TPD	Tonnes per day
VSEC	Valued Socio-economic Component

1. INTRODUCTION

1.1 Hope Bay Project Overview

Overview

Agnico Eagle Mines Limited (Agnico Eagle) holds mineral claims, leases and one Inuit Mineral Exploration Agreement that comprise an approximately 20 × 80 km property (Figure 1.1-1) in the Kitikmeot Region of Nunavut. These mineral holdings comprise the Hope Bay Belt (the Belt), on which the primary gold deposits Doris, Madrid North, Madrid South, and Boston are located.

The Hope Bay Project (“the Project”) includes the Doris Mine, the proposed Madrid-Boston Project, and other mineral exploration and development within the Belt.

In March of 2013, the Project was acquired by TMAC Resources Inc (TMAC) that owned and operated the Project until January 2021. On February 2, 2021, TMAC was purchased by Agnico Eagle Mines Limited (Agnico Eagle).

Doris Mine

The Nunavut Impact Review Board (NIRB) originally issued the Project Certificate for the Doris North Gold Project (NIRB Project Certificate No. 003) on September 15, 2006. The Project Certificate was renewed on April 11, 2013. In 2016, the Nunavut Impact Review Board (NIRB) and Nunavut Water Board (NWB) granted an amendment to the Doris North Project Certificate (NIRB Project Certificate 003, dated September 23, 2016) and Doris Type A Water Licence (NWB Type A Water Licence 2AM-DOH1323), respectively, to expand mine operations to six years and mine the full Doris deposit. Mining and milling rates were amended to a nominal 1,000 tonnes per day (tpd) to 2,000 tpd. Production at Doris Mine commenced in 2017.

Madrid-Boston Project

The Madrid-Boston (Phase 2) Project Final Environmental Impact Statement (FEIS) was submitted to NIRB in December 2017 (TMAC 2017). The FEIS final hearing was held in May 2018, and Project Certificate No. 009 was awarded on November 9, 2018. The FEIS covered the construction and operation of commercial mining at the Madrid (North and South) and Boston sites, and the continued operation of Roberts Bay and the Doris site to support mining at Madrid and Boston. Water use in 2019 was conducted in accordance with Type A Water Licence 2AM-DOH1323, the Type B Water Licences 2BB-BOS1727 for Boston, the Type B Water Licences 2BB-MAE1727 for Advanced Exploration at Madrid, and the Type B Water Licence 2BE-HOP1222 for regional exploration. Construction of Madrid-Boston began in 2019.

2022 Developments

In March of 2020, the production activities were suspended at the Project as a result of the COVID-19 pandemic with reduced operations that also continued in 2021.

On February 18, 2022, Agnico Eagle announced its decision to place the Doris Mine into Care and Maintenance and suspend production at the Project. On March 30, 2022, Agnico Eagle provided the NWB with a formal written notice of Care and Maintenance for the Doris-Madrid operations under Part J, Item 4 of the Water Licence. Care and Maintenance at Doris and Madrid includes the temporary suspension of ore extraction at Doris and Madrid and milling operation at the Doris Mine. Agnico Eagle intends to continue exploration activities (site activities) as well as management and modification of facilities to remain in regulatory compliance with various permits, licenses, and approvals for the Project. Agnico Eagle is also undertaking a strategic review of the planned activities at the Hope Bay Project and will confirm an appropriate schedule for the Project once available. Current projections suggest the Project will remain in care and maintenance until at least 2024.

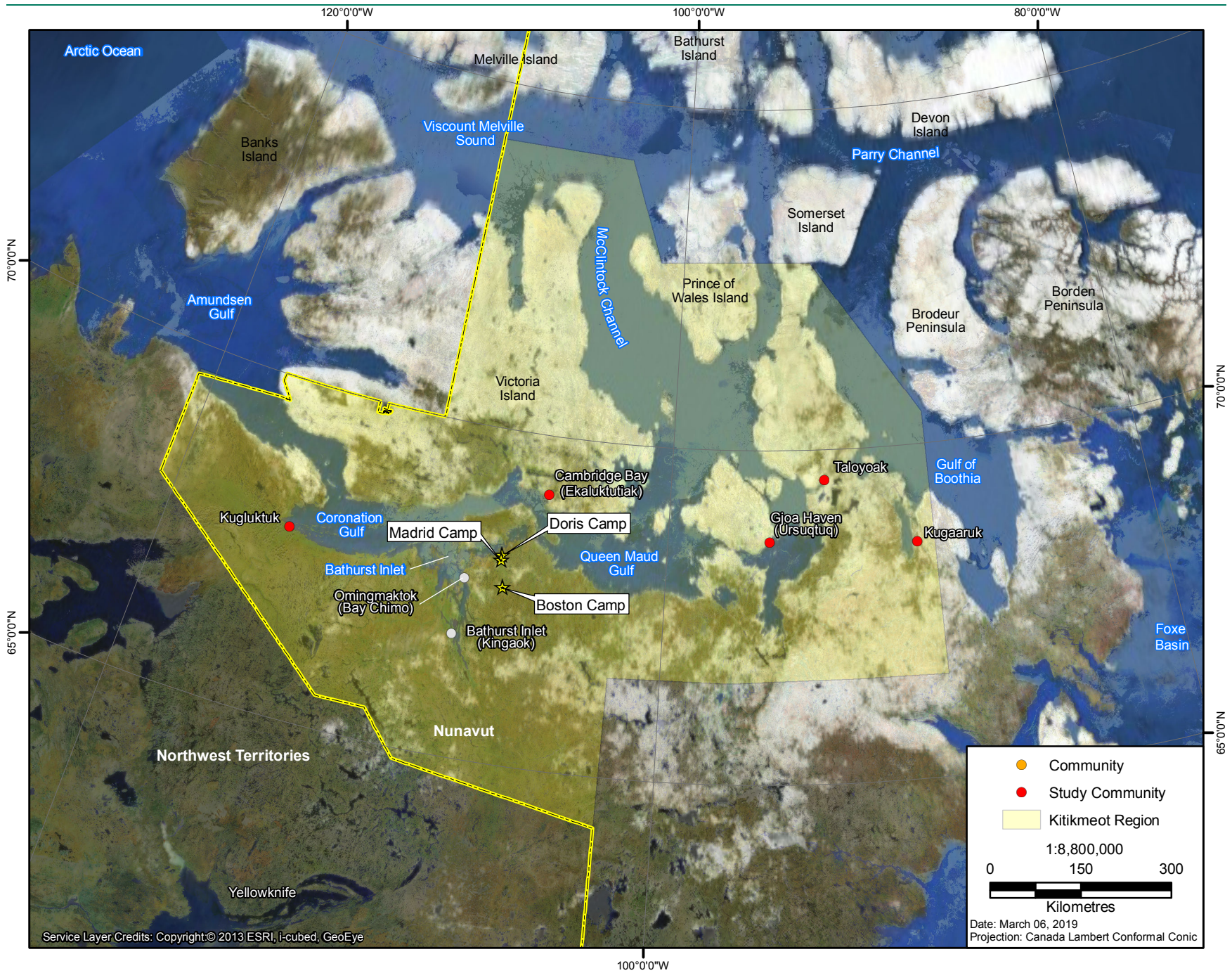


Figure 1.1-1: Hope Bay Project Location

The placement of the Doris Mine into Care and Maintenance and the suspension of production of the Project required Agnico Eagle to update the Hope Bay SEMP Plan in 2022. Term and Condition No. 35 of the Project Certificate states that “*Within six (6) months following an unanticipated temporary or final closure, and at least two (2) years prior to the planned Final Closure of the Project, the Proponent shall, in collaboration with the Hope Bay Socio-economic Working Group submit an updated Hope Bay Socio-economic Monitoring Plan to the Kitikmeot SEMC (referred to as KitSEMC) that will also include detail regarding specific measures that may mitigate the potential for negative effects as a result of the Project’s temporary or permanent closure.*” As such, in 2022, Agnico Eagle updated the Hope Bay SEMP Plan to monitor and mitigate effects of the Project as related to care and maintenance implemented in March 2022, and to align the Plan with monitoring requirements for all phases of the Project. This 2022 SEMP Report is updated to reflect the new requirements of the updated Hope Bay SEMP Plan.

A summary of Project activities from 2013 to 2022 is provided in Appendix A.

1.2 Description of Socio-economic Monitoring Program

1.2.1 Compliance Requirements

1.2.1.1 Nunavut Land Claims Agreement

Article 12 Part 7 of the Nunavut Agreement provides for the establishment of a project-specific monitoring program as part of the terms and conditions contained in a NIRB Project Certificate. Subsection 12.7.2 describes the purpose of such a monitoring program as follows:

- To measure the relevant effects of projects on the ecosystemic and socio-economic environments of the Nunavut Settlement Area;
- To determine whether and to what extent the land or resource use in question is carried out within the predetermined terms and conditions; and
- To assess the accuracy of the predictions contained in the project impact statements.

These provisions apply to NIRB Amendment No. 2 of Project Certificate No. 003 and NIRB Project Certificate No. 009.

1.2.1.2 Socio-economic Monitoring Program

The Socio-Economic Monitoring Program (SEMP) was designed to meet the requirements of Condition No. 28 of the Doris North Project Certificate (NIRB No. 003, issued on September 15, 2006 and renewed on April 11, 2013). The revised Term and Condition No. 28 of the amended Project Certificate states, in summary:

- The Hope Bay Belt Socio-Economic Monitoring Committee is continued and renamed as the Hope Bay Socio-Economic [Monitoring] Working Group (SEMWG), with invited members including Agnico Eagle (previously TMAC), the Kitikmeot Inuit Association (KIA), the Government of Nunavut (GN), Crown-Indigenous Relations and Northern Affairs Canada, and CIRNAC (previously INAC).
- The central focus of the SEMWG shall be on collaborating to ensure that the Hope Bay SEMP Plan provides for appropriate Project-specific socio-economic effects monitoring.
- The Hope Bay SEMP shall apply to the Project as described in both the 2005 FEIS and the 2015 Amendment application.
- Agnico Eagle, reflecting the input of the SEMWG, shall produce an annual Hope Bay SEMP Report.

In 2018, the Phase 2 (Madrid-Boston) Project received NIRB approval, and a new Project Certificate (November 2018) was issued for the Phase 2 Project. Term and Condition No. 34 of this new Project Certificate provides the following:

- The Proponent shall continue to be an active member in the [SEMWG]. Invited members of this Working Group shall include the Proponent, the GN, INAC [now CIRNAC], and the KIA. Working Group members may invite new participants on an as needed basis.
- The central focus of the [SEMWG] shall be on collaborating to ensure that the Hope Bay SEMP provides for appropriate Project-specific socioeconomic effects monitoring as required throughout the life of the Project. The Hope Bay SEMP shall apply to the Project as described in the FEIS for the [Phase 2] Project.

In addition, this document is also aligned with the Term and Condition No. 35 of the Project Certificate which states that *“Within six (6) months following an unanticipated temporary or final closure, and at least two (2) years prior to the planned Final Closure of the Project, the Proponent shall, in collaboration with the Hope Bay Socio-economic Working Group submit an updated Hope Bay Socio-economic Monitoring Plan to the Kitikmeot SEMC (referred to as KitSEMC) that will also include detail regarding specific measures that may mitigate the potential for negative effects as a result of the Project’s temporary or permanent closure.”*

Reflecting the input of the SEMWG, Agnico Eagle will continue to report annually to NIRB on implementation of the Hope Bay SEMP. Agnico Eagle will continue to prepare one annual Hope Bay SEMP Report, covering all activities within the Hope Bay Belt including development and mining of the Doris, Madrid North, Madrid South, and Boston deposits.

1.2.2 Kitikmeot Region Socio-economic Monitoring Committee

In addition to the Project-specific SEMWG and Hope Bay SEMP Report, the Nunavut Agreement also provides for a regional Kitikmeot Socio-Economic Monitoring Committee (SEMC). The regional SEMC is to complement and support the work of the Project-specific SEMWGs. The objectives of the Kitikmeot SEMC are as follows:

- To ensure that major development projects comply with their permits by meeting their socio-economic monitoring requirements during the environmental assessment, approval, and monitoring processes as required by NIRB and the Nunavut Agreement.
- To bring together communities, governments and their agencies, Regional Inuit Associations, and Project proponents in a unique forum that encourages discussion and information-sharing among all parties.
- To collect baseline data that is validated by local and traditional knowledge.
- To provide a consistent participation forum for stakeholders.
- To support the Project-specific SEMWGs by collecting and disseminating information, facilitating meetings, and reporting to NIRB.

In this regard, the Hope Bay SEMP relies on the work of the Kitikmeot SEMC, in particular with respect to data and information for the community-level socio-economic indicators defined for the monitoring program.

1.2.3 Inuit Impact and Benefit Agreement

The Inuit Impact and Benefit Agreement (IIBA) between Agnico Eagle (initially signed by TMAC) and the KIA also provides for the implementation of many socio-economic mitigation measures. In particular, the

IIBA provides provisions for Inuit employment, business development and procurement, training, and socio-economic impact monitoring.

1.2.3.1 *Inuit Impact and Benefit Agreement Implementation Committee*

In accordance with Article 26 of the Nunavut Agreement, in March 2015, TMAC entered into a new, 20-year IIBA with the KIA for the Hope Bay Project. TMAC and the KIA have jointly established an IIBA Implementation Committee (IC) whose purpose is to ensure that the provisions of the IIBA are met. The signatory to this IIBA is Agnico Eagle since the purchase of the Hope Bay Project by Agnico Eagle in February 2021. The IIBA Implementation Committee (IC) meets on a regular basis to consider Inuit employment, contracting, training, and other Project-related matters. Kitikmeot Inuit are key Project landowners, and as such, this local IIBA Implementation Committee (IC) has been instrumental in addressing a number of real and potential Project impacts to the satisfaction of Agnico Eagle and the KIA¹. IIBA commitments and IIBA targets relevant to this SEMP Report and monitored indicators are discussed in various sections of this report (Section 3 through 9).

1.2.4 *Project Socio-economic Management and Mitigation*

The Project instituted a number of operational plans, procedures, and standards to better manage and mitigate adverse Project-related socio-economic effects, and to enhance positive effects. These measures stem from both internal corporate requirements and from potential adverse effects identified during the environmental approval processes.

In particular, Agnico Eagle is committed to establishing and maintaining the following plans to support the implementation and monitoring of socio-economic mitigation measures for the Project:

- The **Community Involvement Plan** describes how Agnico Eagle identifies and engages with community stakeholders, and how Agnico provides information, solicits feedback, and reports on engagement activities and outcomes. The Plan outlines commitments to workplace conduct, community complaints procedure, workforce communications, local procurement, and other related programs. The Plan provides for community meetings and career awareness sessions in the Kitikmeot, as well as for participation in regional events organized by third parties.
- The **Human Resources Plan** provides a framework for human resources management including education and training (on-the-job, and through collaboration with regional agencies and institutions), recruitment, hiring, orientation, and compensation. The plan also includes human resource provisions for temporary or final closure.
- The Human Resource Plan also addresses the development of a **Workforce Transition Strategy** upon temporary or final closure. The strategy addresses measures designed to mitigate negative effects of closure on communities in the event of temporary or final closure.
- The **Employee and Family Assistance Program (EFAP)** provides support to Inuit workers and their families including support related to family matters, mental health concerns, and addictions.

The alignment of the SEMP Plan with Term and Conditions No. 35 also required the definition and implementation of mitigation measures specific to the temporary and final closure of the Project.

These new measures are as follows:

- Introduction of **Agnico Eagle Redeployment Plan** (which acts as the Workforce Transition Strategy) that involves identifying and offering alternative jobs whenever possible at other Agnico Eagle sites for affected production workers. Through this plan, Agnico Eagle remained committed to finding

¹ Plain language summary of the IIBA commitments is available at [TMAC IIBA Plain Language Summary.pdf \(kitia.ca\)](#).

alternate working options for its employees. The introduction of this plan since the suspension of production at the Doris Mine, and ongoing Care and Maintenance phase (in progress to 2024), resulted in 73% of affected Hope Bay Project workers being retained by Agnico Eagle to work on other sites. Note that most of the retained employees were from Southern communities as COVID-19 restrictions prevented Nunavut-based employees from working on-site; several of these redeployed workers were Nunavummiut living in southern Canada.

- **Establish a multi-party working group** to define community goals for the post-mining future, and partner in the planning and implementation of socio-economic transition during closure.
- Assess the development of a **strategy to help transition employment and procurement from opportunities** available during operations, to those available during advanced exploration, care and maintenance, or decommissioning and reclamation.
- Work with other regional industries and organizations (e.g., through the regional Labour Demand Analysis) to gain an understanding of what skills and qualifications are lacking and identify opportunities for Project employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) to attain those skills and qualifications to facilitate employee transition to other industries. Provide information on local and regional resources for impacted workers to access re-training and other supports.
- In collaboration with community organizations, develop a program to help employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) identify and secure new employment with other mining projects or with businesses available in the Kitikmeot Region.
- Agnico Eagle, with support from community organizations, to provide one-on-one support to employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) to develop resumes and skills profiles to allow for an easier job transition.
- Explore support for training and education programs beyond the mining industry to be delivered in Kitikmeot communities, for example in information technology or renewable energy industries, to support skill development of the regional workforce to help the workforce transition to other industries and support development of a regional business base.
- Support, in collaboration with local economic development organizations, delivery of entrepreneur start-up workshops in Kitikmeot communities.
- Engage with Kitikmeot communities (e.g., through open houses) to discuss Project schedules and activities and community expectations, and collaboratively strategize for future activities.
- Develop and implement a closure social investment strategy, aligned with community and government planning, to support sustained community well-being during transition and beyond closure.
- Coordinate with community and family services to provide family supports, such as an extension of employee and family assistance programming, financial management training, and assist employees to apply for EI and other benefits.

The complete list of Project mitigation and enhancement measures for the construction, operation and temporary and final closure is provided in the SEMP Plan.

1.2.4.1 *Agnico Eagle Relevant Policies*

Agnico Eagle guiding principles relevant to socio-economic monitoring include:

- Open and transparent communications;
- Safe production;

- Highest standards of honesty, responsibility and performance;
- Highest levels of employee engagement;
- Sharing and developing employees' skills and expertise;
- Encouraging respectful open debates and healthy discussions;
- Recognizing success resulting from both exceptional contributions and teamwork;
- Clarity on people's roles and contributions; and
- Diversity and inclusion.

Agnico Eagle is guided by²:

- Business Sustainability;
- Sustainable Development;
- Business Conduct and Ethics;
- Anti-corruption;
- Security and Human Rights;
- Public Policy Initiatives; and
- Stakeholder Advisory Committee.

Business Sustainability

To build a business that generates superior long-term returns for Agnico Eagle shareholders, creates a great place to work for employees and contributes positively to the communities in which Agnico Eagle operates.

Business Conduct and Ethics

Agnico Eagle's Code of Business Conduct and Ethics outlines the standards of ethical behavior Agnico Eagle expects from its employees and those working on Agnico Eagle behalf around the world. The Code applies to all directors, officers, employees, and agents and commits them to conducting business in accordance with all applicable laws, rules, and regulations and to the highest ethical standards. Agnico also adopted a Code of Business Ethics for consultants and contractors and a Supplier Code of Conduct. The Audit Committee is responsible for monitoring compliance with the adopted codes. Agnico Eagle a toll-free "whistleblower" ethics hotline is available for anonymous reporting of any suspected violations of the Code of Business Conduct and Ethics, including concerns regarding accounting, internal accounting controls or other auditing matters, Code of Conduct violations, ethical conflicts, environmental issues, harassment, or discrimination.

Anti-Corruption

Agnico Eagle aims to conduct business in accordance with all applicable laws, rules and regulations and the highest ethical standards. Agnico does not tolerate bribery or corruption and is committed to acting professionally, honorably and with integrity in all business dealings and relationships. Operations and business activities are assessed on a periodic basis to ensure that the requirements of Agnico's Anti-Corruption and Anti-Bribery Policy and applicable procedures and guidelines are met.

² Additional information on Agnico Eagle Governance is available at: [Agnico Eagle Mines Limited - Sustainability - Governance - Governance Details](#).

Security and Human Rights

Agnico Eagle conducts business in regions where human rights laws are respected and promoted and is committed to upholding fundamental human rights as defined in the United Nations Universal Declaration of Human Rights. This includes providing assurance that Agnico's operations will not support, benefit, or contribute to unlawful armed conflict, human rights abuses, or breaches of international humanitarian law. Agnico reports on overall implementation of these matters through MAC's Towards Sustainable Mining (TSM) annual progress report, the Voluntary Principles on Security and Human Rights (VPs) annual report and the World Gold Council Conflict-Free Gold Assurance Report.

Public Policy Initiatives

Agnico Eagle is focused on partnering with local stakeholders and industry to engage on public policy initiatives that support the sustainability of the mining industry and the communities in which Agnico operates. Agnico's priorities include initiatives related to infrastructure development in remote areas, training support, streamlining the permitting process, land use management and wildlife protection.

Stakeholder Advisory Committee

Agnico Eagle Mines' Stakeholder Advisory Committee (SAC) is comprised of independent stakeholders with expertise in Environmental, Social and Governance (ESG), community development, Indigenous affairs, mining, disclosure, and governance matters. The group was established in 2011 and meets annually to provide constructive feedback and guidance in areas of focus for Agnico Eagle. The work of the SAC is aligned with United Nations (UN) Sustainable Development Goals, World Gold Council (WGC) Responsible Gold Mining Principles, and the Global Reporting Initiative.

1.3 Purpose of this Report

The Hope Bay SEMP applies to all of Agnico Eagle activities within the Belt, and relevant to the Hope Bay Project, including:

- Mining activities at the Doris site as described in NIRB Amendment No. 2 of Project Certificate No. 003 (dated September 23, 2016);
- Phase 2 (Madrid-Boston) Project, including activities at the Doris, Madrid (North and South) and Boston sites, as described in Project Certificate No. 009 (November 2018);
- Mineral exploration in the Belt;
- Care and Maintenance of the Hope Bay Project, and other temporary and permanent closure; and
- Any future amendments or additional development activities within the Belt, in accordance with any associated Terms and Conditions that may be issued for the related Project Certificate(s).

For the above components and activities, the Hope Bay SEMP applies to full life-of-mine including exploration, development, construction, operation, and closure and reclamation.

The purposes of the Hope Bay SEMP are as follows:

- Ensure compliance with conditions of the amended Project Certificate (NIRB No. 003) for the Doris mine and the new Project Certificate (NIRB No. 009) for the Phase 2 (Madrid-Boston) mine;
- Ensure compliance with the relevant sections of the Nunavut Agreement, and the relevant directives as outlined in the Environmental Impact Statement Guidelines provided by NIRB (NIRB 2003; AMEC 2007; NIRB 2012);
- Ensure compliance with IIBA commitments; and
- Provide relevant and timely information to community development management.

Specific objectives of the Hope Bay SEMP are to:

- Verify the accuracy of the socio-economic impact predictions made in the Doris North Project FEIS (2006), the 2015 Amendment Application for the Doris North Project, and the Madrid-Boston (Phase 2) FEIS (TMAC 2017), as well as any subsequent impact assessments for other Hope Bay Project components that may be developed within the Belt;
- Review the findings of the Hope Bay SEMP in collaboration with other members of the Hope Bay SEMWG, to identify socio-economic changes in the Kitikmeot communities and consider the potential influence of the Project on these changes;
- Determine the effectiveness of mitigation measures, and add or adjust mitigation measures if measures are shown to be ineffective (adaptive management);
- Identify any unanticipated effects, and adaptively mitigate as appropriate;
- Consider and incorporate, when appropriate, *Inuit Qaujimagajuqangit* (IQ) into the Hope Bay SEMP, ensuring that, wherever possible, the monitoring program design and methodologies are culturally appropriate;
- Provide an annual report to NIRB that will meet the reporting requirements as set out in Amendment No. 2 of Project Certificate No. 003, Project Certificate No. 009, and the Hope Bay SEMWG TOR; and
- Periodically review and modify the Hope Bay SEMP to improve its effectiveness, if considered necessary by Hope Bay SEMWG members.

This 2022 Hope Bay SEMP Report supersedes the 2021 Report and provides the results of the Hope Bay SEMP to December 31, 2022. While the key purpose of the 2022 Report is to update it for Project activities that took place from January 1, 2022, to December 31, 2022, the Report also includes data collected in previous years to show trends in potential Project's effects and to improve the understanding of Project's effects overtime. This SEMP Report supports the defined purpose and objectives of the Hope Bay SEMP Plan. The SEMP Report does not provide any data or information pertaining to other projects owned by Agnico Eagle.

1.4 Structure of this Report

This SEMP Report is organized in the following order:

- Section 2 provides information on the socio-economic indicators and their respective sources, as well as information on the approach to data analysis and interpretation.
- Sections 3 through 9 review and evaluate objectives of the Hope Bay Project as related to economic development, contracting and business expenditures, employment, education and training, population demographics, community infrastructure and public services, and individual and community health and wellness. Each objective includes a prediction, results section (data and findings), and interpretation. Predictions are stated with respect to the outgoing activities at the Project³.
- Section 10 summarizes results and delivers a management response.

³ The Madrid-Boston Project consists of proposed mine operations at the Madrid North, Madrid South, and Boston deposits, and it is part of a staged approach to continuous development of the Hope Bay Project.

2. METHODS

2.1 Indicators

The SEMP was originally based on the predicted impacts and mitigation measures as described in the FEIS for the Doris North Project (MMC 2005). This was the basis of the indicators included in the SEMP Plan as originally developed in 2007 and in annual monitoring reports produced since the beginning of construction at Doris (with the first annual SEMP Report issued in 2012).

The Hope Bay SEMP Plan was first updated in 2019 (ERM 2019) to consider the 2007 SEMP and the experience of annual reporting to date, including the availability and usefulness of data and indicators. The updated monitoring program also incorporated information from the 2015 Amendment Application for the Doris Project (ERM 2015), and the FEIS for the Madrid-Boston (Phase 2) Project (NIRB 2012; TMAC 2017).

In 2023, the Hope Bay SEMP Plan (ERM 2023) was updated again to align the monitoring requirements with the Term and Condition No.35 of the Project Certificate to monitor and mitigate the effects of the Project as related to care and maintenance implemented in March 2022, and to align the Plan with all phases of the Project (including temporary and final closure).

The socio-economic monitoring is representative of all Project components and activities that may have socio-economic effects. Indicators have been selected in order to provide information related to the identified potential effects of the Project, so that the monitoring program can determine whether effects occur—and are managed—as predicted.

Table 2.1-1 summarizes the valued socio-economic components (VSECs) for the Hope Bay SEMP, and the potential socio-economic effects associated with each VSEC for construction, operation, temporary and final closure. Both beneficial and potentially adverse effects are considered and included in the Hope Bay SEMP.

Table 2.1-1: Valued Socio-economic Components (VSECs)

VSEC and Rationale	Predicted Potential Effects	
	Construction and Operation	Closure (Temporary or Final)
<p>Economic Development Project-related employment and procurement will be a driver for economic growth and increased government and Inuit organization revenues</p>	<ul style="list-style-type: none"> ■ Increased economic growth 	<ul style="list-style-type: none"> ■ Reduced economic growth
<p>Contracting and Business Expenditures Project-related procurement of goods and services will create business opportunities and increased income and employment</p>	<ul style="list-style-type: none"> ■ Opportunities for local businesses 	<ul style="list-style-type: none"> ■ Reduced business opportunities
<p>Employment The Project will create jobs through direct and spin-off employment, resulting in greater labour force capacity and potential competition for labour among employers</p>	<ul style="list-style-type: none"> ■ Increased employment and income opportunities ■ Increased labour force capacity (education, skills, experience) ■ Increased competition for labour 	<ul style="list-style-type: none"> ■ Reduced employment and income opportunities

VSEC and Rationale	Predicted Potential Effects	
	Construction and Operation	Closure (Temporary or Final)
<p>Education and Training The Project will increase local demand for education and training, and have a positive influence on youths' outlook on education and future opportunities</p>	<ul style="list-style-type: none"> ■ Increased demand for education and training programs ■ Improved perceptions of education and employment benefits 	<ul style="list-style-type: none"> ■ Decreased demand for education and training (Final Closure only)
<p>Population Demographics Related to employment opportunities, the Project may result in population migration</p>	<ul style="list-style-type: none"> ■ Increased in-migration to Kitikmeot communities 	
<p>Community Infrastructure and Public Services Related to employment opportunities, increasing demand for local housing, infrastructure, and services</p>	<ul style="list-style-type: none"> ■ Increased demand for housing ■ Increased demand for local services 	
<p>Individual and Community Health and Wellness Factors associated with Project employment may affect well-being, including changes to family relationships due to rotational work schedule, changes in spending due to increased income, and changes to traditional harvesting activities and food costs</p>	<ul style="list-style-type: none"> ■ Changes to family stability (positive and adverse effects) ■ Changes to family spending (positive and adverse effects) ■ Changes to food security and cost of living (positive and adverse effects) 	<ul style="list-style-type: none"> ■ Changes to family stability (positive and adverse effects)

Indicators for the Hope Bay SEMP have been selected as they are one or more of the following:

- Indicators identified in the IIBA (dated March 2015), including requirements for annual reporting to the IIBA IC;
- Indicators related to the potential socio-economic effects of the Project, as identified in the Phase 2 FEIS (TMAC 2017);
- Core indicators recommended by the GN for Project-specific SEMP's in Nunavut (GN Department of Economic Development & Transportation 2018);
- Indicators that provide useful context or otherwise inform the interpretation of the impacts of the Project, including indicators identified by the SEMWG as important to measure; and / or
- Indicators that provide additional information on the effects and / or activities of the Project during temporary or final closure.

The selected indicators are used to identify changes in socio-economic conditions that may be of concern, not to fully characterize or explain the reasons behind the observed changes. Changes in monitored elements of the community may result directly or indirectly from Project activities or may be unrelated to the Project. As is the purpose of a monitoring system, the indicators are used to identify areas of potential concern for further investigation.

Altogether, there are 36 objectives comprising 60 indicators identified for the seven VSECs (Table 2.1-2). This includes both Project indicators (i.e., data to be collected by Agnico Eagle) and community indicators (i.e., data to be gathered from community, regional, territorial, and other public sources).

Table 2.1-2: Socio-economic Indicators

Predicted Effect	Objective	Indicators	Metrics for Construction and Operation of the Project	Revisions to Metrics or Additional Metrics Specific to Temporary and / or Final Closure of the Project	Sources
Economic Development					
Economic growth	Revenues to Inuit organizations	<ul style="list-style-type: none"> ■ Agnico Eagle payments to KIA and Nunavut Tunngavik Incorporated (NTI) 	<ul style="list-style-type: none"> ■ Value (\$) (Financial payments and royalties) 	No change	Agnico Eagle
	Revenues to the GN	<ul style="list-style-type: none"> ■ Direct territorial tax payments 	<ul style="list-style-type: none"> ■ Value (\$) of direct tax payments (Fuel Tax, Payroll Tax, and Property Tax) 	No change	Agnico Eagle
	Mining industry expenditures	<ul style="list-style-type: none"> ■ Project expenditures 	<ul style="list-style-type: none"> ■ Value (\$) of Capital Expenditures (CAPEX) and Operating Expenditures (OPEX) 	Change to metrics: <ul style="list-style-type: none"> ■ Value (\$) of Project expenditures related to Care and Maintenance or Closure and Reclamation activities ■ Nunavut GDP, total and for mining industry 	Agnico Eagle
Contracting and Business Expenditures					
Opportunities for local businesses	Procurement expenditures	<ul style="list-style-type: none"> ■ Annual spending on goods and services 	<ul style="list-style-type: none"> ■ Value (\$) ■ Value by procurement category 	No change	Agnico Eagle
	Procurement from Nunavut businesses	<ul style="list-style-type: none"> ■ Contracts awarded to Nunavut Businesses 	<ul style="list-style-type: none"> ■ Number of contracts ■ Total value of contracts ■ Average and median value of contracts ■ Percent of total value of contracts 	No change	Agnico Eagle
	Procurement from Kitikmeot businesses	<ul style="list-style-type: none"> ■ Contracts awarded to Kitikmeot Qualified Businesses (KQB) ■ Contracts awarded to other Kitikmeot-based businesses (non-KQB) 	<ul style="list-style-type: none"> ■ Number of contracts ■ Total value of contracts ■ Average and median value of contracts ■ Percent of total value of contracts 	No change	Agnico Eagle
	Procurement from Inuit Firms	<ul style="list-style-type: none"> ■ Contracts awarded to all Inuit Firms (including KQB and non-KQB) 	<ul style="list-style-type: none"> ■ Number of contracts ■ Total value of contracts ■ Average and median value of contracts ■ Percent of total value of contracts 	No change	Agnico Eagle
	Business development	<ul style="list-style-type: none"> ■ Number of Kitikmeot Qualified Businesses ■ Number of registered Inuit firms in the Kitikmeot region 	<ul style="list-style-type: none"> ■ Total number ■ Number of new businesses in past year 	Additional metrics: <ul style="list-style-type: none"> ■ Number of KQBs that provided business services to the Project during operation and continue to provide business services during temporary of final closure ■ Number of KQBs that provide business services to other Agnico Eagle projects / sites 	Agnico Eagle, NTI
Employment					
Increased employment and income opportunities	Overall employment	<ul style="list-style-type: none"> ■ Workforce size 	<ul style="list-style-type: none"> ■ Total number of workers on site (Agnico Eagle employees and contractors) ■ Annual average number of workers on site 	No change	Agnico Eagle
		<ul style="list-style-type: none"> ■ Workforce effort 	<ul style="list-style-type: none"> ■ Total annual hours worked ■ Average hours per worker 	No change	Agnico Eagle

Predicted Effect	Objective	Indicators	Metrics for Construction and Operation of the Project	Revisions to Metrics or Additional Metrics Specific to Temporary and / or Final Closure of the Project	Sources
Employment (cont'd)					
Increased employment and income opportunities (cont'd)	Inuit and Kitikmeot employment	<ul style="list-style-type: none"> Kitikmeot Inuit workforce size (resident of Kitikmeot region) Kitikmeot Inuit workforce effort 	<ul style="list-style-type: none"> Total number of Kitikmeot-based and on-site workers (Agnico Eagle employees and contractors) Annual average number of Kitikmeot-based and on-site workers (Agnico Eagle employees and contractors) Total annual hours worked Average hours per worker Employment rate (hours worked by Inuit and Kitikmeot worker as share of total hours worked) 	Additional metrics: <ul style="list-style-type: none"> Number of workers who move from operation-specific positions to care and maintenance / closure roles Number of workers redeployed to other Agnico Eagle projects / sites 	Agnico Eagle
		<ul style="list-style-type: none"> Other Inuit workforce size (not resident of Kitikmeot region) Other Inuit workforce effort 			Agnico Eagle
		<ul style="list-style-type: none"> Other regional workforce size (non-Inuit Kitikmeot residents) Other regional workforce effort 			Agnico Eagle
		<ul style="list-style-type: none"> Kitikmeot workers by community 	<ul style="list-style-type: none"> Number of workers from each Kitikmeot community (point of hire) Percent of total Kitikmeot workers 		Additional metrics: <ul style="list-style-type: none"> Number of terminations / new hires from each community
	Gender equity	<ul style="list-style-type: none"> Workforce effort by women 	<ul style="list-style-type: none"> Total hours worked in year Employment rate (hours worked by women as share of total hours worked) 	No change	Agnico Eagle
		<ul style="list-style-type: none"> Workforce effort by Inuit women 	<ul style="list-style-type: none"> Total hours worked in year Employment rate (hours worked by Inuit women as share of total hours worked by Inuit) 	Additional metrics: <ul style="list-style-type: none"> Number of terminations / new female hires 	Agnico Eagle
	Employment income	<ul style="list-style-type: none"> Payroll Payroll for Inuit workers 	<ul style="list-style-type: none"> Total value (\$) Average value per worker (total value by worker as a share of total hours worked) 	No change	Agnico Eagle
		<ul style="list-style-type: none"> Payroll by Kitikmeot community 	<ul style="list-style-type: none"> Total value (\$) 	No change	Agnico Eagle
	Employee retention	<ul style="list-style-type: none"> Employee turnover rate 	<ul style="list-style-type: none"> Non-Inuit employee turnover rate, as represented by total number of non-Inuit departures as share of total number of non-Inuit employees [(period starting + ending number of employees)/2] Inuit employee turnover rate as represented by total number of Inuit departures as share of total number of Inuit employees Inuit employee turnover by reason (e.g. dismissal, resignation or voluntary termination, end of contact) 	No change	Agnico Eagle
	Worker health and safety	<ul style="list-style-type: none"> Lost time incidents 	<ul style="list-style-type: none"> Number of lost time incidents Lost workday incident rate ([lost workday cases]/[200,000]/[hours worked]) 	No change	Agnico Eagle
<ul style="list-style-type: none"> Utilization of site medic 		<ul style="list-style-type: none"> Per capita visits to site medic 	No change	Agnico Eagle	

Predicted Effect	Objective	Indicators	Metrics for Construction and Operation of the Project	Revisions to Metrics or Additional Metrics Specific to Temporary and / or Final Closure of the Project	Sources
Employment (cont'd)					
Increased labour force capacity (education, skills, experience)	On-the-job training	<ul style="list-style-type: none"> On-the-job training courses 	<ul style="list-style-type: none"> Number of courses and course sessions Number of training hours, by basic category (general, health and safety, specific) 	<ul style="list-style-type: none"> Training type and number dedicated to / provided to redeployed employees 	Agnico Eagle
		<ul style="list-style-type: none"> Inuit participation in on-the-job training 	<ul style="list-style-type: none"> Number of training hours for Inuit workers, by basic category (general, health and safety, specific) Number of training hours for Inuit workers as share (%) of number of training hours for all employees, by basic category 	No change	Agnico Eagle
	Apprenticeships	<ul style="list-style-type: none"> Apprenticeships with the Project 	<ul style="list-style-type: none"> Number of apprenticeships 	No change	Agnico Eagle
		<ul style="list-style-type: none"> Inuit apprentices 	<ul style="list-style-type: none"> Number of apprenticeships, as share (%) of total 	No change	
	Skill levels	<ul style="list-style-type: none"> Inuit employees, by job category (skill level) 	<ul style="list-style-type: none"> Number of Inuit employees by job category (e.g., management, professionals, skilled trades, skilled technicians, semi-skilled, unskilled) Inuit share (%) of total number of employees by job category 	<ul style="list-style-type: none"> Skill level / department of retained employees moving from Operations to Care/Maintenance Skill level / department of employees being redeployed 	Agnico Eagle
<ul style="list-style-type: none"> Inuit employees, by department 		<ul style="list-style-type: none"> Number of Inuit employees by department (e.g., environment, mining, site operations, site services) Inuit share (%) of total number of employees by department 	No change	Agnico Eagle	
Increased competition for labour	Retention of skilled workers in community roles	<ul style="list-style-type: none"> Number of skilled workers leaving employment in community for employment at mine 	<ul style="list-style-type: none"> Number of workers employed in local roles immediately prior to accepting employment with Project 	Additional metric: <ul style="list-style-type: none"> Number of workers leaving employment at the Project for employment in the community (to be captured during exit interviews if performed) 	Agnico Eagle
Education and Training					
Increased demand for education and training programs	Availability of post-secondary education	<ul style="list-style-type: none"> Courses related to employment in mining industry 	<ul style="list-style-type: none"> Number of mining programs/courses offered by Nunavut Arctic College (NAC) in the Kitikmeot region Number of mining support service programs/ courses offered by NAC in the Kitikmeot region 	Revisions to metrics: <ul style="list-style-type: none"> Number of closure and reclamation programs/courses offered by NAC in the Kitikmeot region Number of post-closure monitoring programs/courses offered by NAC in the Kitikmeot region 	NAC
	Participation in post-secondary education	<ul style="list-style-type: none"> Enrolment of Kitikmeot students in post-secondary education 	<ul style="list-style-type: none"> Number of students enrolled in past year (NAC and other institutions), total, and by home community Enrollment by NAC program type 	No change	KIA, GN, NAC
	Investment in education	<ul style="list-style-type: none"> Investments in school-based initiatives 	<ul style="list-style-type: none"> Total value (\$), including financial, material and in-kind support 	No change	Agnico Eagle
Improved perceptions of education and employment benefits	Understanding of employment opportunities	<ul style="list-style-type: none"> Community and student outreach events 	<ul style="list-style-type: none"> Number of community information sessions and/or career awareness sessions Number of high school information and/or career awareness sessions Number of sponsored student competitions Number of sponsored student achievement awards 	No change	Agnico Eagle
	High school participation	<ul style="list-style-type: none"> Public school enrollment, by community 	<ul style="list-style-type: none"> Number enrolled 	No change	GN
		<ul style="list-style-type: none"> Public school attendance (truancy) rate 	<ul style="list-style-type: none"> Days attended as percent of total school days 	No change	GN
High school completion	<ul style="list-style-type: none"> High school completion, by community 	<ul style="list-style-type: none"> Total number of graduates 	No change	GN	

Predicted Effect	Objective	Indicators	Metrics for Construction and Operation of the Project	Revisions to Metrics or Additional Metrics Specific to Temporary and / or Final Closure of the Project	Sources
Population Demographics					
Increased in-migration to Kitikmeot region	Population stability	<ul style="list-style-type: none"> Population of Kitikmeot communities 	<ul style="list-style-type: none"> Total population, by year Annual change in population 	No change	GN
		<ul style="list-style-type: none"> Migration of employees to/from Kitikmeot communities 	<ul style="list-style-type: none"> Number of direct employees who have relocated to or from a Kitikmeot community in past year (including community of origin/destination) Net migration of direct employees to LSA communities (Cambridge Bay and Kugluktuk) Number of direct employees who have relocated to or from the Kitikmeot region in the past year (including community of origin/destination) 	<ul style="list-style-type: none"> Number of Kitikmeot workers hired by other Agnico Eagle projects and / or transported to site from home community 	Agnico Eagle
Community Infrastructure and Public Services					
Increased demand for housing	Housing availability	<ul style="list-style-type: none"> Housing need, by community 	<ul style="list-style-type: none"> Public housing waitlist as percentage of available public housing stock 	No change	NHC
		<ul style="list-style-type: none"> Approved home ownership assistance applications, by community 	<ul style="list-style-type: none"> Number of approved Nunavut Down Payment Assistance Program (NDAP) applications 	No change	NHC
	Housing status	<ul style="list-style-type: none"> Housing status of project employees 	<ul style="list-style-type: none"> Per housing survey 	No change	NHC; GN
Increased demand for local services	Project use of emergency services	<ul style="list-style-type: none"> Use of GN emergency services by the Project 	<ul style="list-style-type: none"> Number of times emergency health services utilized 	No change	Agnico Eagle
	Demand for health and social services	<ul style="list-style-type: none"> Visits to health centres, by community 	<ul style="list-style-type: none"> Number of annual visits Number of annual visits per capita 	No change	GN
		<ul style="list-style-type: none"> Social assistance caseload, by community 	<ul style="list-style-type: none"> Total social assistance average monthly caseload Per capita social assistance average monthly caseload per capita 	No change	GN; DFS Agnico Eagle
	Demand for police services	<ul style="list-style-type: none"> Police calls for service, by community 	<ul style="list-style-type: none"> Total number of calls annually Annual calls per capita 	No change	RCMP
<ul style="list-style-type: none"> Criminal violations, by region and community 		<ul style="list-style-type: none"> Total number Rate per capita 	No change	Statistics Canada	
Individual and Community Health and Wellness					
Changes to family stability	Work-life balance	<ul style="list-style-type: none"> Ability of Inuit workers to balance employment and family and/or traditional lifestyle 	<ul style="list-style-type: none"> Inuit employee turnover rate (refer to Employment VSEC) 	No change	Agnico Eagle
			<ul style="list-style-type: none"> Inuit workers who report resignation due to homesickness, family commitments, incompatibility with traditional lifestyle, and/or emotional stress factors 	No change	Agnico Eagle
		<ul style="list-style-type: none"> Utilization of Employee and Family Assistance Program (EFAP) 	<ul style="list-style-type: none"> Number of instances EFAP utilized 	No change	Agnico Eagle
Changes to family spending	Household financial management	<ul style="list-style-type: none"> Financial management training for workers 	<ul style="list-style-type: none"> Number of workers who attended financial management training Number of Inuit workers who attended financial management training 	No change	Agnico Eagle
	Spending decisions and lifestyle choices	<ul style="list-style-type: none"> Sale of alcoholic beverages, by community 	<ul style="list-style-type: none"> Annual dollar value spent on alcoholic beverages 	No change	Statistics Canada, Nunavut Liquor Commission
		<ul style="list-style-type: none"> Types of criminal violations, by region and community 	<ul style="list-style-type: none"> Total number of impaired driving violations, and rate per capita Total number of drug-related violations, and rate per capita Total number of assault violations, and rate per capita 	No change	Statistics Canada

Predicted Effect	Objective	Indicators	Metrics for Construction and Operation of the Project	Revisions to Metrics or Additional Metrics Specific to Temporary and / or Final Closure of the Project	Sources
Individual and Community Health and Wellness (cont'd)					
Changes to food security and cost of living	Country foods consumption	<ul style="list-style-type: none"> ■ Consumption of country foods at Agnico Eagle camp 	<ul style="list-style-type: none"> ■ Number of workers who use the Country Food Kitchen at site ■ Number of days that Agnico Eagle canteen offered country foods 	No change	Agnico Eagle
	Food security	<ul style="list-style-type: none"> ■ Food costs, by community 	<ul style="list-style-type: none"> ■ Cost of Nunavut Food Price Survey (NFPS) food basket (\$) ■ Inflation rate (cost of basket compared to previous year) ■ Comparison of Kitikmeot region to Nunavut 	No change	GN, GoC
	Household economic self-sufficiency	<ul style="list-style-type: none"> ■ Low-income households (families and non-family persons), by community 	<ul style="list-style-type: none"> ■ Nunavut tax filers with low income 	No change	GN
		<ul style="list-style-type: none"> ■ Project employment income 	<ul style="list-style-type: none"> ■ Refer to payroll statistics provided under Employment VSEC. 	No change	Agnico Eagle

2.2 Data Analysis and Interpretation

The following sections outline how data collection (type, frequency, and source), analysis, and interpretation is accomplished. Results for 2022, as well as historical data where available, are presented in Sections 3 to 9 according to VSEC and the objectives defined for each VSEC.

For new or modified Hope Bay SEMP indicators, there is a lack of historical data and, therefore, only the most recent observations are provided. This affects consistency of how the data for various indicators are reported throughout this document and reduces the possibility for cross-comparison. Going forward and subject to availability, those indicators will be updated annually.

2.2.1 Quantitative Data

Where available, quantitative data are reported and analyzed to investigate changes in socio-economic characteristics over a given time period. Where relevant, data are also used to identify potential or probable links with the Project. Quantitative data includes Project data and public data.

Trend Analysis

Data are statistically evaluated to identify trends. Specific analyses are considered based on each particular data set, with the goal of removing the influence of outliers and focusing on meaningful trends and patterns.

Where trends or specific changes are identified, they are considered in the context of the Project to determine the potential for a cause-and-effect relationship. This includes a review of the Project's employment numbers, procurement expenditures, training records, and other activities which could directly or indirectly alter the affected VSEC. Agnico Eagle expects that correlation and causation may not always be clear. However, the company is committed to identifying potential interactions for discussion with the SEMWG and KitSEMC, and to implementing further study or mitigative actions if warranted.

Community statistics may be influenced by a variety of factors unrelated to the Project, including changes in local resources (e.g., increasing/decreasing social services, healthcare, education, or policing staff), policy directions (e.g., heightened commitment to enforce alcohol regulations), program outcomes (e.g., promoting use of health clinic), and other initiatives. Notable changes, trends, or outliers will be explained where possible.

Industry Averages

Where available, Project data is compared to relevant industry averages. Comparative analysis notes potential disparities in data sources, collection, reliability, or other factors.

2.2.2 Qualitative Information

Qualitative information is used to evaluate and interpret quantitative data and trends. This may include reports and observations from Agnico Eagle, the KIA, the GN, CIRNAC, KitSEMC members, Hamlets, and local service providers regarding activities and events in the study communities.

Agnico Eagle may also incorporate qualitative information in the absence of quantitative data—for example, if annual data for the above indicators is discontinued or delayed—in an attempt to fill the data gap.

Other qualitative data sources include Inuit Qaujimagatuqangit (IQ) and primary data collection.

Inuit Qaujimagatuqangit

Inuit Qaujimagatuqangit (IQ) is used to improve understanding of baseline socio-economic conditions and assist in the evaluation and interpretation of quantitative and qualitative data and trends. This may include feedback and information from community engagement, Community Liaison Committees, and the SEMWG and KitSEMC.

During the preparation of the 2022 SEMP Report, an IQ Coordinator provided input into the report to supplement interpretations of Project effects by providing IQ relevant content.

Primary Data Collection

Primary data collection is used to collect information on key Project effects in Kitikmeot communities, community concerns, aspirations, and activities form via a brief questionnaire delivered to Hamlet offices in Kitikmeot communities. The questionnaire provides an opportunity for Hamlet Mayor and Council to provide general IQ context, feedback, comments, or ask questions.

During the preparation of the 2022 SEMP Report, despite attempts to collect information, direct feedback from Hamlets was not received.

2.2.3 Charts, Graphs, and Infographics

To aid the interpretation and analysis of monitoring data, the reports incorporate visual representations including charts, graphs, and infographics. Visuals are used to highlight key trends and features, and to compare and contrast changes over time.

2.2.4 Community Data Challenges

Communities in Nunavut are small and there are inherent data collection and interpretation challenges. This affects the extent to which community-level data can be meaningfully provided and interpreted. Some of the main challenges include the following:

- Labour force surveys and other regular publications by Statistics Canada typically only include larger cities and metropolitan areas. Iqaluit is typically the only community in Nunavut to be represented in these reports. Therefore, there are generally less socio-economic data (annual or more frequent) compared to larger communities in Canada.
- Select Government of Nunavut datasets are no longer available, or not frequently or annually updated. The lack of availability of current community statistics makes it challenging to determine the interactions of the Project with monitored socio-economic indicators.
- The Kitikmeot communities are small, ranging from approximately 934 in Taloyoak to 1,760 in Cambridge Bay in 2021. Due to confidentiality concerns, statistics are regularly masked (i.e., not disclosed) to protect the identity of individuals within small sub-groups. Agnico Eagle's data about the workforce is similarly protected where confidentiality concerns are identified.
- Also reflecting their small size, community-level data (where it is available) is often subject to challenges in determining statistically significant changes. Some datasets from previous years show marked fluctuations in terms of percent or per capita change, although real numbers may be small.
- Because the number of individuals involved in providing community-based services is also small, challenges can exist from the disproportionate effects of staff turnover, staff vacancies and individual staff choice in fulfilling roles and responsibilities (such as data collection) that can affect tracking community trends. Whether detected change is real can be more a question of whether there are personnel in the positions, how a public or community service was delivered (i.e., compliance effort), or variations in data collection effort.

3. ECONOMIC DEVELOPMENT

3.1 Growth of Revenues to Inuit Organizations

3.1.1 Predictions

Construction and Operation

Agnico Eagle is expected to make payments to the KIA and the NTI including royalties, exploration and production lease rents, land tenure payment, water compensation, IIBA implementation payments and other payments.

Reclamation and Closure

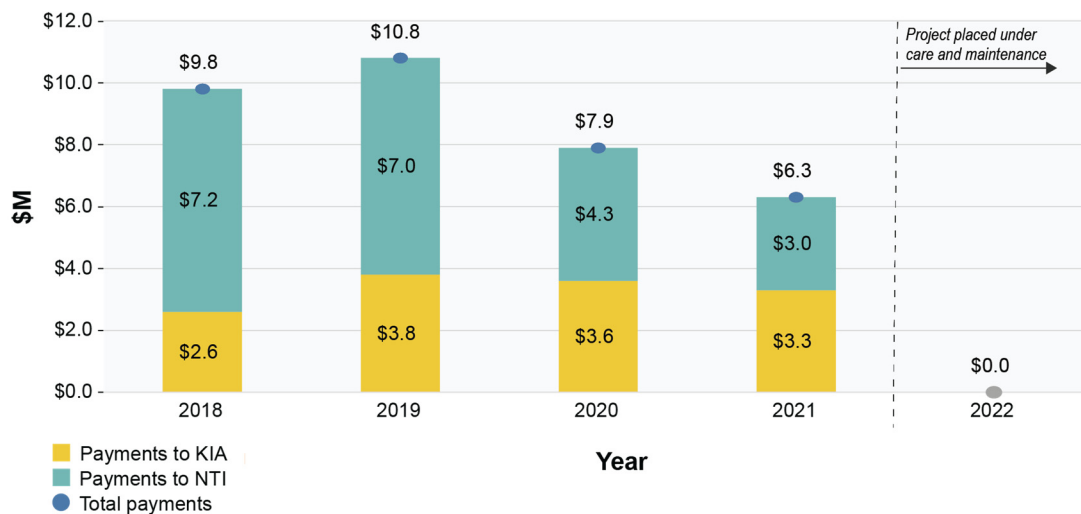
Contributions of the Project associated with production, including payments to the KIA and NTI, will come to an end once the Project ceases production.

Temporary Closure

Royalties and other payments to the Inuit associations (i.e., KIA and NTI), including payments defined by the Framework Agreement and the IIBA, are expected to decrease close to pre-Project baseline levels as many are linked to expenditures, employment levels, and mine production amounts.

3.1.2 Results

Figure 3.1-1 shows Project payments to Inuit organizations covering 2018 to 2022. KIA also indirectly benefits through the revenue of its affiliated businesses that provide services to the Project; business contracts are not reflected in payments to Inuit organization (see Section 4 for information on contract expenditures).



Graphics: HB-23ERM-008:1

Figure 3.1-1: Payments to Inuit Organizations (\$M)

Payments to Inuit organizations have been trending downward since 2019. The decrease in payments can be attributed to lower operating capacity at the Project in 2020 and 2021 as a result of the COVID-19 pandemic, and the resulting decrease in output production at the Project. In 2022, because the Project

was placed under care and maintenance and no revenue was earned from Project production, no payments were made to Inuit organizations.

3.1.3 Interpretation

The mandate of the KIA is to defend, preserve, and promote social, cultural, and economic benefits for Kitikmeot Inuit, while the NTI ensures that the federal and territorial governments fulfill obligations under the Nunavut Agreement with respect to the management of land, water, and wildlife. The Kitikmeot Corporation is responsible for business development activities, employment, and training. Agnico Eagle contributions to the KIA and NTI facilitate greater economic activity than would be possible without the Project and help to promote the social, economic, and cultural well-being of Inuit in Nunavut.

In 2020 and in 2021, although Inuit employment was curtailed due to the pandemic, payments to the KIA and NTI (and contracts to Inuit businesses described in Section 4.4) ensured that Inuit continued to receive some benefit from Hope Bay mining operations. This was not possible in 2022 as no revenue was earned at the Project due to implementation of care and maintenance.

3.2 Growth in Revenues to the Government of Nunavut

3.2.1 Predictions

Construction and Operation

Agnico Eagle will be required to make direct payments to the GN in the form of Payroll Tax, Petroleum Tax and Property Tax.

Reclamation and Closure

There will be a general decrease in government tax revenue accrued to the federal and territorial governments. Government tax revenue will gradually decrease and eventually dissipate over the duration of the phase.

Temporary Closure

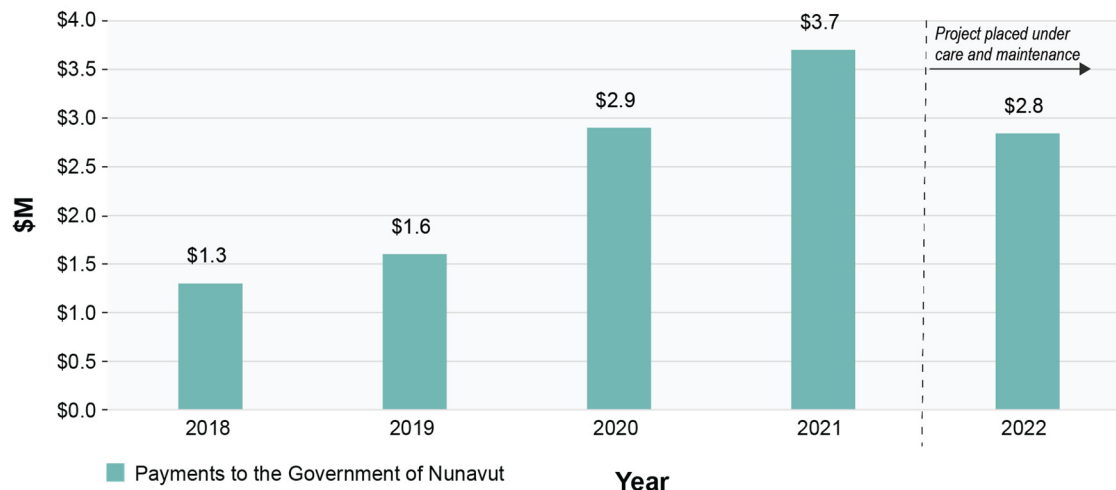
There will be a decrease in expenditures resulting in a loss of Project contributions to tax revenues accruing to the federal and territorial governments.

3.2.2 Results

Figure 3.2-1 shows Project payments to the GN from 2018 to 2022. Additional revenue was received by the GN from taxes paid by the Project on the purchase of goods and services, and other indirect and induced activities of the Project. In 2022, GN directly received \$2.8 million in tax payments from the Project, representing a 23% decrease from \$3.7 million in 2021. Of the \$2.8 million, \$2.17 million was paid in property taxes, and \$0.67 million was paid in payroll taxes to the GN.

3.2.3 Interpretation

The GN directly received \$2.8 million in payments from the Project in 2022, with additional tax benefits received from indirect and induced activities of the Project. The mandate of the GN is to serve as a public government for the Nunavut territory and provide representation and services for Nunavummiut. Payments to the GN help support that mandate and promote the social, economic, and cultural well-being of Inuit in Nunavut.



Graphics: HB-23ERM-008.2

Figure 3.2-1: Payments to the Government of Nunavut (\$M)

3.3 Growth in Mining Industry Expenditures

3.3.1 Predictions

Construction and Operation

Project expenditures during the Construction and Operation phases have the potential to contribute to the economic growth and development in the LSA and the RSA.

Reclamation and Closure

The closure costs are estimated at \$42.7 million.

Temporary Closure

There will be an overall reduction in Project expenditures.

3.3.2 Results

Project Expenditures

Project expenditures have been generally increasing with the level of on-site activities from \$81.7 million in 2017 to \$866.4 million in 2019 (Table 3.3-1). In 2020, there was an overall drop in expenditures due to reduced operations at the Project resulting from the COVID-19 pandemic and health-related restrictions; 2020 spending is only available for Q1-Q3. Because TMAC was purchased by Agnico Eagle in February 2021, TMAC's financial statements are now prepared by Agnico and comparable information for 2021 is not available.

Table 3.3-1: Project Expenditures (\$M)

	2017	2018	2019	2020 (Q1-Q3)
Cost of Sales				
Production costs	\$56.4	\$118.6	\$138.5	\$92.2
Royalties and selling expenses	\$1.4	\$4.0	\$7.1	\$58.0
Depreciation	\$11.0	\$49.6	\$67.0	\$32.4
Sub-total	\$68.8	\$172.2	\$212.6	\$132.6
Impairment of Property, Plant and Equipment and Goodwill	-	-	\$674.6	-
General and Administrative Costs				
Salaries and wages	\$9.2	\$7.8	\$7.4	\$6.5
Share-base payments	\$3.2	\$6.7	\$5.6	\$1.3
Other corporate	\$3.1	\$2.9	\$4.2	\$3.5
Sub-total	\$15.5	\$17.4	\$17.2	\$11.3
Other Expenses/Losses (net income)	(\$2.6)	\$30.5	(\$38.0)	\$37.5
Total Project Expenditures	\$81.7	\$220.1	\$866.4	\$158.8

Source: TMAC (2019a, 2019b, 2020a, 2021)

In 2021, Agnico Eagle received \$142.4 million in revenue, paid \$95.7 million in OPEX and \$67.6 million in CAPEX. Exploration and corporate costs totaled another \$21.3 million. In 2022, as the Project was placed under care and maintenance, there was no revenue earned by the Project; the Project paid \$5.7 million in OPEX and \$22.1 million in CAPEX. Project care and maintenance expenditures totaled \$39.9 million (Table 3.3-2). Exploration expenditures increased significantly in 2022, totaling \$42.5 million, this being over three times the value in 2021.

Table 3.3-2: Project Revenue and Expenditures in 2021 and in 2022 (\$000)

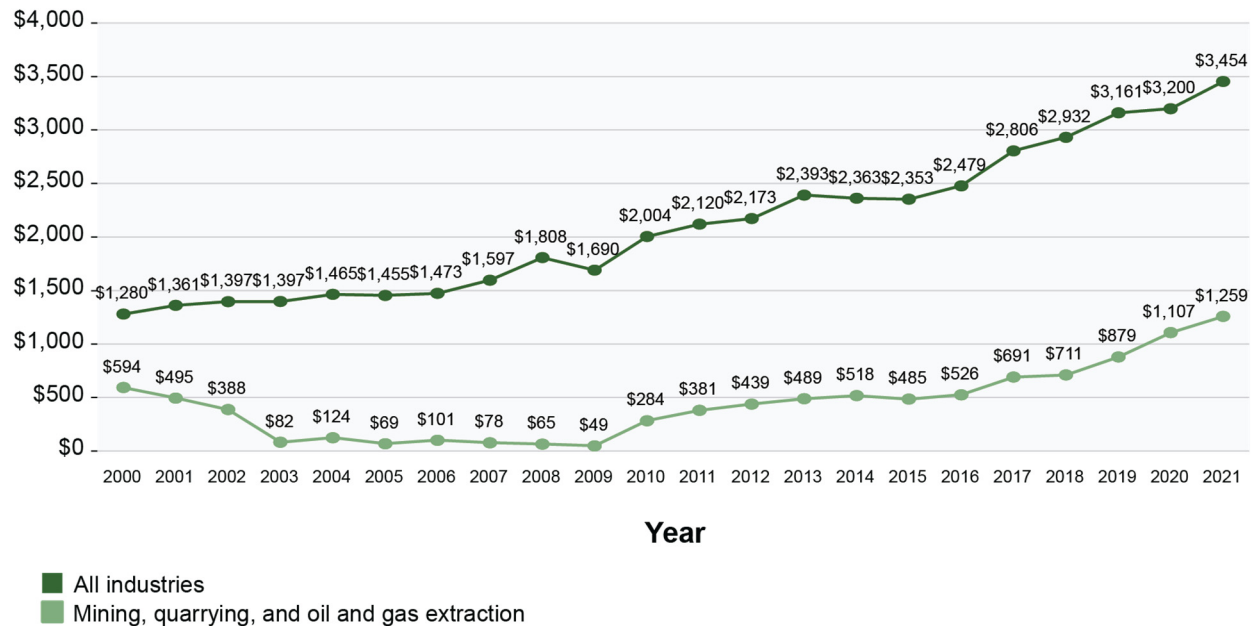
Cashflow OPEX and CAPEX	2021	2022
Revenue	\$142,386	-
Operating Expenditure	\$95,661	\$5,752
OPEX	\$95,661	\$5,752
Sustaining Capital Expenditure	\$56,641	-
Expansion/Growth Expenditure	\$10,986	\$22,075
CAPEX	\$67,626	\$22,075
Exploration Expenditure	\$13,886	\$42,540
Corporate/Others	\$7,439	\$8,253
Care & Maintenance	-	\$39,877
TOTAL - EXPENDITURES	\$184,612	\$118,498

Notes:

This format for reporting Project revenue and expenditures will be used in the future iterations of the SEMP Report.

Gross Domestic Product

Figure 3.3-1 shows the value of Nunavut gross domestic product (GDP), in chained 2012 dollars, from 2000 to 2021. Nunavut's GDP has been generally trending upwards. In 2021, the latest year for which GDP data is available, mining accounted for approximately \$1,259 million or 36% of total GDP (\$3,454 million). Mining continues to be an important contributor to GDP in Nunavut.



Graphics: HB-23ERM-008:3

Source: Statistics Canada (2022a)

Figure 3.3-1: Nunavut Gross Domestic Product (\$M)

3.3.3 Interpretation

The Project continues to contribute to the Nunavut economy. Project expenditures support direct employment opportunities (Section 5.2), procurement of goods and services from businesses (Section 4.3), as well as numerous spinoff opportunities in the Kitikmeot region. While Project expenditures have been generally increasing with the level of on-site activities, in 2020, there was a drop in Project-related expenditures resulting from the COVID-19 pandemic and related reduction in activity and workforce to accommodate the precautionary measures introduced to contain the spread of the disease. In 2022, Project expenditures totaled \$118.5 million, reflecting reduced activity under care and maintenance.

3.4 Effects Management and Mitigation

Table 3.4-1 lists the programs and measures designed to mitigate and manage potential effects related to economic development.

Table 3.4-1: Economic Development Management and Mitigation Measures

Program / Mitigation Measure	Purpose / Description / Outcome
All Phases	
IIBA	The IIBA sets out principles and methods to, among other purposes, maximize Inuit training, employment and business opportunities arising from the operation of the Project, and provide a mechanism through which effective communication and cooperation can take place. Key features of the IIBA include provisions for, among others: setting annual and long-term Inuit Training Targets (ITT); setting annual Inuit Employment Targets (IET); first opportunity to Kitikmeot Inuit residents for employment, followed by non-resident Inuit; establishment and administration of a Training and Education Fund; promotion of Inuit content in procurement, including requirement to engage Kitikmeot Qualified Businesses for certain types of goods and services; and establishment, under certain conditions, of a Business Development Fund.
Agnico Eagle Liaison	The Agnico Eagle Liaison works with the appropriate Agnico Eagle department to, among other responsibilities, assist Agnico Eagle to maximize Kitikmeot Qualified Business procurement by identifying businesses interested in procurement opportunities, considering opportunities for capacity building and development, and assisting Kitikmeot Qualified Businesses to access available business opportunities.
Community Involvement Plan	Agnico Eagle maintains communications with Kitikmeot communities and shares information to assist in the development of collaborative adaptive management measures, should unanticipated impacts arise and mitigation be required.
Communication	Agnico Eagle communicates the Project's schedule to ensure that local governments, local and regional businesses, and other interested institutions/organizations are aware of Project activities as well as any opportunities that can contribute to business growth in the Kitikmeot region. Communication of project schedule to allow governments, businesses, and other organizations to prepare for change.
Specific to Temporary or Final Closure	
Multi-party Working Group	Establish a multi-party working group to define community goals for the post-mining future, and partner in the planning and implementation of socio-economic transition during closure.

4. CONTRACTING AND BUSINESS EXPENDITURES

4.1 Procurement Expenditures

4.1.1 Predictions

Construction and Operation

The provision of business contracts will support economic prosperity and create new economic opportunities.

Reclamation and Closure

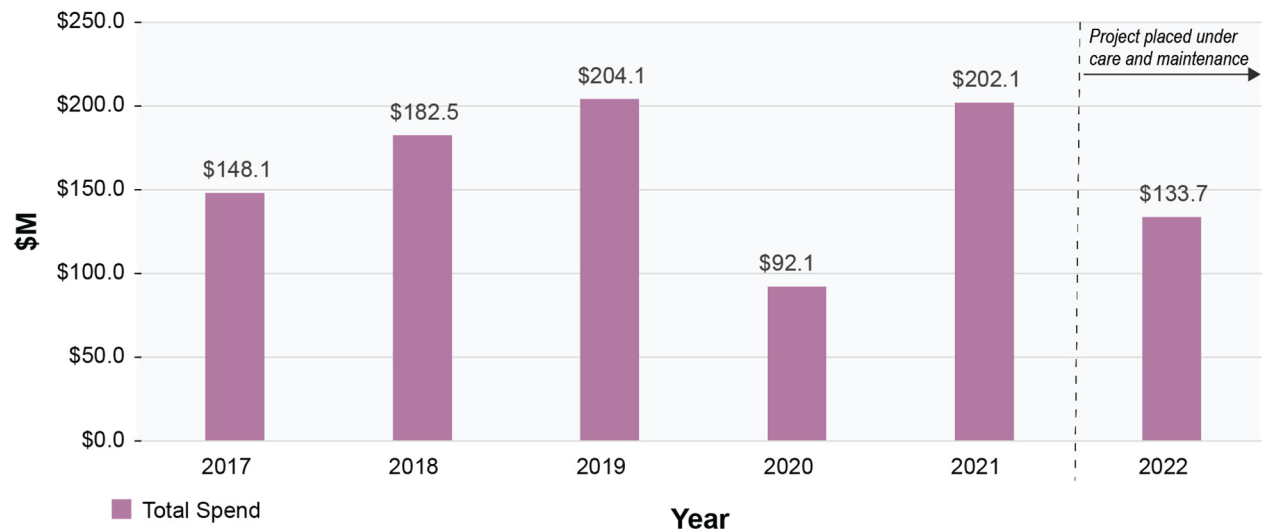
While some contracting opportunities will continue, there will be an overall reduction in business opportunities at the Project as a result of production activities coming to an end. Procurement opportunities will cease at the end of the phase.

Temporary Closure

While some contracting opportunities will continue, there will be an overall decrease in procurement opportunities because of the decrease in Project expenditures.

4.1.2 Results

Figure 4.1-1 represents the Project’s annual spend on contracts with businesses from Nunavut and beyond, and other expenditures. Prior to 2022, and on average, 60% was spent on services, 36% on materials and supplies, and 4% on corporate expenses. Procurement in 2020 was lower compared to previous years due to reductions in operating capacity at the Project in response to COVID-19 pandemic. While procurement increased in 2021, the Project’s total spend on contracts totaled \$133.7 million in 2022, representing a decrease of 34% over 2021. As the Project was placed under care and maintenance in 2022, Project-related spending substantially decreased with Project activities redirected from production to maintenance.



Graphics: HB-23ERM-008:21

Figure 4.1-1: Total Project Spend (\$M), 2017 to 2022

4.1.3 Interpretation

Project expenditures decreased in 2022 by 34% due to the suspension of mining operations. Project procurement expenditures continue to contribute to the economic prosperity in Nunavut and the rest of Canada, but at lesser levels.

4.2 Procurement from Nunavut Businesses

4.2.1 Predictions

Construction and Operation

The provision of business contracts will support economic prosperity and create new economic opportunities.

Reclamation and Closure

It is expected that of the \$42.7 million in closure costs, a portion will be awarded to Kitikmeot Qualified Businesses and other Inuit Owned and Nunavut businesses. While some contracting opportunities will continue, there will be an overall reduction in business opportunities at the Project as a result of production activities coming to an end. Procurement opportunities will cease at the end of the phase.

Temporary Closure

While some contracting opportunities will continue, there will be an overall decrease in procurement opportunities because of the decrease in Project expenditures.

4.2.2 Results

In 2022, related to the Hope Bay Project care and maintenance activities and exploration, Agnico Eagle awarded \$51.4 million in contracts to Nunavut-based businesses, representing 38% of total value of contracts awarded that year. The total to-date Project spend on contracts with Nunavut-based businesses is \$369.8 million (Table 4.2-1).

Table 4.2-1: Contracts Awarded to Nunavut Businesses (\$M), 2017 to 2022

	2017	2018	2019	2020	2021	2022
Number of Contracts	15	14	19	14	29	32
Total Value of Contracts	\$49.0	\$68.0	\$91.5	\$44.9	\$65.0	\$51.4
Average Value of Contracts	\$3.3	\$4.9	\$4.8	\$3.2	\$2.2	\$1.6
Median Value of Contracts	\$0.7	\$2.8	\$1.1	\$1.5	\$0.3	\$0.1
Percent of Total	33%	37%	45%	49%	32%	38%

4.2.3 Interpretation

Project procurement from Nunavut businesses decreased by 21% in 2022 due to the placement of the Project under care and maintenance and the suspension of Project mining activities. The average contract value also decreased from \$2.2M to \$1.6M. The percentage of the total contract value awarded to Nunavut businesses increased in 2022 to 38% (up from 32% in 2021).

4.3 Procurement from Kitikmeot Businesses

4.3.1 Predictions

Construction and Operation

The provision of business contracts to businesses in the LSA and the RSA, will support economic prosperity and create new economic opportunities. New businesses may be created to provide goods and services not presently available in the LSA or the RSA. Also, existing businesses may have the potential to expand or diversify as a result of local Project expenditures.

Reclamation and Closure

While some contracting opportunities will continue, there will be an overall reduction in business opportunities at the Project as a result of production activities coming to an end. Procurement opportunities will cease at the end of the phase.

Temporary Closure

While some contracting opportunities will continue, there will be an overall decrease in procurement opportunities because of the decrease in Project expenditures.

4.3.2 Results

In 2022, and related to the Hope Bay Project care and maintenance, Agnico Eagle awarded 19 contracts to KQB's with a combined value of \$49.5 million, representing 37% of the total value of contracts awarded that year (Table 4.3-1). No contracts have been awarded to non-KQB's in the Kitikmeot Region since 2017.

Table 4.3-1: Contracts Awarded to Kitikmeot Businesses (\$M), 2017 to 2022

	Non-KQB	KQB					
	2017	2017	2018	2019	2020	2021	2022
Number of Contracts	3	12	14	19	14	19	19
Total Value of Contracts	\$0.2	\$48.8	\$68.0	\$91.5	\$44.9	\$62.0	\$49.5
Average Value of Contracts	\$0.06	\$4.1	\$4.9	\$4.8	\$3.2	\$3.3	\$2.6
Median Value of Contracts	\$0.04	\$2.1	\$2.8	\$1.1	\$1.5	\$1.3	\$1.1
Percent of Total	0.2%	33%	37%	45%	49%	31%	37%

4.3.3 Interpretation

Through the IIBA, Agnico Eagle is committed to engaging KQB's in the development and operation of the Hope Bay Project (KIA & TMAC 2015). KQB's are Inuit-owned firms located in the Kitikmeot region and recognized by the KIA as a business capable of doing work for Agnico Eagle. The KIA determines which Kitikmeot businesses are listed on the KQB Registry based in part on Inuit Content Components as outlined in the IIBA, and other factors KIA may determine are consistent with the KQB Engagement Objective. All other Inuit-owned firms or entities not on the registry are counted separately.

To date, the Project has resulted in substantial business revenue for KQB's, totalling \$364.7 million from 2017 to 2022. Non-KQB's benefited \$163,433 in contracts in 2017; since then, no contracts have been awarded to non-KQB's. Data collected pre-2017 is not comparable.

Since 2017, the KQB firm share of total contract spend in relation to the Project is 38%. While there are no specific targets regarding procurement from KQBs, each year Agnico is required to provide the KIA with an annual contracting forecast which can provide Kitikmeot and Inuit Owned Businesses with an opportunity to prepare for upcoming opportunities.

To date, no evidence has emerged that Project procurement puts strain on Kitikmeot business service capacity or community access to necessary goods and services. On the contrary, the Project has contributed to an increase in business activity in the Kitikmeot region. Further, despite the impacts of COVID-19 and reduced Project activities in 2022, Agnico Eagle has continued to engage with and collect feedback from Kitikmeot businesses, organizations, and residents.

4.4 Procurement from Inuit Firms

4.4.1 Predictions

Construction and Operation

The Project is expected to provide contracting business opportunities to Inuit firms that will help existing businesses grow and expand in capacity. Also, new businesses may be created if there is demand for specific goods or services not already available in the LSA or the RSA.

Reclamation and Closure

While some contracting opportunities will continue, there will be an overall reduction in business opportunities at the Project as a result of production activities coming to an end. Procurement opportunities will cease at the end of the phase.

Temporary Closure

While some contracting opportunities will continue, there will be an overall decrease in procurement opportunities because of the decrease in Project expenditures.

4.4.2 Results

In 2022, and related to the Hope Bay Project care and maintenance, Agnico Eagle awarded \$51.1 million in contracts to Inuit businesses, representing 38% of the total spent. The 27 contracts with NTI businesses in 2022 included eight NTI from outside the Kitikmeot (Table 4.4-1).

Table 4.4-1: Contracts Awarded to Inuit Businesses (\$M), 2017 to 2022

	Other Inuit Businesses	Inuit Owned (KQB)					
	2017	2017	2018	2019	2020	2021	2022
Number of Contracts	3	12	14	19	14	19	27
Total Value of Contracts	\$0.2	\$48.8	\$68.0	\$91.5	\$44.9	\$62.0	\$51.1
Average Value of Contracts	\$0.06	\$4.1	\$4.9	\$4.8	\$3.2	\$3.3	\$1.9
Median Value of Contracts	\$0.04	\$2.1	\$2.8	\$1.1	\$1.5	\$1.3	\$0.2
Percent of Total	0.2%	33%	37%	45%	49%	31%	38%

4.4.3 Interpretation

In 2018, 2019 and 2020, all purchases in Nunavut were made in the Kitikmeot from Inuit-owned firms. In 2022, NTI contracts were awarded to Kitikmeot and other Nunavut NTI businesses. While the total value of contracts was lower in 2022 due to the placement of the Project under care and maintenance and the suspension of mining, Agnico Eagle's ongoing provision of contracts to Inuit businesses ensured that Inuit continued to receive some benefits from Hope Bay.

4.5 Business Development

4.5.1 Predictions

Construction and Operation

Project expenditures can support the creation of new businesses to provide goods and services not presently available in the LSA or the RSA.

Reclamation and Closure

It is expected that businesses previously supplying the Project will have time to adjust their respective capacities or work with other mining developments and exploration companies in the region, although this will be dependent on the economic conditions at the time.

Temporary Closure

All business opportunities will not cease, as ongoing maintenance activities will be required at site, but this will result in a reduced level of ongoing employment and procurement of goods and services by the Madrid-Boston Project. The ability of LSA and RSA businesses to replace the lost business will be dependent on economic conditions at the time and market opportunities with other projects in the region.

4.5.2 Results

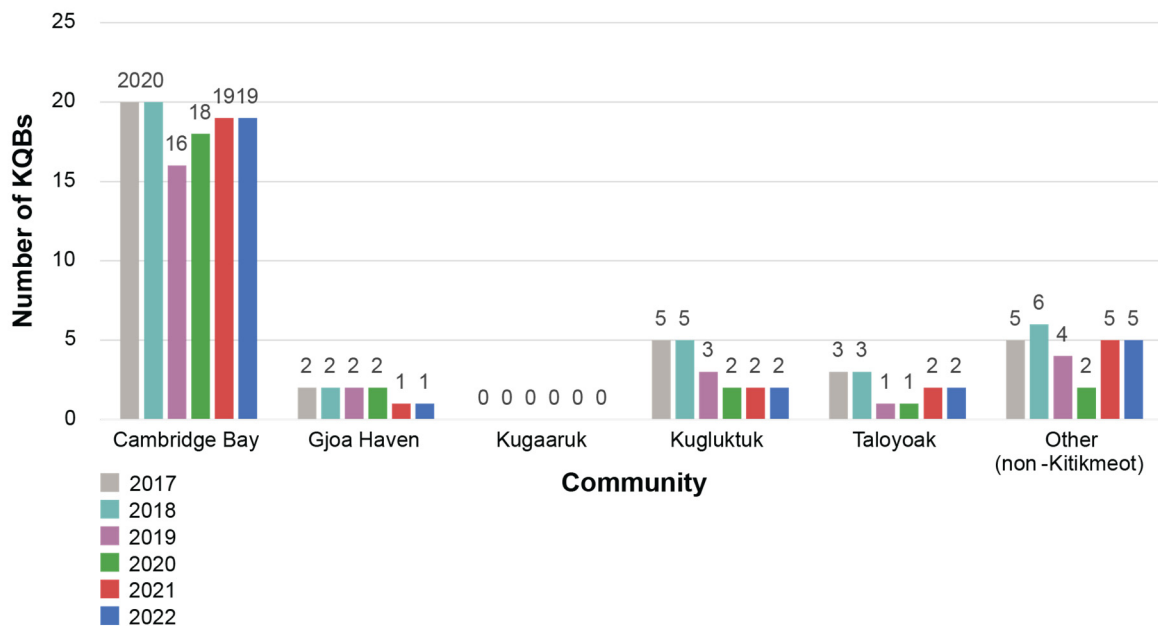
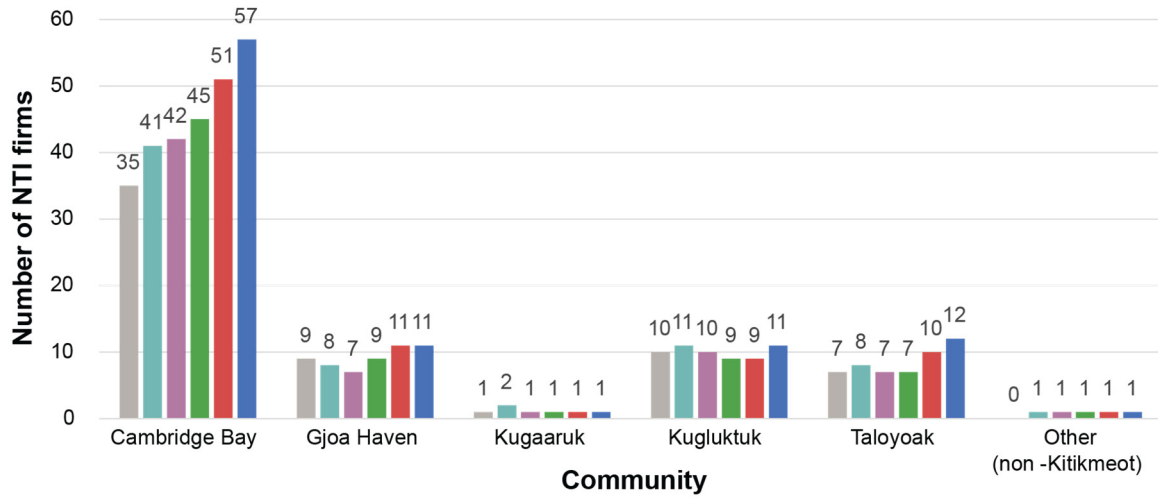
Figure 4.5-1 shows the number of registered Inuit firms in the business registry maintained by NTI and the corresponding number of KQBs for each community (NTI 2023). Table 4.5-1 shows the detailed registry and KQB data for 2022.

Kitikmeot Qualified Businesses

The number of KQBs tends to vary due to new businesses being created, some going out of business, and/or some failing to renew their registration. Given the general contraction of the Canadian economy in 2020 due to the pandemic, as well as reduced and isolated mine operations at Hope Bay, Inuit business growth, expansion, and development would not be reasonably expected to be induced during that period. In 2021 and in 2022, there were 29 KQBs on the Hope Bay list, up from 25 in 2020. The community of Kugaaruk, due to the limited business base, did not have any KQBs in any of the investigated periods (Figure 4.5-1).

Registered Inuit-Owned Firms in the Kitikmeot

In March 2023, there were 93 NTI-registered Inuit-owned firms in the Kitikmeot, an increase from 83 in 2021. The number of NTI-registered businesses remained unchanged in Gjoa Haven and Kugaaruk, but increased by six in Cambridge Bay, and by two in both Kugluktuk and Taloyoak.



Graphics: HB-22ERM-004:22

Source: NTI (2023)

Note: Data for 2017, 2018, 2019, 2020 and 2021 from NTI is based on estimates extracted in March of the following years: March 2018, March 2019, March 2020, March 2021, March 2022, March 2023.

Figure 4.5-1: NTI Registered Inuit-owned Firms and KQBs in Kitikmeot, 2017 to 2022

Table 4.5-1: Profile of Registered Inuit Firms in the Kitikmeot Region, 2022

Business Name	Summary	Class	KQB
Kitikmeot			
Cambridge Bay			
5140 Nunavut Ltd.	Air Transport, expediting, freight shipping, catering, and housekeeping, drilling, blasting, earthworks and earthwork construction, surface mining, underground mining, environment services, tire services, and heavy equipment maintenance.	3	✓
5296 Nunavut Ltd.	Office support services	3	✓
5364 Nunavut Ltd.	Plumbing and heating	1	
5701 Nunavut Ltd.	Trades	3	
5791 Nunavut Ltd.	Construction	3	
923239 NWT Inc.	Holding company	3	
Applecross Nunavut Inc.	Internet support services, web hosting, communication equipment installation, computer and network cable installation	3	
Aurizon Investments Ltd.	Real estate investment, residential housing complex and hotel	1	
Aurora Energy Solutions Inc.	Utility construction company, power line construction, maintenance, repair	3	
B & J Fly Fishing Adventures	Fishing Camp	3	
BLM-KEL-60 Corp.	Environmental Consulting Services	1	
CanMine Emingak Ltd.	Underground mining & tunneling, underground equipment sales & rental	1	✓
CBO Kalluk Limited Partnership	Facilities Maintenance Services	1	
Evaglok, John	Taxi	3	
Geotech Ekutak Ltd.	Drilling – surface and subsurface	1	✓
Go Cargo Taxi Limited	Taxi and vehicle rentals	1	
Hiku Projects	Construction	3	
Hiku Tire & Lube Services	Repair Shop for Vehicles	3	
Hiqiniq Energy Corporation	Renewable energy development and services	3	
Ikaluktutiak Co-operative Ltd.	Store, Inns North Hotel and other hotel	2	
Inukshuk Enterprises Ltd.	Construction, cartage, garage, property management, arcade	1	
Jago Holdings Ltd.	Property management	3	
Jago Services Inc.	General contractor, electrical contractor, HVAC services, and plumbing and heating services and supplies	3	✓
Kalgans Dis and Dat Inc.	Convenience/retail/general store; snow clearing, vehicle rentals	1	
Kalluk Corporation	General contractor	3	

Business Name	Summary	Class	KQB
Kalvik Enterprises Incorporated	Construction, renovations, repairs, rentals	1	
Kiilliniq Corporation Ltd.	Property management	3	
Kingaunmiut Services Ltd.	Logistics, fuel, transportation, drilling and construction	1	✓
Kitikmeot Air Ltd.	Fixed wing aircraft charter service	3	✓
Kitikmeot BBE Expediting Ltd.	Expediting and Logistics	3	✓
Kitikmeot Blasting Services Ltd.	Provide explosives and explosive related services	1	✓
Kitikmeot Camp Solutions Limited	Camp catering, camp management, camp sales and rental, modular camp structures, potable wastewater treatment plant, and maintenance services	1	✓
Kitikmeot Cementation Mining and Development Ltd.	Underground mine development and training	1	✓
Kitikmeot Cleaning Services	Janitorial cleaning and retail	3	
Kitikmeot Corporation	Business development	3	✓
Kitikmeot Environmental Ltd.	Soil remediation and land farming	1	✓
Kitikmeot Expediting Services Ltd.	Expediting, airport ground handling and purchasing services	3	
Kitikmeot Helicopters Ltd.	Helicopter contracting service	1	✓
Kitikmeot Region Properties Inc.	Real estate development	3	
Kitikmeot Tire Mine Service Ltd.	Supply tire and tire services and related products/services	1	✓
Kitnuna Corporation	Trade & services	3	
Knot Even Macrame North	Macrame retail	3	
Medic North Nunavut Ltd.	Emergency medical services, medical equipment supply	3	✓
Nujait Salon	Hair Salon	3	
Nuna Logistics Limited	Freight hauling, open pit mining, crushing, training services, mine site services and construction, mine site infrastructure rental	1	
Nuna Pang Contracting Ltd.	Mining, mining exploration, heavy civil developments, construction site services, life of mine maintenance and service contracts and oil and gas industry development	1	
Nuna West Mining Ltd.	Site preparation and infrastructure development, construction management and site earthworks and infrastructure	1	✓
Nunavut Arctic Transportation Company	Marine transportation industry	1	
Nunavut Resources Corporation	Exploration finance, mine-related infrastructure development, regional infrastructure development and financing, investment banking and corporate finance advisory services	3	✓
Otokiak Corporation	Construction and Earthworks	3	✓

Business Name	Summary	Class	KQB
Otokiak, Amanda	Taxi services/rentals	3	
Panarctic Lightering Corporation	Renewable energy development and services	2	
Qillaq Construction Inc.	Construction and supplier of construction materials, including all trades	3	
Scarlet Kitikmeot Ltd	Security Services	3	
Tundra Busters Tourism	Tourism	3	
Umingmak Bed & Breakfast Lodge	Bed and breakfast hotel	3	
Vandenbrink, Clarissa	Gift baskets and event planning	3	
Gjoa Haven			
4660 Nunavut Ltd.	Outfitting and Tourism	3	
Aksalik	Design clothing, accessories, such as phone cases, bags, etc	3	
Arktis Piusitippaa Incorporated	Engineering, professional consulting services	1	✓
CAP Enterprises Ltd.	Expediting, infrastructure planning, construction; earthworks and earthworks construction; environmental services, and heavy equipment	1	
Cip's Courier	Courier Services	3	
Porter, Johnny	Sport hunt & fisheries, guiding, land program, livelihood, seamstress	3	
Porter, Megal and Aglukkaq Sylvia	Hotel accommodations	3	
Porter, Stanley	Taxi	3	
Puqiqnak, Paul	Taxi & Vehicle rentals	3	
Qikiqtaq Co-operative Ltd.	Store, Inns North Hotel and other hotel, POL, Post Office	2	
Wallace Services	Renovations, general construction, vehicle rentals, property management	3	
Kugaaruk			
Koomiut Co-operative Association	Store, Inns North Hotel and other hotel	2	
Kugluktuk			
JMS Supplies Ltd.	Retail sales of building supplies, residential furniture, recreational vehicles and outdoor equipment	1	
Kikiak Contracting Ltd.	Trade and services	1	
Kitikmeot Savik Inc.	Structural steel supply and installation	3	
Kugluktuk Co-operative Ltd.	Store, cable TV, poll	2	
LenaSseams	Designing, sewing, clothing, printing and embroidering	3	
Metuituk, Darlene	Taxi business	3	
Ryfan Kitikmeot Ltd.	Construction and contracting	3	
Summit Air Kitikmeot Ltd.	Air charter services including rotary wing and fixed wing for cargo and passenger transportation	1	✓
Taps Servicing	Professional cleaning services	3	

Business Name	Summary	Class	KQB
Tingmiak Kitikmeot Ltd.	Charter cargo and passenger air service	3	✓
Tuullik Inuinnaqtun Translations	Inuinnaqtun Translations	3	
Taloyoak			
Aqsaqniq Airways Ltd.	Air Charter Services	1	✓
Aqsaqniq Ltd.	Hotel and restaurant, cable, general contracting	3	
Aupila's Initiatives	Goods, selling sewing supplies, lumber	3	
Boothia Ventures Ltd.	Hotel	3	
Chuck's Hauling and Cartage	Moving of mail, cargo, and personal effects	3	
Johnson's Taxi	Taxi service	3	
Lyll Brothers Services	Welding	3	
Lyll Construction Ltd.	Gravel hauling and general contracting	3	
Matrix Kitikmeot Logistics Ltd.	Camps, logistics and aviation management	1	✓
Paleajook Co-operative Ltd.	Retail, Inns North Hotel and other hotel, cable TV, Post Office	2	
Tukani Transportation & Services	Truck Rental, Labour	3	
Ukuqtunnuaq, Johnny	Small engine repair	3	
Other			
Arctic Coast Enterprise Ltd.	Property management, leasing of equipment	3	
Other (outside Kitikmeot)			
Nunami Stantec Ltd.*	Environmental science and engineering services	2	✓
Nunavut Eastern Arctic Shipping	Marine Transportation	1	✓
Nunavut Sealink and Supply Inc*	Marine and marine transport services	1	✓
Northern Networks	Air Transport, expediting, freight shipping, catering and housekeeping, earthworks and earthwork construction, surface mining, underground mining, tire services, and heavy equipment maintenance	3	✓
Toromont Arctic Ltd.*	Heavy equipment services and parts, supply of heavy construction equipment and power generation, including sales, service and rental	1	✓

Source: NTI (2023)

Notes:

Class 1 = 51%-75% Inuit Ownership

Class 2 = 76%-99% Inuit Ownership

Class 3 = 100% Inuit Ownership

KQB also indicates that the business is on Agnico Eagle's KQB list of vendors.

** Owned in partnership with Kitikmeot Corporation*

Continuation of Procurement

Table 4.5-2 provides a list of KQBs that provided services to the Hope Bay Project in 2021 during Project operation, and in 2022 when the Project was placed under care and maintenance. As shown, of the 12 KQBs that provided services in 2021 to Hope Bay, 11 continued to provide services in 2022 when the Project was placed under care and maintenance. Consequently, most KQBs that provided business services to the Project during operation continued to provide business services during the temporary closure.

Further, the following four businesses also provided services to Agnico's Kivalliq projects in 2022:

- Northern Networks Ltd.
- Nunami Stantec Ltd.
- Nunavut Sealink and Supply Inc.
- Toromont Arctic Ltd.

Table 4.5-2: KQBs Providing Services to the Hope Bay Project

Business Name	2021	2022
Cambridge Bay		
5140 Nunavut Ltd.		
5296 Nunavut Ltd.		
CanMine Emingak Ltd.		
Geotech Ekutak Ltd.	✓	✓
Jago Services Inc.	✓	✓
Kingaunmiut Services Ltd.		
Kitikmeot Air Ltd.	✓	✓
Kitikmeot BBE Expediting Ltd.	✓	✓
Kitikmeot Blasting Services Ltd.		
Kitikmeot Camp Solutions Limited	✓	✓
Kitikmeot Cementation Mining and Development Ltd.	✓	✓
Kitikmeot Corporation		
Kitikmeot Environmental Ltd.		
Kitikmeot Helicopters Ltd.		
Kitikmeot Tire Mine Service Ltd.		
Medic North Nunavut Ltd.		
Nuna West Mining Ltd.	✓	✓
Nunavut Resources Corporation		
Otokiak Corporation		
Gjoa Haven		
Arktis Piusitippaa Incorporated		
Kugluktuk		
Summit Air Kitikmeot Ltd.	✓	✓
Tingmiak Kitikmeot Ltd.		

Business Name	2021	2022
Taloyoak		
Aqsaqniq Airways Ltd.	✓	
Matrix Kitikmeot Logistics Ltd.		
Other		
Nunami Stantec Ltd.*	✓	✓
Nunavut Eastern Arctic Shipping	✓	✓
Nunavut Sealink and Supply Inc*		
Northern Networks		
Toromont Arctic Ltd.*	✓	✓

* Owned in partnership with Kitikmeot Corporation

4.5.3 Interpretation

The Project is believed to have had a positive effect on Kitikmeot business development. Many businesses in the Kitikmeot region provide mining services and the development of these businesses may have been supported by the Project or by other mining projects and exploration in the region.

Cambridge Bay typically experiences most notable business growth and the development of new businesses not being exclusively attributed to the Hope Bay Project, but also resulting from increased public government activity and other sources of contracts. Additionally, there are businesses whose descriptions are not explicitly related to mining that provide services to the mining industry, including: medical and safety services, expediting and logistical services, site management, catering, and janitorial services. A number of these businesses have benefitted from business opportunities associated with the Project during operation and continue to provide services during care and maintenance activities.

4.6 Effects Management and Mitigation

Table 4.6-1 lists the programs and measures designed to mitigate and manage potential effects related to contracting and business expenditures.

Table 4.6-1: Contracting and Business Expenditures Management and Mitigation Measures

Program / Mitigation Measure	Purpose / Description / Outcome
All Phases	
IIBA	The IIBA sets out principles and methods to, among other purposes, maximize Inuit training, employment and business opportunities arising from the operation of the Project, and provide a mechanism through which effective communication and cooperation can take place. Key features of the IIBA include provisions for, among others: promotion of Inuit content in procurement, including requirement to engage Kitikmeot Qualified Businesses for certain types of goods and services; bid preparation training program for Inuit; offering contracts open only to Kitikmeot Qualified Businesses; and establishment of a Business Development Fund to invest in building the capacity for Inuit business development in the Kitikmeot region.

Program / Mitigation Measure	Purpose / Description / Outcome
Agnico Eagle Liaison	<p>Agnico Eagle Liaison works with the appropriate Agnico Eagle department to, among other responsibilities, assist Agnico Eagle to maximize Kitikmeot Qualified Business procurement by identifying businesses interested in procurement opportunities, considering opportunities for capacity building and development, and assisting Kitikmeot Qualified Businesses to access available business opportunities.</p> <p>Agnico Eagle will identify Kitikmeot Qualified Businesses as well as other Inuit and non-Inuit businesses in the Kitikmeot region that can support Care and Maintenance and Closure activities to continue to provide some contracting opportunities, and promote awareness of procurement opportunities and contracting forecast related to Care and Maintenance and Closure activities.</p>
Community Involvement Plan	<p>Agnico Eagle maintains communications with Kitikmeot communities and shares information to assist in the development of collaborative adaptive management measures, should unanticipated impacts arise and mitigation be required.</p>
Communication	<p>Agnico Eagle communicates Project's schedule to ensure that local governments, local and regional businesses, and other interested institutions/organizations are aware of Project activities as well as any opportunities that can contribute to business growth in the Kitikmeot region. Agnico Eagle:</p> <ul style="list-style-type: none"> ■ provides assistance, feedback, information, and lead time to contractors from the Kitikmeot communities on bids and bidding policies; ■ requires and monitors local content plans on major bids; ■ waives bond provisions at tender for Inuit owned businesses; ■ provides annual business opportunities forecast; and ■ promotes awareness of procurement opportunities within the Kitikmeot region.
Specific to Temporary or Final Closure	
Transition Strategy	<p>Assess the development of a strategy to help transition employment and procurement from opportunities available during operations, to those available during advanced exploration, care and maintenance, or decommissioning and reclamation.</p>
Entrepreneur Start-up Workshops	<p>Support, in collaboration with local economic development organizations, delivery of entrepreneur start-up workshops in Kitikmeot communities.</p>

5. EMPLOYMENT

5.1 Overall Employment

5.1.1 Predictions

Construction and Operation

The Project will provide direct employment opportunities for workers from across Canada, Nunavut and the Kitikmeot Region. This can increase the number of employed in the Kitikmeot region and decrease the unemployment rate.

Reclamation and Closure

Although it is currently unknown how many person-years of employment will be created at the Project, it is expected that there will be a substantial drop in employment opportunities compared with Operation. Workers from Operation are expected to be retained for the Reclamation and Closure phase, as there will be a continued reliance on skills related to mining (e.g., heavy equipment operators), environment, and surface operations, among others.

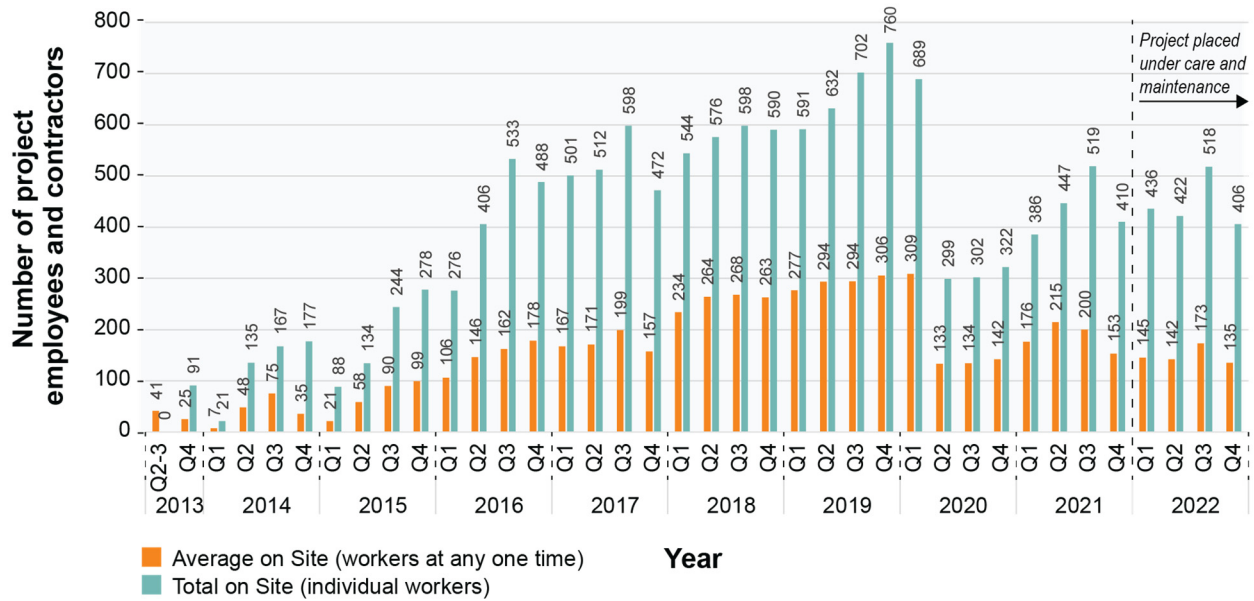
Temporary Closure

Employment at the Project will be substantially reduced but will not cease. Ongoing maintenance activities will be required at site meaning a reduced level of ongoing employment.

5.1.2 Results

Workforce Size

Figure 5.1-1 shows the total and average number of on-site workers for Agnico Eagle and contractors. The total number of workers had increased during ramp up and operation from as many as 598 workers in 2017 and 2018, up to 760 workers in 2019. In March 2020, operations at the Hope Bay Project were scaled down and the workforce size was reduced to manage the COVID-19 pandemic and to protect its employees and contractors. Similarly, in 2021, pandemic related measures continued, and Nunavut-based employees (direct and contractor) were not allowed at the Project to protect Nunavut communities from the spread of COVID-19; this resulted in lower levels of employment throughout 2021. The implementation of care and maintenance at the Project in February of 2022 continued the lower levels of employment at the Project.

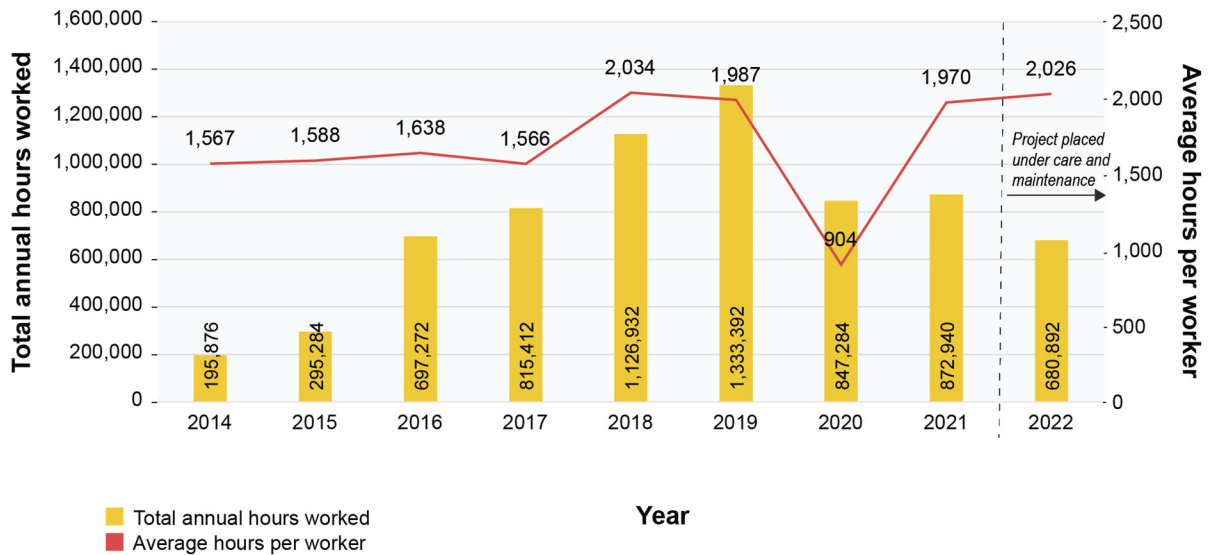


Graphics: HB-23ERM-008:4

Figure 5.1-1: Number of Project Employees and Contractors, 2013 to 2022

Workforce Effort

From 2014 to 2019, Project workforce effort trended upward with a seven-fold increase in the total annual hours worked. Workforce effort was lower in 2020 and 2021 due to the Covid-19 pandemic and related challenges, with further lowering in 2022 with the placement of the Project under care and maintenance (Figure 5.1-2).



Graphics: HB-23ERM-008:5

Figure 5.1-2: Workforce Effort by Project Employees and Contractors, 2014 to 2022

5.1.3 Interpretation

Project activities started in April 2013 and included site maintenance, environmental compliance monitoring, and exploration work. Relative employment increased in 2014 due to the size of the exploration program and environmental compliance monitoring. In 2015 and 2016, work at the site increased substantially with focus on a path to production. In 2017, commercial production at the Doris mine commenced. The total employment significantly increased with an increase in on-site activities and production. In 2019, activities at the Boston site, in addition to the Doris North mine operations, took place in September, October and November, further contributing to the total employment impact.

In 2020 and 2021, there was an overall reduction in workforce size and workforce effort resulting from the COVID-19 pandemic. Starting in March 2020, Hope Bay operations were isolated from Nunavut communities and Nunavut workers were precluded from travelling to site due to the infection risk posed by the COVID-19 pandemic. Decreased levels of employment and workforce effort continued in 2022 with the suspension of mining and the placement of the Project under care and maintenance. These lower levels of employment are expected to continue throughout the duration of care and maintenance at the Project.

5.2 Inuit and Kitikmeot Employment

5.2.1 Predictions

Construction and Operation

Agnico Eagle is committed to maximizing Inuit employment at the Project. Agnico Eagle is committed, under the IIBA, to maximizing employment benefits in the LSA and the RSA. IIBA highlights Inuit employment preference, which means that if there are two or more equally matched Inuit and non-Inuit candidates, Agnico Eagle will hire Inuit candidates.

Reclamation and Closure

Although it is currently unknown how many person-years of employment will be created at the Project, it is expected that there will be a substantial drop in employment opportunities compared with Operation. There is potential for the unemployment rate and number of people receiving social assistance to increase; however, the extent to which this will occur is difficult to predict and will be determined by the number of other projects and employment opportunities available in the region at that time and the ability of individuals to transition to other employment. Contributions to building the labour force capacity in the region will cease. However, work-related experience and increased capacity gained throughout the Operation phase will help workers in the Kitikmeot region obtain new employment. Further, workers from Operation are expected to be retained for the Reclamation and Closure phase, as there will be a continued reliance on skills related to mining (e.g., heavy equipment operators), environment, and surface operations, among others.

Temporary Closure

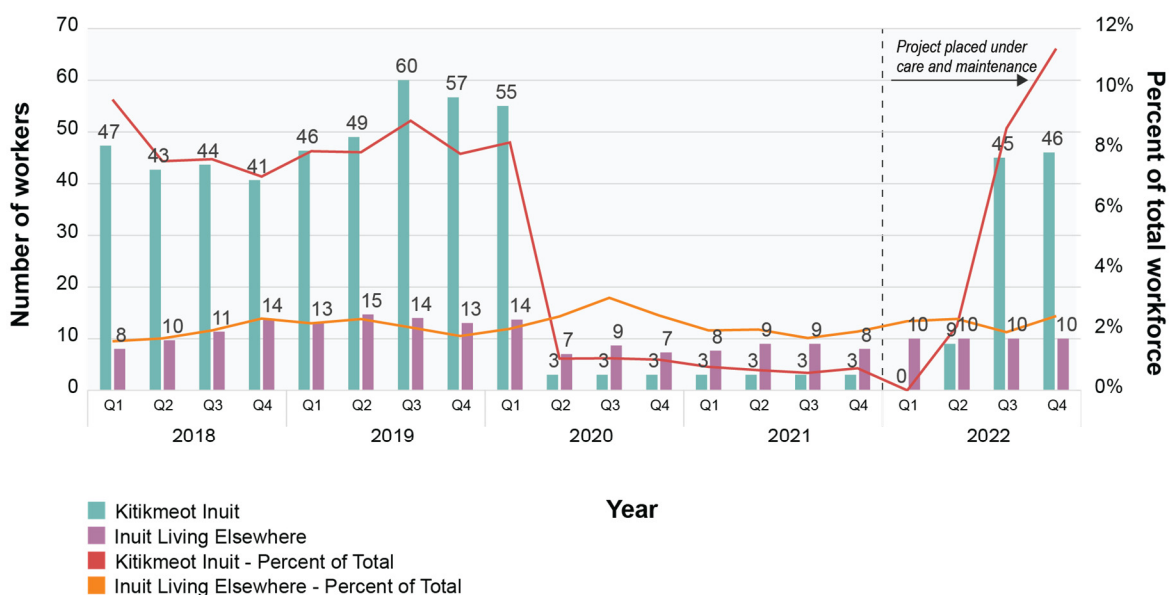
Employment at the Project will be substantially reduced but will not cease. Ongoing maintenance activities will be required at site, meaning a reduced level of ongoing employment. The ability of LSA and RSA workers to find alternative employment will be dependent on the economic conditions at the time and the employment opportunities with other projects in the region.

5.2.2 Results

Workforce Size

COVID-19 pandemic reduced the number of Inuit workers on site, both in 2020 and in 2021 (Figure 5.2-1). This resulted from the reduced operation at the Project as well as an isolation policy that precluded Inuit workers from Kitikmeot communities to travel or work on site. The isolation policy applied to both – direct Project workers and contractors’ employees.

Inuit employment increased in Q3 and Q4 of 2022 with the return of Nunavummiut workforce to Hope Bay in June and July of 2022, increasing steadily until the end of 2022. In 2022, the Project hired up to 46 Kitikmeot Inuit (11% of total workforce) and up to 10 Inuit (2% of total workforce) from outside the region (Figure 5.2-1).

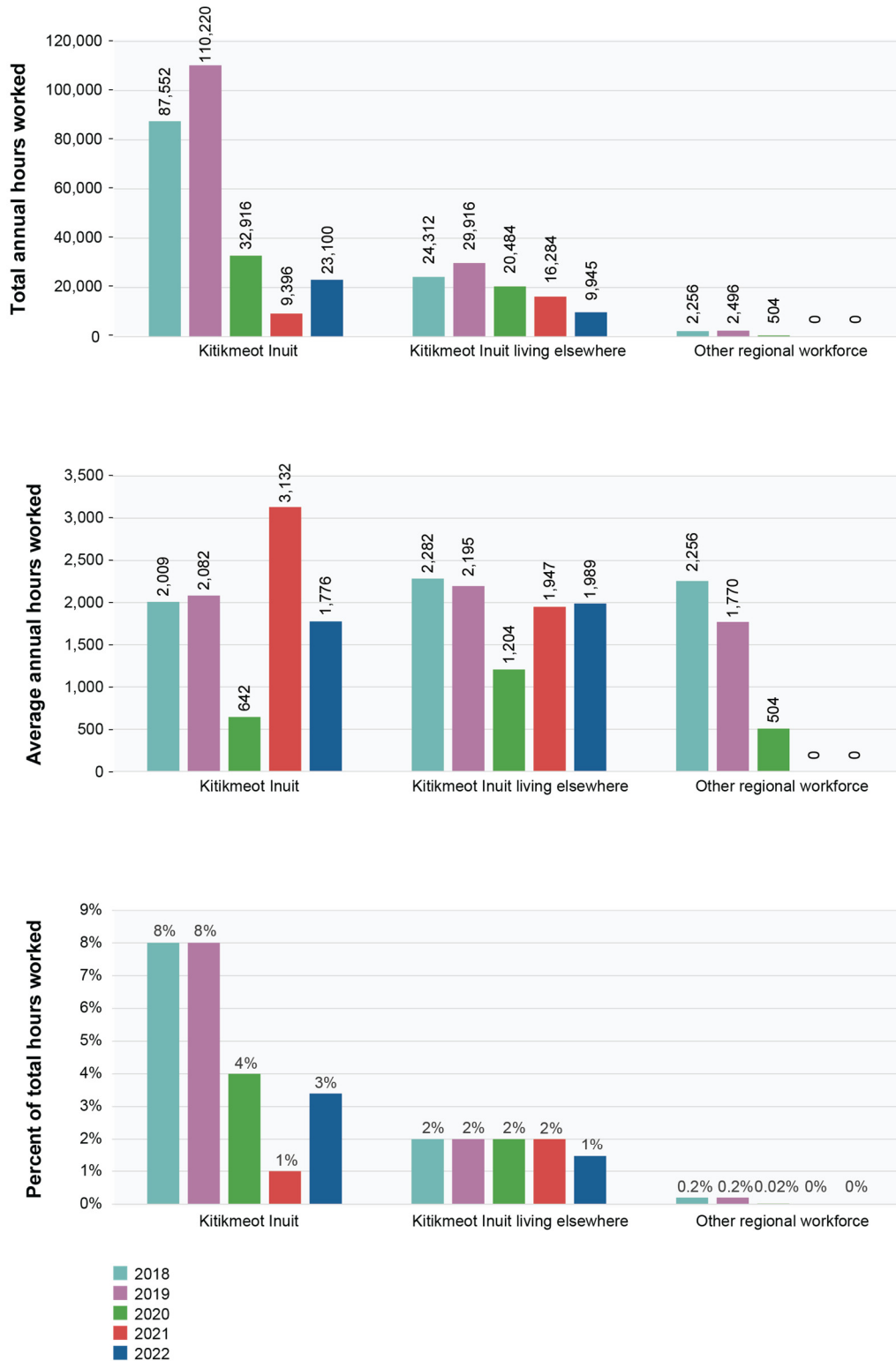


Graphics: HB-23ERM-008.6

Figure 5.2-1: Inuit and Kitikmeot Employment (Average Number of Workers and Percent of Total Workforce), 2018 to 2022

Workforce Effort

As expected, total workforce effort by Inuit workers was lower in 2020 and in 2021 compared to previous years (Figure 5.2-2). Workforce effort by Kitikmeot Inuit increased in 2022, however, it decreased for Kitikmeot Inuit living elsewhere. In 2022, Hope Bay did not employ any Kitikmeot residents that were not Inuit.

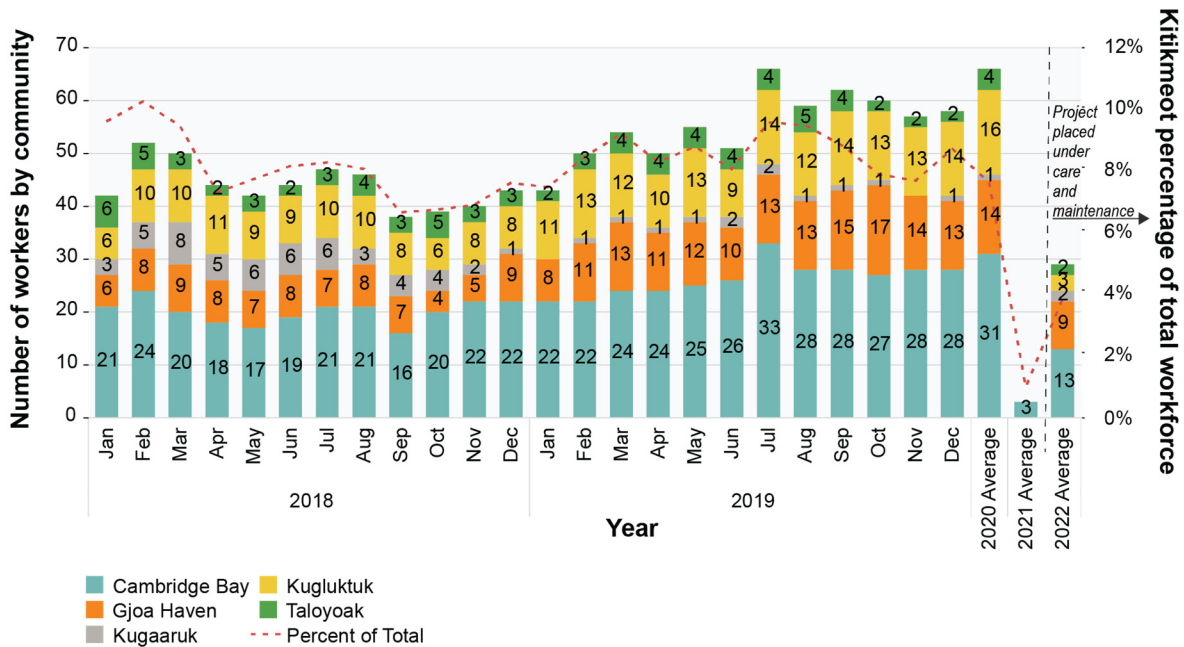


Graphics: HB-23ERM-008:7

Figure 5.2-2: Project Workforce Effort (Employees and Contractors), 2018 to 2022

Kitikmeot Workers by Community

The number of Inuit employees from Kitikmeot communities increased in 2022 compared to 2021, with the return of Nunavummiut workforce to Hope Bay in June and July of 2022 (Figure 5.2-3).



Graphics: HB-23ERM-008.8

Figure 5.2-3: Kitikmeot Workers (Number and Percent of Total Workforce) by Community, 2018 to 2022

Changes in Employment of Inuit

The return of Nunavummiut workforce to Hope Bay in June and July of 2022 allowed the Hope Bay Project to resume its local hiring practices. Agnico Eagle hired eight Inuit from Cambridge Bay, five from Gjoa Haven, and one from Taloyoak and Kugaaruk, for a total of 15 Inuit employees. Additionally, contractors working for Hope Bay hired 18 Inuit employees.

The placement of the Hope Bay Project under care and maintenance allowed two Kitikmeot Inuit to be moved from operation-specific positions to care and maintenance. Two other Inuit, residing in Edmonton, who previously worked at Hope Bay were redeployed to other Agnico Eagle projects (Meliadine and Kirkland Lake).

In 2022, Agnico Eagle terminated employment of three Inuit from Cambridge Bay, and one from each of Gjoa Haven, Taloyoak and Kugaaruk. Contractors working for the Hope Bay Project terminated employment of six Inuit employees.

5.2.3 Interpretation

The IC of the IIBA sets the annual IET. However, because the Hope Bay Project was placed under care and maintenance in February of 2022, the IIBA obligations do not apply during that phase; IIBA targets will be set again once commercial production resumes at Hope Bay.

As affirmed by the IIBA, Agnico Eagle is committed to maximizing Inuit employment. Broadly, these commitments include priority to Inuit candidates when Inuit and non-Inuit candidates have similar skills, recognizing Inuit skills and experience equivalencies where appropriate, identifying jobs where formal educational requirements can be adjusted, hiring of Nunavut Inuit living in the Kitikmeot region before other groups, implementing employment policies to engage Inuit who do not have the education normally required for work at the Project, and employing Inuit college and university students as summer students.

Since 2020, Agnico Eagle has been participating in a regional initiative entitled *Supporting Kitikmeot Inuit Workforce Readiness and Success in the Major Projects Sector*, sponsored by KC and the KIA.

The initiative has involved engagement with employers and other organizations in the region to develop an understanding of the conditions that hinder and support Inuit from early education to entering the workforce. Through this engagement, several underlying barriers to Inuit employment were acknowledged, including limited access to appropriate housing, health services, childcare, and post-secondary education. Attaining the skills required to participate in skilled positions often necessitates travel to the South, which is costly and can be logistically challenging (particularly for families). Similarly, the opportunity to take and pass the trades entrance exams can be a barrier to prospective apprentices, as pre-trades courses and entrance exams are typically conducted in Rankin Inlet.

Agnico Eagle continues to engage with the KIA, the SEMWG and the Kitikmeot SEMC to collectively address longstanding and complex barriers to employment. Agnico Eagle also supports the *Kitikmeot Inuit Workforce Readiness and Success* initiative, in partnership with other employers and employment influencers, such as KC, GN Department of Family Services, Nunavut Arctic College, Kitikmeot Community Futures Inc., and the Kitikmeot Chamber of Mines, among others.

While the placement of the Project under care and maintenance in 2022 prevented the Project from reaching higher levels of workforce effort by Kitikmeot Inuit, Inuit outside of the Kitikmeot, and other regional workforce, care and maintenance activities allowed for the hiring of new Inuit workforce and the employment of other Inuit employees by other Agnico Eagle projects.

5.3 Gender Equity

5.3.1 Predictions

Construction and Operation

Agnico Eagle is committed to employment equity and increasing the share of women in the workforce; however, in consideration of historical experience of the mining sector, most Project employees are predicted to be male.

Reclamation and Closure

No FEIS-specific prediction.

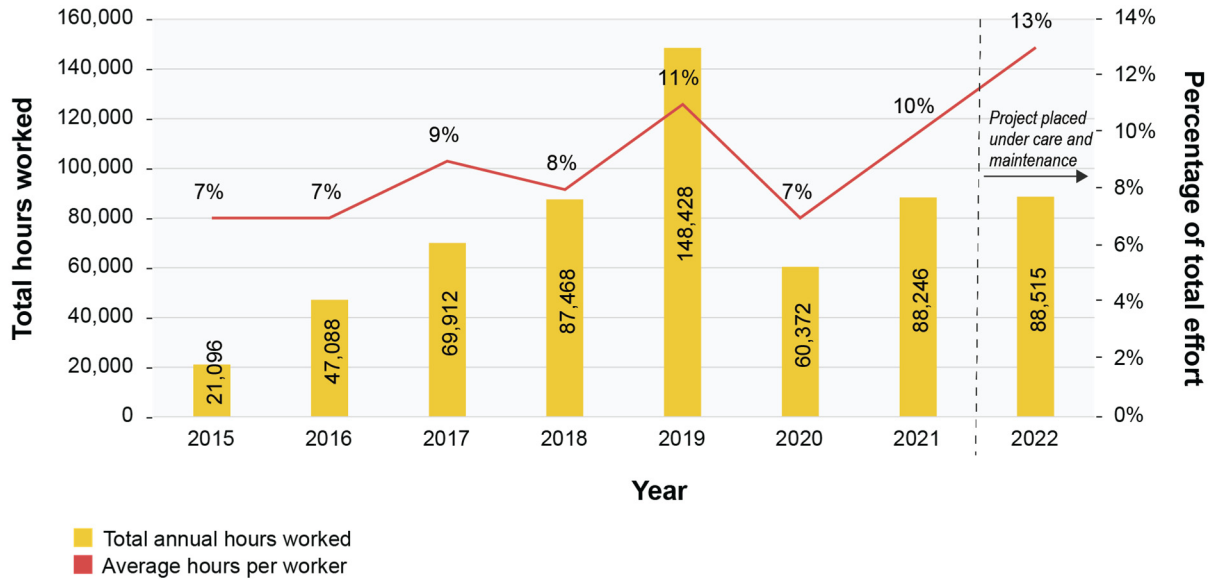
Temporary Closure

No FEIS-specific prediction.

5.3.2 Results

Workforce Effort by Women

The workforce effort by women generally trended upward from 2015 to 2019. In 2020, there was an overall decrease in this indicator due to the reduced operational capacity at the Project. In 2021 and 2022, while the effort by female employees increased, it was below previously recorded highs for this indicator. In 2022, under care and maintenance, workforce effort by women reached 13% of the total effort at the Project (Figure 5.3-1).

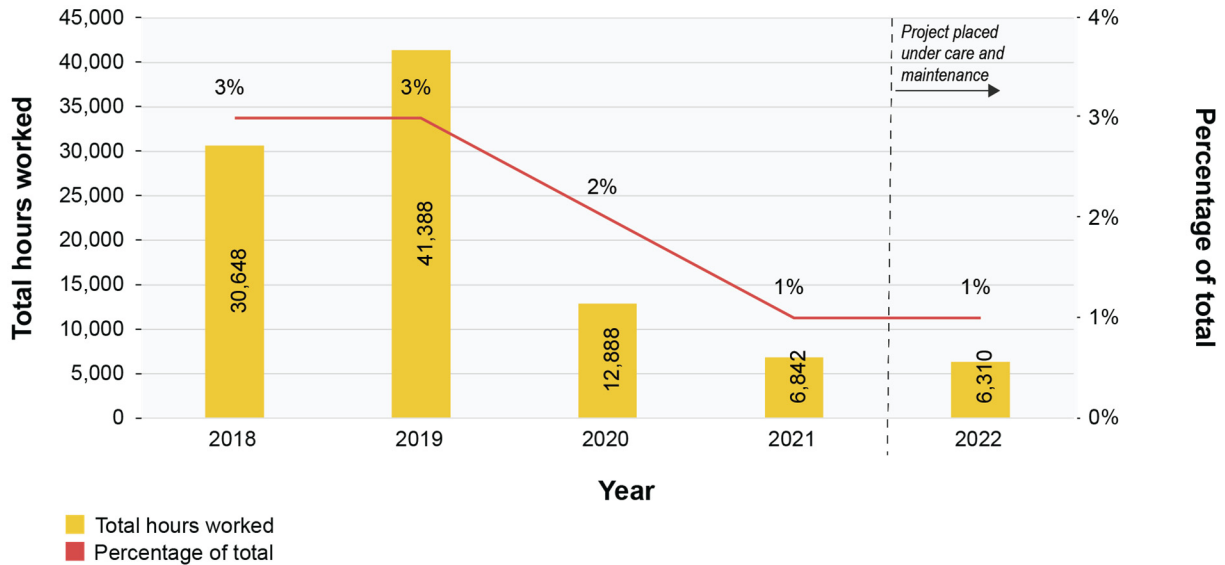


Graphics: HB-23ERM-008:9

Figure 5.3-1: Workforce Effort by Women, 2015 to 2022

Workforce Effort by Inuit Women

Workforce effort by Inuit women has been decreasing since 2019. In 2020 and 2021, this lower effort was associated with the Covid-19 pandemic and associated challenges. Nunavummiut employees were allowed to return to the Project only in June of 2022; however, there was a continuation in lower workforce effort as a result of care and maintenance activities at the Project (Figure 5.3-2).



Graphics: HB-23ERM-008:10

Figure 5.3-2: Workforce Effort by Inuit Women, 2018 to 2022

Changes in Employment of Women

In 2022, Agnico Eagle hired one Inuit female employee from Kugaaruk, and contractors working for Hope Bay hired three Nunavummiut females. Two Nunavummiut female employees resigned from employment with Hope Bay contractors, and one had their employment terminated with Agnico Eagle.

5.3.3 Interpretation

Female participation in Hope Bay employment has been relatively low, representing 13% of the total workforce effort in 2022; workforce effort by Inuit women was at 1%. In Canada, in 2022, women represented 19% of employment in the mining industry (Statistics Canada 2023f). Agnico Eagle expects to have the opportunity to hire more women and increase the number of hours worked by women if the Project resumes or increases operations. There are no specific IIBA IC targets for the employment of women at the Project; general IC targets are also not required or set during care and maintenance activities.

Agnico Eagle has several practices in place to encourage the employment and retention of women. Agnico Eagle supports pre-employment training, administered by the KIA, with dedicated spots for female participation. The pre-employment training informs women on the availability of employment opportunities, provides career counselling, job search help, and employment skills workshops. The purpose is to increase the skills, experience and exposure of prospective female workers to help them prepare for and obtain jobs in mining. Agnico Eagle also maintains a strong commitment to a safe and respectful culture at the Project. Through various programs and practices, as well as the provision of regular training, education and monitoring, Agnico Eagle works to make women feel safe and respected in the workplace to increase the retention of women in various roles at the Project. When hiring, Agnico Eagle ensures that each new employee, in addition to the required skills, has the right demeanour towards other coworkers and values Agnico Eagle culture of respect and inclusivity.

In 2022, because the Project was placed under care and maintenance, provision of high school achievement awards, that recognize traditional knowledge and academic excellence, was paused. In previous years when these awards were granted, and due to the make up of high school populations in the Kitikmeot, a high proportion of award winners have been female and have had the opportunity to visit the mine site and consider firsthand careers in mining.

5.4 Employment Income

5.4.1 Predictions

Construction and Operation

Through the provision of direct employment opportunities, the Project will increase the personal income of workers in Kitikmeot communities.

Reclamation and Closure

There will be a reduction in income earned by workers resulting from the reduction in employment opportunities. Eventually, income benefits at the Project will cease.

Temporary Closure

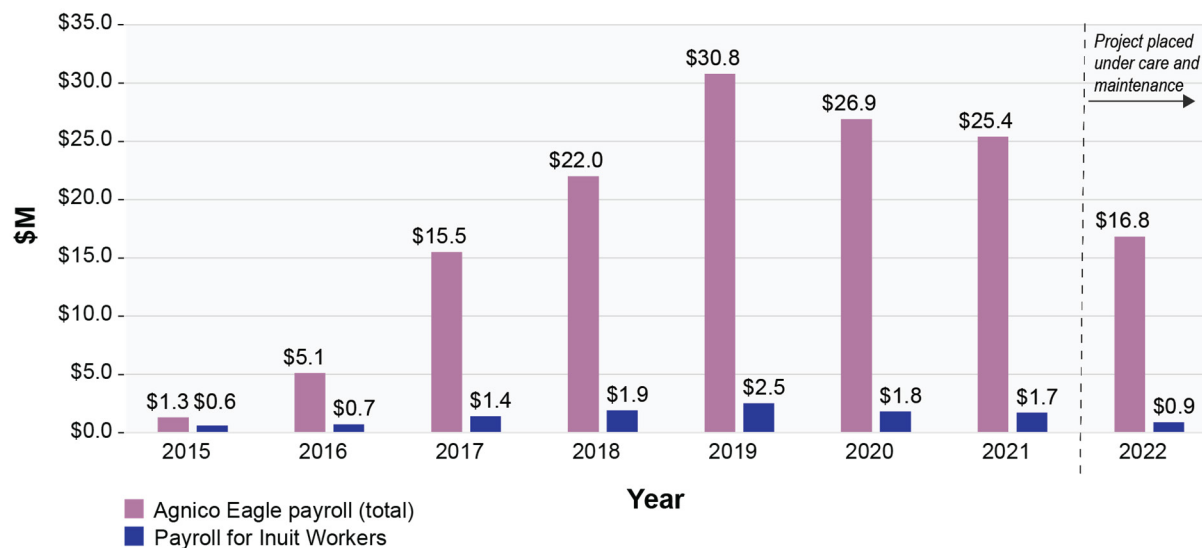
There will be a reduction in income earned by workers resulting from the reduction in employment opportunities.

5.4.2 Results

Total Payroll

Figure 5.4-1 summarizes Agnico Eagle payroll for 2015 to 2022 and payroll for all Kitikmeot-based and on-site employees (IIBA and non-IIBA), as well as Inuit workers. Note that this excludes Agnico Eagle payroll for Yellowknife and Toronto based employees, as well as payroll of on-site contractors. The total payroll substantially increased with the commencement of Project production in 2017, with continued increases in 2018 and 2019, and a decrease in 2020 and 2021 as a result of reduced operational capacity at the Project due to the COVID-19 pandemic. The suspension of the Project production contributed to further decline in payroll to \$16.8 million in 2022, with \$0.9 million of that paid to Inuit workers.

Average total payroll cost per one hour of Inuit effort is estimated at \$56.31.



Graphics: HB-23ERM-008:11

Figure 5.4-1: Total Agnico Eagle Payroll (Kitikmeot-based and On-site, \$M), 2015 to 2022

Payroll by Kitikmeot Community

Data by community are not reported for 2013 to 2016 because of the need to protect confidentiality; however, the majority of direct employment income earned in the Kitikmeot communities was by Cambridge Bay residents, followed by Kugluktuk. For 2017 and 2018, data are separately reported for Cambridge Bay, Kugluktuk, the eastern communities (Gjoa Haven, Taloyoak and Kugaaruk), as well as for Inuit that are not residents of Nunavut (Table 5.4-1). For 2019, income data was only available for all Kitikmeot Inuit (not by community) and other Inuit.

Information on payroll by community was not available for 2020 and 2021 but Inuit employees received \$1.8 million in 2020 and \$1.7 million in 2021. In 2022, Kitikmeot Inuit earned \$577,950 in employment income, for a total employment income paid to Inuit workers of \$889,374 (Table 5.4-1)

Table 5.4-1: Total Agnico Eagle Payroll for Inuit Employees by Community, 2017, 2018, 2019, and 2022

Community	2017	2018	2019	2022
Cambridge Bay	\$748,000	\$763,300	N/A	\$426,510
Kugluktuk	\$220,000	\$273,000	N/A	\$0
Rest of Kitikmeot	\$173,000	\$347,000	\$1,824,897*	151,440
Outside Kitikmeot	\$257,000	\$564,000	\$729,416	\$311,424
Total	\$1,398,000	\$1,947,300	\$2,554,313	\$889,374

Notes:

N/A – Data not available.

*Data for the entire Kitikmeot Region.

5.4.3 Interpretation

The Project makes significant contributions to incomes in the Kitikmeot region. In 2020 and 2021, total payroll and payroll to Inuit employees decreased due to the reductions in workforce implemented to control the spread of COVID-19. Further reductions in income in 2022 were associated with the Project being placed under care and maintenance and related workforce reductions.

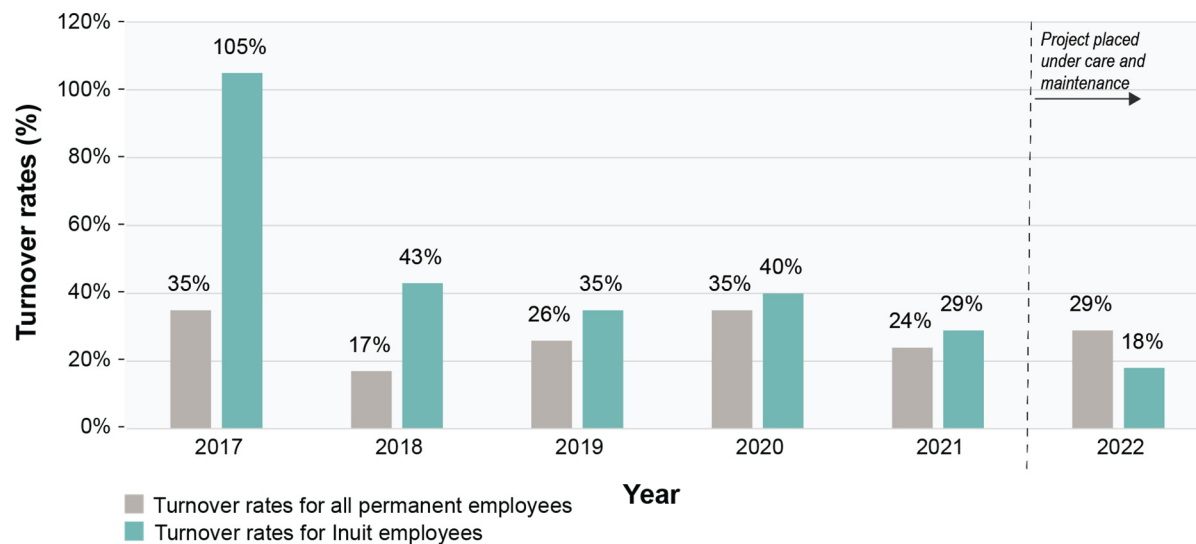
5.5 Employee Retention

5.5.1 Predictions

No FEIS-specific prediction.

5.5.2 Results

Employee turnover rate is calculated as the number of permanent employee terminations divided by the number of permanent employees at the end of the period. Turnover rates for 2017 to 2022 are provided in Figure 5.5-1.



Graphics: HB-23ERM-008:12

Note: Data includes only Agnico Eagle employees.

Figure 5.5-1: Turnover Rate for All Employees and for Inuit Employees, 2017 to 2022

Turnover rate for 2022 for all Project employees falls within previously recorded averages for all employees but is lower for Inuit employees. The overall turnover rate for permanent employees increased from 24% in 2021 to 29% in 2022, while the turnover rate for Inuit employees decreased from 29% to 18%. Of the 29% turnover in 2022 for all permanent employees, voluntary turnover was 15%.

Terminations resulted from company reorganization and shortage of work related to the placement of the Project under care and maintenance; other reasons included end of contract, finding another job, not liking current job, behaviour or poor performance, and individual wellbeing (e.g., missing family and disability).

5.5.3 Interpretation

Turnover rate in the mining industry averages at 10%, with 5% representing terminations and layoffs, 3% representing voluntary turnover and 2% representing retirement (MiHR 2017). However, staff turnover in mining also varies by occupation, being highest in production occupations, followed by technical and trade occupations, but lower in human resources, financial, and for support workers (MIHR 2021).

Remote mining operations experience turnover higher than the industry average due to the remote and rotational nature of the work. Turnover rates for Inuit workers have typically been higher, although some improvements have been seen in recent years. Turnover rate for all employees varied from 17% to 35% over the monitored period, while that for Inuit employees varied from a low of 18% in 2022 to a high of 105% in 2017. Challenges in employee retention in the mining industry are not uncommon for remote camps with rotational schedules and are often attributed to the remoteness of the mine and the need of long commute, as well as emotional stress resulting from being away from family and friends.

The programs and measures that help to reduce employee turnover rates include:

- developing career plans for each employee;
- monitoring compensation rates and offering competitive compensation to retain workers;
- providing HR services on-site;
- providing a competitive medical benefit program;
- engaging with workers when off-shift/off-site;
- maintaining frequent and effective communications with employees to continue implementation of measures to retain workers in their roles;
- providing support for social activities while on-site to engage workers after hours;
- providing IIBA training and a deeper understanding of the operating business; and
- providing cultural support and cultural orientation undertaken by all staff and offered on continuous basis.

5.6 Worker Health and Safety

5.6.1 Predictions

Construction and Operation

Agnico Eagle will provide first aid facilities and a trained first aid attendant or advanced medical care personnel (ACLS/ATLS), depending on camp loading. A record of all workplace first aid/medical treatments will be maintained.

Reclamation and Closure

Agnico Eagle will provide first aid facilities and a trained first aid attendant or advanced medical care personnel (ACLS/ATLS), depending on camp loading. A record of all workplace first aid/medical treatments will be maintained.

Temporary Closure

Agnico Eagle will provide first aid facilities and a trained first aid attendant or advanced medical care personnel (ACLS/ATLS), depending on camp loading. A record of all workplace first aid/medical treatments will be maintained.

5.6.2 Results

Lost Time Incidents

Number of lost time incidents and the lost workday incident rate are shown in Table 5.6-1. The number of lost time incidents was highest in 2017 with six incidents and the highest incident rate of 97.9. In addition to lost time incidents, there were seven modified workdays in 2017. In 2018 and 2019, there was one lost time incident each year. There were no incidents in 2020 and two incidents in 2021. In 2022, there was one lost time incident at the Project with 4 modified workdays; the incident involved a driller experiencing a partial shoulder dislocation.

Table 5.6-1: Hope Bay Project Lost Time Incidents, 2014 to 2022

Year	Number of Lost Time Incidences	Total Lost Time (days)	Lost Workday Incident Rate
2014	3	58	59.2
2015	0	0	0.0
2016	1	1	0.3
2017	6	399	97.9
2018	1	68	12.1
2019	1	1	0.1
2020	0	0	0
2021	2	54	12.44
2022	1	54	0.45

Notes:

Lost work incident rate is the number of lost workday cases times 200,000 divided by hours worked; it returns the number of days lost from work due to work related injury or illness for every 100 employees.

N/A – Data not available.

Utilization of Site Medic

In 2022, per capita utilization of the site medic was lower compared to previously recorded usage, likely due to the placement of the Project under care and maintenance and limited on-site activities (Table 5.6-2).

Table 5.6-2: Hope Bay Project Injuries, 2017 to 2022

	2017	2018	2019	2020	2021	2022
Restricted Work Injury (RWI)	0	3	11	5	N/A	1
Medical Aid Injury (MAI)	3	2	5	2	N/A	0
First Aid Injury (FAI)	69	68	60	26	N/A	10
Covid-19	-	-	-	-	-	55
Total	72	73	76	33	N/A	66
Visits to site medic	N/A	N/A	2,109	2,290	N/A	76
Per capita visits to site medic¹	N/A	N/A	1.46	2.4	2.01	0.15

Notes:

N/A – Data not available.

¹ Per the total number of on-site workers.

5.6.3 *Interpretation*

In 2022, the number of lost time incidents remained low and most visits to the site medic were related to Covid-19 infections. Agnico Eagle maintains a highly safety-conscious work environment and a rigorous safety program. Agnico Eagle is committed to avoiding workplace accidents; all lost time incidents are investigated, and corrective actions identified and implemented. The company promotes a Zero Harm culture, as it believes that all injuries and accidents are preventable.

5.7 On-the-Job Training

5.7.1 *Predictions*

Construction and Operation

Through the provision of employment opportunities, the Project has the potential to change the skills and experience of the territorial and regional labour force and contribute to building labour force capacity. Agnico Eagle will support training opportunities for Inuit. The IIBA specifies that Agnico Eagle may include on-the-job technical training and skills development in a variety of areas including underground mining, surface operations, mill processing, geotechnical and environmental.

Reclamation and Closure

Project-specific training and contributions to building the labour force capacity in the region will cease. However, work-related experience and increased capacity gained throughout the Operation phase will help workers in the Kitikmeot region obtain new employment. Also, many workers from Operation are expected to be retained for the Reclamation and Closure phase, as there will be a continued reliance on skills related to mining (e.g., heavy equipment operators), environment, and surface operations, among others. However, some job descriptions and required skill sets will differ to meet reclamation work needs. This is expected to result in a change in the types of education and training demanded. Some requirements will be met through on-the-job training by Agnico Eagle and, through its working relationships with the KIA and NAC, programming needs will be identified and developed to the extent possible to support the further development of the skills and experience of the regional workforce.

Temporary Closure

There will be an overall decrease in Project-specific training opportunities.

5.7.2 *Results*

On-the-Job Training Courses

Table 5.7-1 summarizes training hours delivered to Project employees for 2018 through 2022. Information from prior years is not comparable. In 2022, Agnico delivered 13,196 hours of internal training. Additional training was delivered by contractors and included general, health and safety and job-specific training.

While two Hope Bay employees were redeployed in 2022 to other Agnico Eagle projects, no additional training was required for those employees.

Table 5.7-1: On-the-Job Training Courses, 2018 to 2022

Year	Topic Area	Hours of Training Delivered to Project Employees
2018	Job-related training: general orientation, mill and mine orientation, light vehicle, and mobile equipment operation, as well as general training ⁴	7,343
	HR-related training: social media policy, Cultural Awareness Training, Respectful Workplace Policy Presentation, Fitness for Work Policy Presentation, and Niagara Supervisory training	1,218
2019	Not available	Not available
2020	In-house and online training	280.5
	24-hour geology and exploration course delivered to 11 employees	264
2021	General training	1,332
	Health and safety training	5,825
2022	On-the job Training	4,183
	Site orientation and site technical training, and exploration	6,882
	Maintenance, Master's in Business Administration/Master in Public Policy (MBA/MMP) designation, Alberta Water & Wastewater Operators Association (AWWOA) Level I Certification, First Aid, Workplace Hazardous Materials Information System (WHMIS), Fire Extinguisher, Hazard Awareness, Standard Operating Procedure (SOPs), and Job Hazard Analysis (JHA)	2,131

Inuit Participation in On-the-Job Training Courses

Agnico Eagle remains committed to the ongoing training of workers in keeping with their interests to maximize their abilities and opportunities for career development. Table 5.7-2 summarizes training hours delivered to Inuit employees. In 2022, 2,294 hours of training were delivered to Inuit employees. Additional training was delivered by contractors and included job shadowing and job-specific training.

Table 5.7-2: On-the-Job Training Courses delivered to Inuit Employees, 2018 to 2022

Year	Topic Area	Hours of Training Delivered to Inuit Project Employees
2018	General training	133
	Health and safety training	213.5
	Job-specific training ⁵	8,290
	HR-related training that consisted of social media policy, Cultural Awareness Training, Respectful Workplace Policy Presentation, and Fitness for Work Policy Presentation	44

⁴ General training included Lock Out / Tag Out, Confined Space, Fall Arrest, Respirator Care and Use, and similar.

⁵ General training included site and mill orientation. Health and safety training included fall arrest, confine space, chemical awareness, emergency response, first aid, lock out tag out, WHMIS refresher, respirator care and maintenance, mill evacuation, and caustic review. Work-related (specific) training included: batch ILR resin, breaking reagent containing lines, cleaning magnet, conveyor safety, crushing circuit, reagent circuit, sample collection, sodium cyanide mix, site drivers, kubota light vehicle, pick up, aerial work platform, mine cat, scissor lift, aircraft ground crew, aircraft ramp, tele handler, loaders, skid steer, snow mobile, waste management, fork lift, reach stacker, aircraft de-icing, fuel transfer sealift, and overhead crane.

Year	Topic Area	Hours of Training Delivered to Inuit Project Employees
2019	General training and site and mill orientation	158
	Health and safety training	458
	Job-specific training ⁶	7,754
2020	No on-the-job training delivered to Inuit workers as a result of pandemic induced site isolation	0
2021	Job-specific training such as rigging, rimpull, mine rescue, haul truck, bear awareness and cat skidsteer	120
2022	Ten Inuit cutters received a training of 84 hours each (spread over their first rotation) covering training for all SOP's related to core cutting, QAQC, operation of the saw (companioning experience cutter), movement of core box, etc. Additionally, one Inuit was transitioned to a core technician role and received an additional training of 84 hours on core tecking, X-ray fluorescence (XRF), rock quality designation (RQD), quality log (QL) movement, Skid Steer operation, Ice profiling, Drill inspection	924
	Site operation	338
	"Organic Growth" Training program	756
	Housekeeping	168
	Underground induction and haul truck refresher	108

Note: Table includes some contractor training.

5.7.3 Interpretation

A substantial amount of on-the-job training has been provided to Project workers to-date, including Inuit workers. Training is based on operational requirements, job needs, and existing skills. In 2020 and 2021, training efforts were significantly reduced due to the COVID-19 pandemic and implemented physical distancing measures. In 2022, despite the placement of the Project under care and maintenance, 13,193 hours of training were delivered to Project employees, including 2,294 hours of training delivered to Inuit employees (which represented 17% of total training).

Through the IIBA, Agnico Eagle is committed to maximizing Inuit training arising from the Hope Bay Project. Training opportunities may include on-the-job technical training and skills development in a variety of areas such as underground mining, surface operations, mill processing, geotechnical, and environmental, as well as on-site trades training. The IIBA commits Agnico Eagle to developing Career Development Plans for all Inuit employees (KIA & TMAC 2015). While the IC of the IIBA sets the annual ITT, no ITT was set for 2022 as the Project was placed under care and maintenance.

⁶ Health and safety training, non-mill related, included fall arrest, confine space, chemical awareness, emergency response, first aid, lock out, tag out, WHMIS refresher, resp. care & maintenance, mill evacuation, caustic review, and bear deterrent. Jobs-specific training, while consisting mostly of mill related training, also included batch ILR resin, breaking reagent containing lines, cleaning magnet, conveyor safety, crushing circuit, reagent circuit, sample collection, sodium cyanide mix, site drivers, light vehicles, heavy equipment, snow mobile, overhead crane, aircraft ground crew, aircraft ramp, aircraft de-icing, waste management, and fuel transfer sealift.

5.8 Apprenticeships

5.8.1 Predictions

No FEIS-specific prediction.

5.8.2 Results

No apprenticeship roles were awarded in 2013, 2014, or 2015. However, the Project supported Geotech Ekutak to deliver their diamond drill-training program. Similarly, no apprenticeships were offered in 2016 or 2017. In 2018, a warehousing apprenticeship was identified for an Inuit employee and efforts were made with the GN and the Government of Alberta to register this applicant. In 2019, there was one apprenticeship in Heavy Duty Mechanics with the Project held by an Inuit employee. Apprenticeship was not offered at the Project in 2020 and in 2021. Given the COVID-19 pandemic and the resulting isolation of Hope Bay from the rest of Nunavut, it would not have been possible to indenture Nunavut residents for public health reasons in 2020 or in 2021. In 2022, no apprenticeship opportunities were available at the Project due to the suspension of Project mining activities.

5.8.3 Interpretation

Two apprenticeship positions have been created thus far at the Project for direct employees – one in 2018 in Warehousing and one in 2019 in Heavy Duty Mechanics. Both apprenticeships were held by Inuit employees. Efforts have been made but have been hampered due to the challenges registering apprenticeships in other jurisdictions when the apprenticeship is not registered in Nunavut, the COVID-19 pandemic, and the placement of the Project under care and maintenance.

5.9 Skill Levels

5.9.1 Predictions

No FEIS-specific prediction.

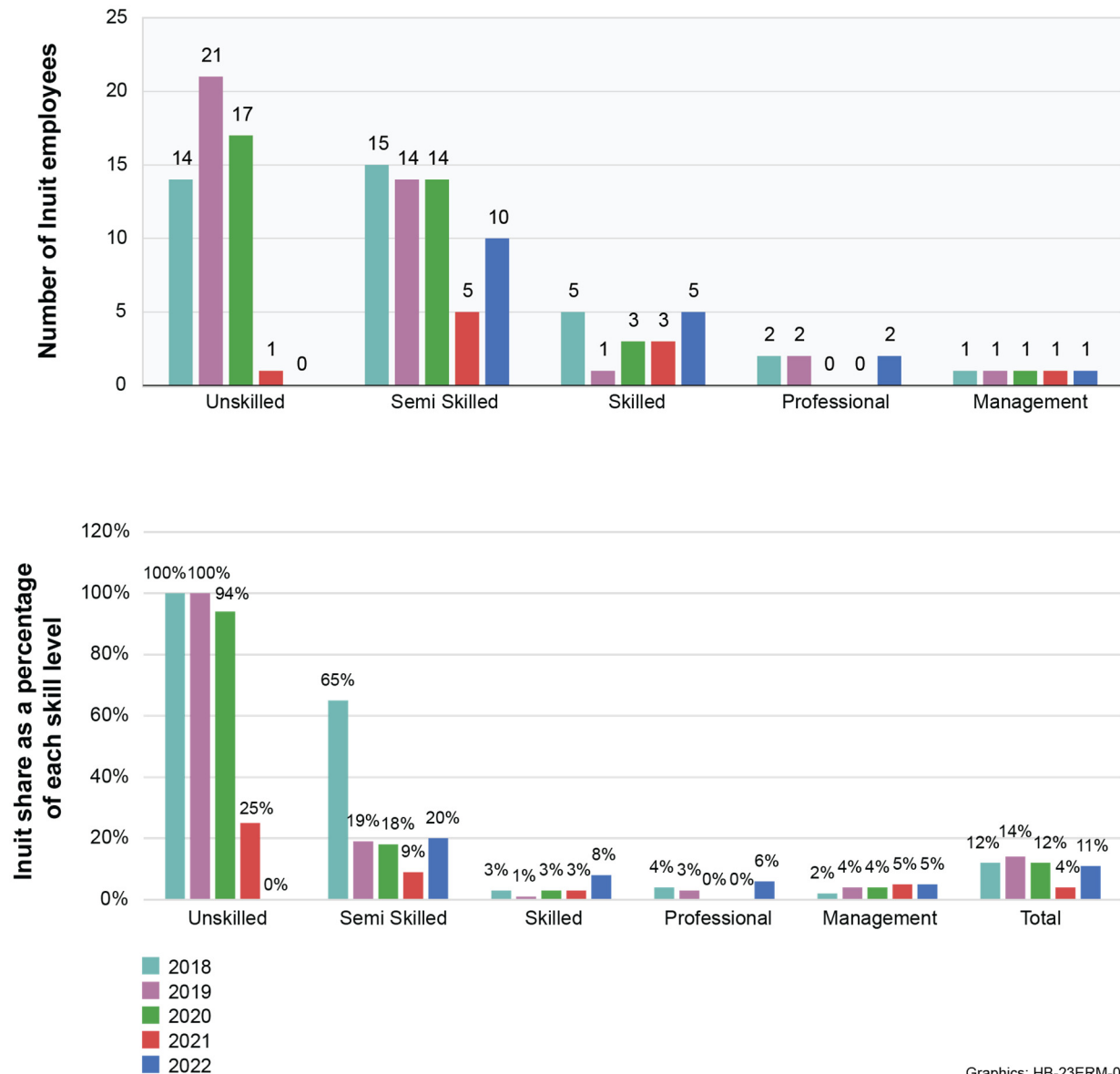
5.9.2 Results

Inuit Employees by Job Category

Figure 5.9-1 provides a summary of skill levels of Inuit directly employed at the Project⁷.

In 2018 through to 2020, Inuit employees held a mix of unskilled and semi-skilled positions, while being underrepresented in skilled, professional and management positions. In September 2020, most Nunavut-based employees were laid off to prevent the spread of COVID-19 to communities. As such, in 2021, there were only 10 Inuit employed at the Project – one in management and two skilled positions working in the Cambridge Bay office; one unskilled, five semi-skilled and one skilled job were filled by Inuit from elsewhere, for a total Inuit share of direct employment of 4%. In 2021, there were also up to five Inuit working at the Project not directly employed with Agnico Eagle – three in skilled, one in semi-skilled, and one in unskilled job category.

⁷ For Project contractors, Inuit share in 2018 was the following: 45% of employees at Kitikmeot Camp Solutions, 25% of Nuna West employees, 9% at GeoTech, and 5% at Kitikmeot Cementation. Similar data for 2019, and 2020 was not available.



Graphics: HB-23ERM-008:23

Notes:

Skill levels are consistent with the National Occupation Classification system for skill level classifications A through D except for the “unskilled” category. The unskilled category serves as a temporary classification as people are hired and trained on the job. Most Inuit employees in the unskilled category are part of Agnico Eagle’s Inuit Trainee Program.

‘Inuit Share’ is the share of all Inuit hired as a percentage of all employees hired. However, it is important to note that some employees resigned or were dismissed and the resulting share of active Inuit employees, as a percentage of total employment, might be different. Additionally, the Inuit share of total employment based on the number of workers is typically higher than the share based on the number of hours worked, because employment tenure is typically shorter for Inuit workers compared to non-Inuit workers due to resignations or terminations.

Figure 5.9-1: Inuit Workers (Agnico Eagle) by Category, 2018 to 2022

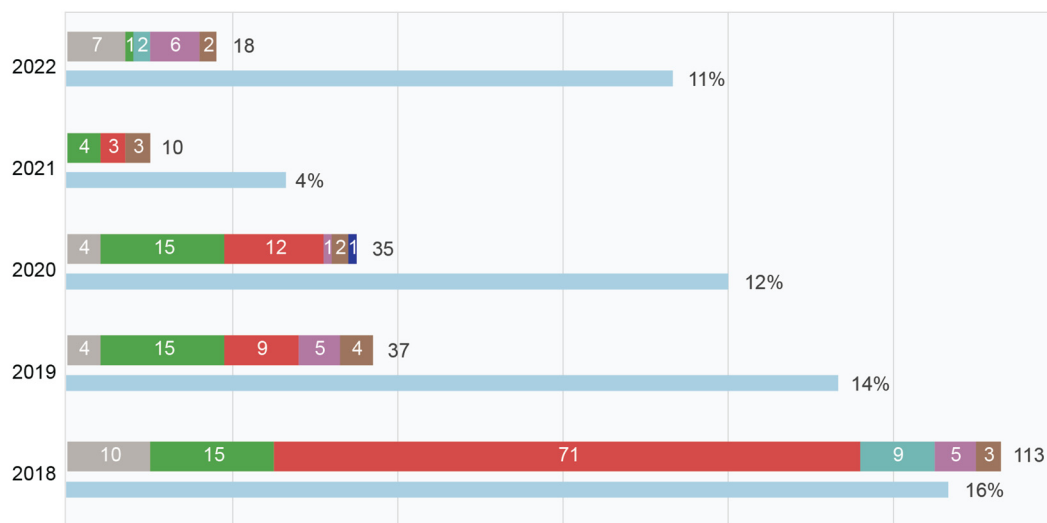
In 2022, with reduction in employment effort at the Project related to the placement of the Project under care and maintenance, Agnico Eagle hired 10 Inuit in semi-skilled positions, five skilled, two professional and one in management, for a total of 18 employees. Inuit employees represented 11% of total Agnico Eagle employment. Additionally, Contractors hired seven Inuit in skilled roles, seven in semi-skilled roles, and eight in unskilled roles, for a total of 22 contractor employees.

Inuit Employees by Department

The number of Inuit employees in each job category is shown in Figure 5.9-2; data from 2016 through to 2018 shows employment of direct employees and contractors; however, after that time, only information on direct employees was available. Inuit share by job category is provided for 2020 and 2021.

In 2020, most Inuit directly hired by the Project worked in site operations and site services / plant processing. In 2021, three Inuit worked in Social Responsibility, three in site services / plant processing, and four in operations.

In 2022, Inuit hired by Agnico Eagle worked in exploration, environment, social responsibility, mining, and operation. In addition, Inuit hired by contractors worked as operators, drivers or helpers in construction.



Number of Inuit employees

- Total Inuit share %
- Exploration
- Mining
- Operations
- Site Services/Processing
- Health and Safety, and Corporate
- Environment
- Social Responsibility

Graphics: HB-23ERM-008:24

Note:

Includes active and inactive employees. Information on Inuit share by Department is inconsistently available for the investigated period and thus only the total share is reported on the figure.

Figure 5.9-2: Inuit Workers (Agnico Eagle) by Department, 2016 to 2022

Skill Levels for Retained or Redeployed Inuit Employees

Inuit employees who retained jobs while moving from operations to care and maintenance and continued exploration activities included mostly those in management, professional, skilled, and semi-skilled levels.

Further, several Agnico Eagle employees previously working during Hope Bay operations were redeployed to other Agnico Eagle projects when the Hope Bay Project was placed under care and maintenance. Approximately 80% of employees redeployed to Meadowbank, Meliadine and Detour were in skilled trades,; another 20% were professionals.

5.9.3 Interpretation

In general, Inuit employees hold a mix of unskilled, semi-skilled and skilled positions, while being underrepresented in professional and management positions. This is consistent with predictions for this indicator. By departments, Inuit employees worked most frequently in exploration and environmental, this being consistent with the care and maintenance and exploration activities at the Project in 2022.

The range of duties performed by Inuit reflects the labour force experience, the lack of training programs within the region that are available to the labour force, on-the-job training, and Project needs. Agnico Eagle expects this to evolve over time as Inuit continue to obtain relevant knowledge, skills, and experience to increasingly participate in the diverse employment opportunities available at the Project, and as the Project increases on-site activities and returns to production.

Through the IIBA commitments, Agnico Eagle is also committed to enhancing training and education opportunities for the Kitikmeot Inuit, including ensuring career development plans are in place for all Inuit employees, encouraging Inuit to advance to managerial positions through training and skills development, and encouraging Inuit to achieve the education and qualifications needed for employment and advancement at the Project.

5.10 Retention of Skilled Workers in Community Roles

5.10.1 Predictions

Construction and Operation

Competition for local labour may result in the shortage of skilled workers, such as those at Skill Level A, B and C, and workers leaving their current jobs to find Project-related employment in hopes of earning higher wages. Competition for local labour could take place during the Construction phase and at the beginning of the Operation phase when hiring takes place to fill the remaining available positions. Project jobs could put strain on employers in the LSA and the RSA, as they would be competing with Project wages.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

5.10.2 Results

There were no previous Hamlet employees working for the Project in 2013 or 2014. In 2015 and 2016, there were a number of on-site contract staff with extensive heavy equipment experience, some of whom have worked for the Hamlets of Kugluktuk and Cambridge Bay on a casual basis. It is possible that some

on-site contract staff may have previously been employed as drivers for Hamlet water and sewer services. There were no known previous Hamlet employees working for the Project in 2017. For 2013 through 2017, data on other local and regional businesses and their ability to retain workers were not collected.

Four Inuit workers hired at the Project in 2018 were previously in casual or on-call roles, mainly in Water and Sewer Departments at Hamlets. The common explanation provided for leaving employment in community for employment at the mine was that they were under-employed (not getting enough work hours).

In 2019, of 35 Inuit recruited:

- Twelve Inuit hires were employed in different roles at the time of being hired to fill roles at the Project – three worked for local coop retail while nine worked in roles within local Hamlets; and
- Two Inuit hires were enrolled in Nunavut Arctic College programming (i.e., Adult Basic Education).

In early 2020, two Inuit were recruited from Kitikmeot communities, but never worked due to work stoppage resulting from the COVID-19 pandemic. Most employees from Kitikmeot communities put on leave in March 2020 were laid off in September 2020. Those who were employed with the Project sought jobs with community and regional employers; as such, it is believed that community and regional employers benefitted from the availability of these skilled workers during that time period.

In 2021, due to continued challenges associated with the COVID-19 pandemic, there was no hiring of workers from Kitikmeot communities, and thus no skilled workers left community roles for work at the Project; three Kitikmeot Inuit continued to work from the Cambridge Bay office.

In 2022, three Kitikmeot residents left temporary positions they had in community roles (with the GN and Hamlets) to obtain employment with Agnico Eagle at the Hope Bay Project. One Hope Bay employee left employment with Agnico Eagle to work in Yellowknife.

5.10.3 Interpretation

Overall, the Project has had a positive impact on unemployment in the Kitikmeot communities. While over time some businesses and the Hamlets have lost workers to employment at the Project, most Kitikmeot hires on the Project were previously unemployed and Agnico Eagle has not recently heard of community concerns of the Project taking workers. Agnico Eagle regularly engages with and collects feedback from Kitikmeot communities to monitor this issue. Feedback collected from previous Hamlet workers indicates that they were typically in casual positions with their Hamlet – on an “as and when work is available” basis that limited how much they could work, thus lacking job security. For example, such casual positions involved being on-call to drive a water truck if extra shifts were needed at some time or the permanent Hamlet driver was sick or on leave. Being hired by Agnico Eagle increased the amount those individuals could work and also brought them into permanent positions with greater benefits. In general, it is rare for Agnico Eagle to hire a person who already has a full-time permanent job with a Hamlet.

5.11 Effects Management and Mitigation

Table 5.11-1 lists the programs and measures designed to mitigate and manage potential effects related to employment.

Table 5.11-1: Employment Management and Mitigation Measures

Program/ Mitigation Measure	Purpose/Description/Outcome
All Phases	
IIBA	The IIBA sets out principles and methods to, among other purposes, maximize Inuit training, employment and business opportunities arising from the operation of the Project, and provide a mechanism through which effective communication and cooperation can take place. Key features of the IIBA related to employment include provisions for, among others: setting annual IET; and first opportunity to resident Kitikmeot Inuit for employment, followed by non-resident Inuit.
Human Resources Plan	The Human Resources Plan supports the provisions of the IIBA and, more broadly, provides a framework for human resources management at the Hope Bay Project which ensures that the needs of all Agnico Eagle personnel are addressed throughout the life of the Project. The Plan addresses human resources, Inuit employment, education and orientation and employee wellness. In conjunction with the IIBA, specific measures include, among others: to build cultural awareness and enforce harassment policies; promote awareness of employment opportunities within Kitikmeot communities; collaborate with training institutions; develop and implement a recruitment strategy; career development plans for Inuit employees; collaborate and partner with relevant agencies and contractors to ensure skill requirements are being met; and collaborate with education and training providers to develop training programs geared toward the long-term employment of women in non-traditional occupations. The plan also includes human resource provisions for temporary or final closure.
Community Involvement Plan	Agnico Eagle maintains communications with Kitikmeot communities and shares information to assist in the development of collaborative adaptive management measures, should unanticipated impacts arise and mitigation be required. Agnico Eagle also hosts a community information and career awareness session in all Kitikmeot communities at least annually. Information is provided to communities on: labour needs of the Project; skills, behaviours and qualifications required for employment at the Project; available training opportunities and educational support programs; and career opportunities in related fields.
Health and Safety Management Plan	The purpose of this plan is to detail the Health Safety and Loss Prevention (HSLP) policies and systems adopted by Agnico Eagle and to provide the framework for their implementation. The Agnico Eagle Management Team is committed to providing a healthy and safe working environment for all personnel. The objectives are: to have all personnel appropriately trained, responsible and accountable for safety management; to incorporate industry best practice for health and safety standards in the engineering, design and processes implemented at all workplaces; to comply with all relevant standards and codes of practice, and regulatory requirements; and to provide effective training, efficient communication and continuous review of occupational health and safety practices.
Communication with GN	Agnico Eagle provides the GN updated information regarding the labour force needs of the Project.

Program/ Mitigation Measure	Purpose/Description/Outcome
Specific to Temporary or Final Closure	
Workforce Transition Strategy	The Human Resource Plan also addresses the development of a Workforce Transition Strategy upon temporary or final closure. The strategy addresses measures designed to mitigate negative effects of closure on communities in the event of temporary or final closure. This can include support for training and career development opportunities prior to closure, assistance for employees to identify opportunities for career succession planning and employment, identification of skills acquired during employment with the Project and match the identified skills to similar positions available at Reclamation and Closure / Temporary Closure, and assistance for Kitikmeot employees in identifying ongoing employment and training opportunities that require existing or complementary skills, including assisting workers in identifying available external resources.
Redeployment Plan	Introduction of Agnico Eagle Redeployment Plan (which acts as the Workforce Transition Strategy) that involves identifying and offering alternative jobs whenever possible at other Agnico Eagle sites for affected production workers. Through this plan, Agnico Eagle remained committed to finding alternate working options for its employees. The introduction of this plan since the suspension of production at the Doris Mine, and ongoing Care and Maintenance phase (in progress to 2024), resulted in 73% of affected Hope Bay Project workers being retained by Agnico Eagle to work on other sites. Note that most of the retained employees were from Southern communities as COVID-19 restrictions prevented Nunavut-based employees from working on-site; several of these redeployed workers were Nunavummiut living in southern Canada.
Skill and Qualification Assessments	Work with other regional industries and organizations (e.g., through the regional Labour Demand Analysis) to gain an understanding of what skills and qualifications are lacking and identify opportunities for Project employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) to attain those skills and qualifications to facilitate employee transition to other industries. Provide information on local and regional resources for impacted workers to access re-training and other supports.
Identification of Alternative Employment Opportunities	In collaboration with community organizations, develop a program to help employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) identify and secure new employment with other mining projects or with businesses available in the Kitikmeot Region.
Employment Transition Support	Agnico Eagle, with support from community organizations, to provide one-on-one support to employees (current and recent e.g., those employed by Agnico Eagle between 2019 to 2022) to develop resumes and skills profiles to allow for an easier job transition.
Support for Training and Education Programs	Explore support for training and education programs beyond mining industry to be delivered in Kitikmeot communities, for example in information technology or renewable energy industries, to support skill development of regional workforce to help workforce transition to other industries and support development of regional business base.

6. EDUCATION AND TRAINING

6.1 Availability of Post Secondary Education

6.1.1 Predictions

Construction and Operation

Employment opportunities created by the Project are expected to increase the demand for education and training programs by Kitikmeot residents. Individuals in the labour force are expected to seek out local education and training so that they better qualify for direct employment opportunities with the Project. Increased demand will result in an increased utilization of the existing programming offered in the Kitikmeot region and elsewhere (e.g., trades schooling in Rankin Inlet) and support a demand-driven development of programs available to residents. The increased demand for education and training may result in a greater utilization, availability, and diversity of training programs and is not anticipated to affect education infrastructure or administration. Demand for education and training programs is expected to be greatest before and during the Construction phase as local residents prepare to obtain long-term employment during the Operation phase of the Project.

Reclamation and Closure

There is expected to be a decrease in the demand for education and training associated with the Project within the Kitikmeot region corresponding to the decrease in employment opportunities compared to Operation. Some workers from Operation are expected to be retained for the Reclamation and Closure phase, as there will be a continued reliance on skills related to mining (e.g., heavy equipment operators), environment, and surface operations, among others. However, some job descriptions and required skill sets will differ to meet reclamation work needs. This is expected to result in a change in the types of education and training demanded. Some requirements will be met through on-the-job training by Agnico Eagle and through its working relationships with the KIA and NAC programming needs will be identified and developed to the extent possible to support the further development of the skills and experience of the regional workforce.

Temporary Closure

No FEIS-specific prediction.

6.1.2 Results

In the Kitikmeot region, post-secondary education is offered by the NAC, with a central campus in Cambridge Bay. NAC is responsible for all college programming and provides programs in all Kitikmeot communities through Community Learning Centres. Programs offered through the NAC include trades, certificates and diplomas, career development, academic studies, and continuing education.

In the 2022/23 school year, the Kitikmeot NAC campus did not offer any mining-related courses and pre-trades were not available in the region. Industrial trades such as culinary arts, and trades and technology courses including environmental technology, skilled trades, and apprenticeship were available in Rankin Inlet, Kivalliq. Closure and reclamation programs/courses or post-closure monitoring programs/courses were not offered by NAC in the 2022/23 school year in the Kitikmeot region, nor elsewhere in Nunavut (NAC 2022a).

In previous years, related courses available at the Kitikmeot NAC campus included:

- pre-trades in Taloyoak in 2021/22 school year (NAC 2021).
- pre-trades courses in Kugaaruk and Heavy Equipment Operator in Cambridge Bay in 2020/21 school year (NAC 2020b).

The Environmental Technology Program (ETP) at NAC celebrated its 35th anniversary in 2022 of uninterrupted delivery (NAC 2022b). In 2022, the ETP had nine graduates (NAC 2022c). The ETP, skilled trades, and apprenticeship courses continue to be available on annual basis at the Iqaluit NAC campus (NAC 2022a).

6.1.3 Interpretation

In the 2022/23 school year, mining-related or trade-related programs were not offered in the Kitikmeot. However, there have been a number of short-term mine related training offerings elsewhere in Nunavut. There is an ongoing gap for training in the region for the top three types of jobs typically available at Hope Bay during Project operation: underground mining, heavy equipment operation, and mill processing. These have been identified to the GN and community stakeholders as the needed focus for training.

6.2 Participation in Post Secondary Education

6.2.1 Predictions

Construction and Operation

Employment opportunities created by the Project are expected to increase the demand for education and training programs by Kitikmeot residents.

Reclamation and Closure

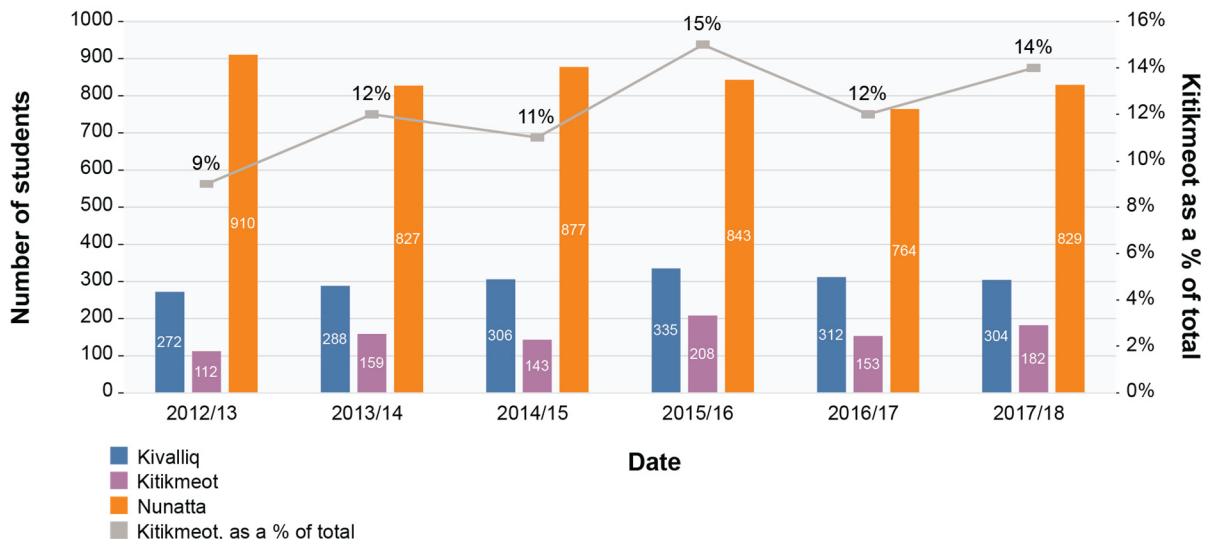
There is expected to be a decrease in the demand for education and training associated with the Project within the Kitikmeot region corresponding to the decrease in employment opportunities compared to Operation. Some workers from Operation are expected to be retained for the Reclamation and Closure phase, as there will be a continued reliance on skills related to mining (e.g., heavy equipment operators), environment, and surface operations, among others. However, some job descriptions and required skill sets will differ to meet reclamation work needs. This is expected to result in a change in the types of education and training demanded. Some requirements will be met through on-the-job training by Agnico Eagle and through its working relationships with the KIA and NAC programming needs will be identified and developed to the extent possible to support the further development of the skills and experience of the regional workforce.

Temporary Closure

No FEIS-specific prediction.

6.2.2 Results

Enrollment in the NAC Kitikmeot campus for school years 2012/13 to 2017/18 is provided in Figure 6.2-1. Comparable enrollment data since then is not available.



Source: NAC (2018)

Figure 6.2-1: Enrollment at the NAC by Campus

For the 2019/20 school year⁸, enrollment data is available by community (not by campus as reported in previous years)⁹ and informs that there were 744 students enrolled at the NAC (91% Inuit), of which 92 (or 12% of total) were from Kitikmeot communities (NAC 2020a). This suggests a substantial drop in overall enrollment (of 43%) compared to 2017/18. Further, while the Kitikmeot population comprises about 18% of the Nunavut population (Statistics Canada 2022b), enrollment from Kitikmeot communities was only 12% of total enrollment¹⁰.

Of the 92 students from the Kitikmeot region, enrollment by community was as follows:

- Cambridge Bay (58 students)
- Gjoa Haven (18 students)
- Kugaaruk (8 students)
- Kugluktuk (3 students)
- Taloyoak (5 students)

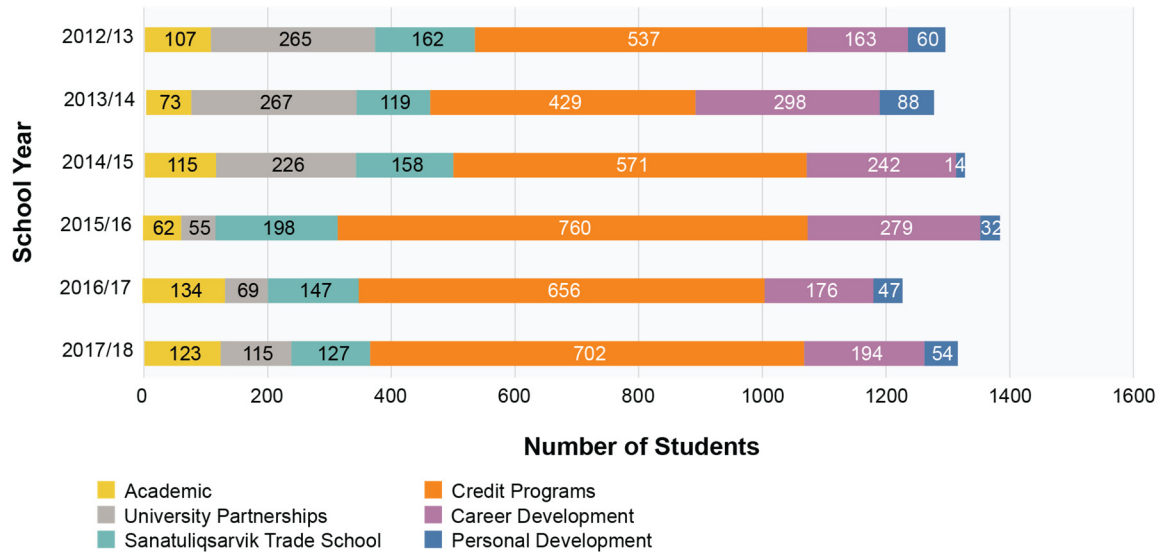
Enrollment in NAC programs is dominated by female students, with 81% of the total 744 students in 2019/20 being female (NAC 2020a).

Historically, courses in credit programs had the highest enrollment at NAC. In 2018, 53% of students were enrolled in credit programs, 15% in career development, 10% in Sanatuliqsarvik (trades), 9% in each – academic and university partnership, and 4% in personal development (Figure 6.2-2). Enrollment data for 2018/19 is not available as in 2019 NAC switched to the Nunavut-wide Student Information System (SIS) to capture, among other things, grades and enrollment; as such, there is no verified student attendance for that year (NAC 2019).

⁸ Data for 2018/19 school year is not available.

⁹ It is unclear whether enrollment by campus would be comparable to enrollment by community from the relevant region.

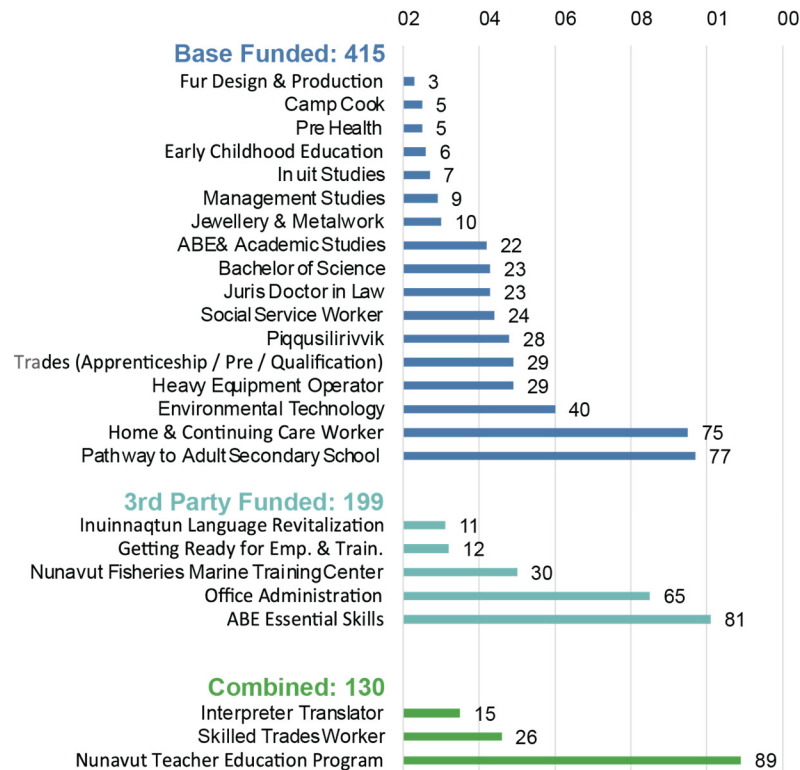
¹⁰ Non-community specific Pass Program includes students from multiple communities. In the 2019/20 school year the Pass Program had 77 students, however, it is unclear from which communities students were participating in that program, and thus it is possible that the regional total for the Kitikmeot was higher than the 92 students.



Source: NAC (2018)

Figure 6.2-2: Enrollment by NAC Program

For 2019/20, enrollment data per program included 415 students enrolled in based funded programs, 199 students enrolled in 3rd party funded programs, and 130 in combined programs (Figure 6.2-3).



Source: NAC (2020a)

Figure 6.2-3: Student Enrollment per Program, NAC 2019/20

At the time of writing this report, complete NAC enrollment information was not available for school years 2020/21 and 2021/22. For the 2022/23 school year, 11 students enrolled from Cambridge Bay, two from Gjoa Haven, and two from Taloyoak in programs including social work, college foundation, Nunavut Teacher Education Program (NTEP) and Adult Basic Education (ABE) (NAC 2023, pers. comm).

6.2.3 Interpretation

Post-secondary enrollment in the Kitikmeot is influenced by a number of factors, of which third-party funding is considered most relevant as 20% of all programs at NAC are third-party funded (NAC 2020a). All third-party programs are funded through CanNor, Department of Family Services, Kivalliq Inuit Association, and Kitikmeot Inuit Association.

NAC campuses were closed in spring of 2020 due to the COVID-19 pandemic (NAC 2020c). Programs not conducive to online or blended learning (e.g., trades and apprenticeships) that require significant interaction between the student and the instructor, and students and materials were most impacted. Some programs were delivered to students via packs sent to students, online offering, and programming utilizing local resources. In the 2020/21 school year, the majority of NAC's programs continued, however with a smaller class intake to ensure physical distancing within classrooms and facilities. In the 2022/23 school year, 15 students in total enrolled at the NAC.

In 2020, the KIA began delivering the federal Inuit Post-Secondary Education Program to ensure that Inuit students have the same opportunities for success as other students in Canada (ITK 2020). The Program, designed through engagement coordinated by the Inuit Tapiriit Kanatami (ITK) in collaboration with the Inuit land-claim organizations, is developed to close the post-secondary education attainment gap between Inuit students and non-Indigenous students in Canada through strategic support. The Program focuses on student financial support, various programs and services, community engagement, and national coordination to support Inuit students wanting to college or university. Given this additional support, it is likely that there will be an increase in Kitikmeot Inuit attending college and university, including in southern Canada. As such, future iterations of this report will likely broaden data reporting for this indicator beyond NAC to provide a more accurate sense of Inuit engagement in post-secondary education.

6.3 Investment in Education

6.3.1 Predictions

Construction and Operation

The Project is expected to support an increase in funding resources available to the NAC and others in the longer term as governments work to enhance the capabilities of local educational institutions.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

6.3.2 Results

Investment in school-based initiatives in 2018 included:

- Career Awareness Sessions hosted in each Kitikmeot High School – \$45,000.

- High School Awards (cash prizes, plaques, and air charter site for recipients) – \$29,500.
- Mining Matters events delivered in three out of five Kitikmeot High Schools – \$11,000.

In 2019, financing support of \$8,000 was planned for each Kitikmeot community (total \$40,000) for Mining Matters program delivery. This was, however, unspent as there were challenges scheduling sessions in schools in each community.

In 2020 and 2021 due to school closures and uncertainty resulting from the COVID-19 pandemic, it was not possible to make investments in school-based programs such as Career Awareness Sessions, provide High School Achievement Awards, or deliver Mining Matters programming.

Investments in school-based initiatives in 2022 were also limited as schools across Nunavut gradually reopened on a case-by-case basis until completely returning to in-person learnings in the fall. The one activity that took place in 2022 was a two-week Smart Ice Training held at the Cambridge Bay office.

6.3.3 Interpretation

In 2018 and 2019, the Project contributed \$125,500 to school-based initiatives. Similar investment was not possible in 2020 or 2021 due to pandemic-related challenges, nor in 2022 as the Project was put under care and maintenance, earning no revenue available for investment. However, despite this, the Hope Bay Cambridge Bay office was made available for a period of two weeks in 2022 to host the Smart Ice training.

Through the IIBA commitments, Agnico is committed to sponsoring competitions and awards to encourage students to complete high school and pursue post-secondary education and encouraging students to study areas important to the mining industry, such as science, technology, mathematics and professional services.

6.4 Understanding of Employment Opportunities

6.4.1 Predictions

Construction and Operation

Agnico Eagle will host a community information and career awareness session in all Kitikmeot communities at least annually to encourage Inuit to attain the skills and education qualifications necessary to take advantage of employment opportunities.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

6.4.2 Results

The first annual Community Information Tour was hosted in October and November 2017 in each of the five Kitikmeot communities. Information was provided to communities on labour needs of the Project; skills, behaviours and qualifications required for employment at the Project; available training opportunities and educational support programs; and career opportunities in related fields (e.g., science, technology, professional services).

In 2018, five Community Information Sessions and five High School Information Sessions were hosted, with sponsorship provided for 10 student awards (ten awards that included five academic and five IQ Principles).

In 2019, there were:

- Five Career Awareness Sessions (one in each Kitikmeot community);
- Two high school-specific career awareness presentations (one in Kugluktuk and one in Cambridge Bay);
- Ten High School Achievement Awards (two in each Kitikmeot community);
- One Cross Cultural and Life at Camp presentation to Diamond Driller training class in Cambridge Bay (attended by 10 students); and
- One site visit tour to high school students (attended by 13 students).

Delivery of community information and career awareness sessions was cancelled in 2020 and 2021 due to the COVID-19 pandemic. Similarly, there was no sponsorship for students in 2020 or 2021. Similar activities were cancelled in 2022 as the Project was placed under care and maintenance.

6.4.3 Interpretation

There was an overall suspension of involvement in community and student outreach events in the past three years due to pandemic-related challenges in 2020-2021 and temporary suspension of Project mining activities in 2022.

6.5 High-School Participation

6.5.1 Predictions

Construction and Operation

With the increase in employment opportunities available to Kitikmeot residents, there is expected to be a further re-enforcement of the direct link between education and employment, and a positive change in school enrollment (an increase in school enrollment).

Reclamation and Closure

By Reclamation and Closure, it is expected that the Madrid-Boston Project will have had long-term positive effects on the perceptions of the value of formal education in relation to employment. Although the number of jobs available during this phase will be substantially lower than during Operation, a positive perception is expected to persist as many workers continue to be employed by the Project and employment and training shifts focus to those skills required for Reclamation and Closure. Also, when laid off mine workers have the skills to transition to other employment, the perception that education and training coupled with work experience having long lasting positive effects will be enhanced.

Temporary Closure

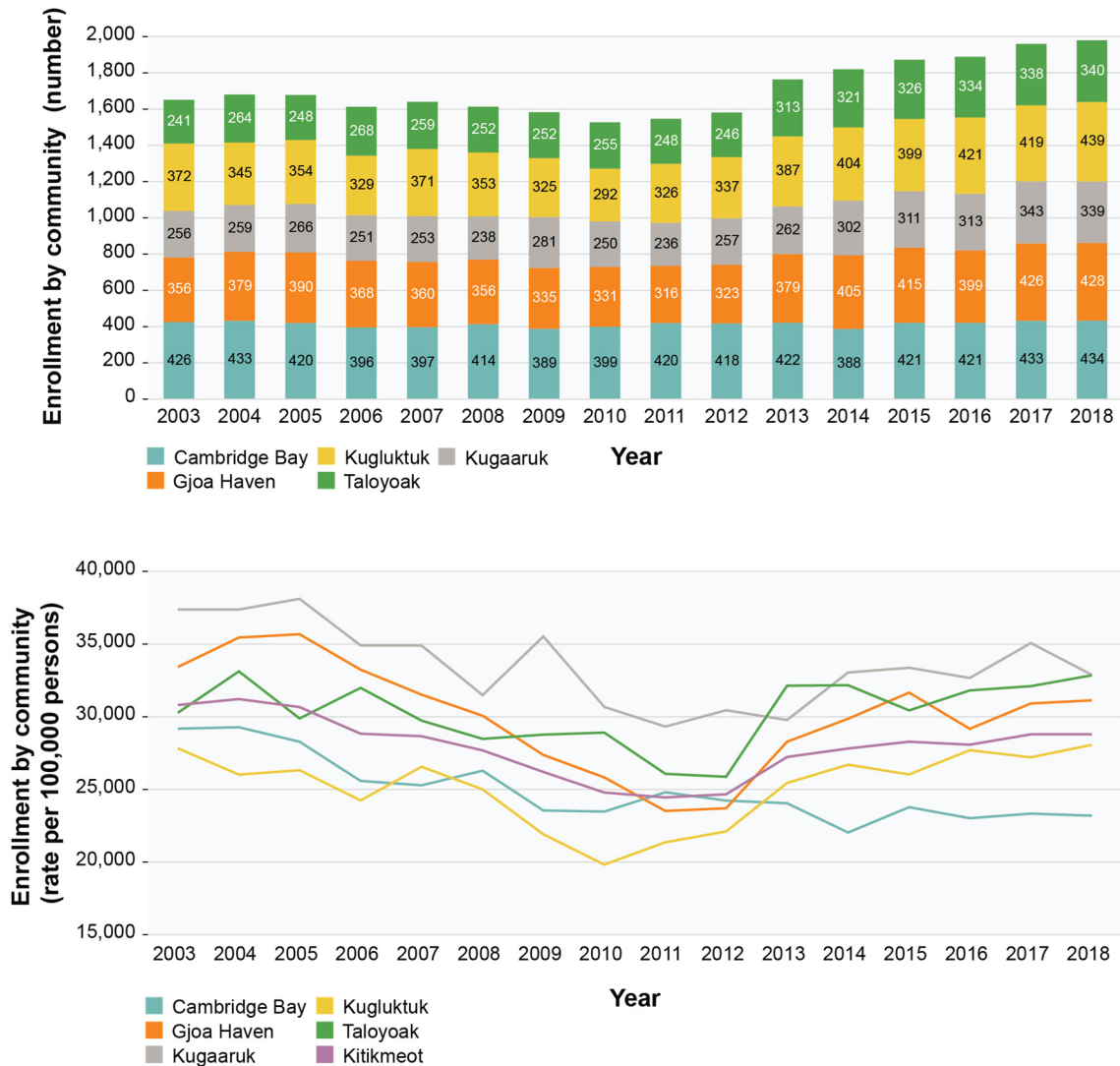
No FEIS-specific prediction.

6.5.2 Results

Public School Enrollment

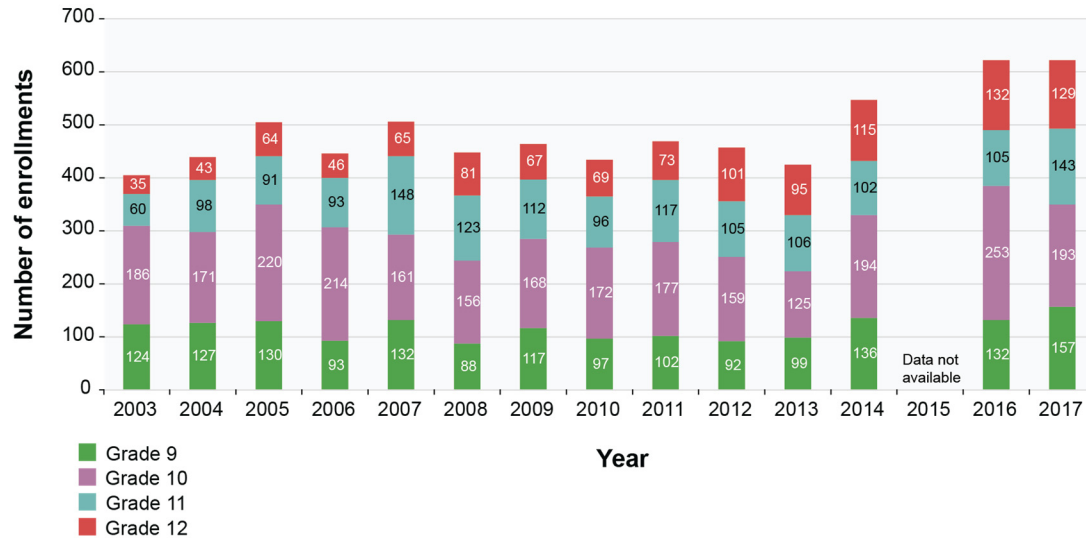
Public school enrollment represents the number of full- and part-time students registered in school as of September 30 and include all elementary and secondary schools in Nunavut and all students enrolled in

Kindergarten through Grade 12. Enrollments and enrollment rate, provided for the period of 2003 to 2018 for all Kitikmeot communities, show modest growth in enrollment from 2013 to 2018 (Figure 6.5-1). High school enrollment is only available at the regional level for 2003 through 2017 (Figure 6.5-2). The lack of availability of current education statistics makes it challenging to determine whether there was an improvement in public school enrollment as a result of the Project.



Source: GN (2020a)

Figure 6.5-1: Public School Enrollment by Community (Total and Rate per 100,000 Persons), 2003 to 2018



Source: GN (2018a)

Figure 6.5-2: Kitikmeot Public School Enrollment by Grade, 2003 to 2017

Public School Attendance and Truancy Rates

Public school attendance rate represents the percentage of total school days for which students attended school while public school truancy rate represents the percentage of total school days for which students had unexcused absences from school. Most recent updates on the public school attendance rate are from the 2013/2014 school year (GN 2015), while most recent public school truancy rates are available for 2010/11 (GN 2012). The lack of availability of current education statistics makes it challenging to determine the influence of the Project on school attendance and truancy rates.

6.5.3 Interpretation

While a direct causal relationship cannot be stated, an increase in employment opportunities available to Kitikmeot residents as a result of the Project coincided with a positive change in school enrollment (an increase in high school enrollment). However, due to the lack of data, it cannot be determined whether there was an improvement in the public school attendance rate or a reduction in the truancy rate. The lack of availability of current education statistics from the GN limits the ability to test the stated prediction. GN Department of Education is working to compile information on high-school participation to make it available in future reports.

6.6 High School Completion

6.6.1 Predictions

Construction and Operation

With the increase in employment opportunities available to Kitikmeot residents, there is expected to be a further re-enforcement of the direct link between education and employment, and a positive change in school completion (increase in the number of high school graduates).

Reclamation and Closure

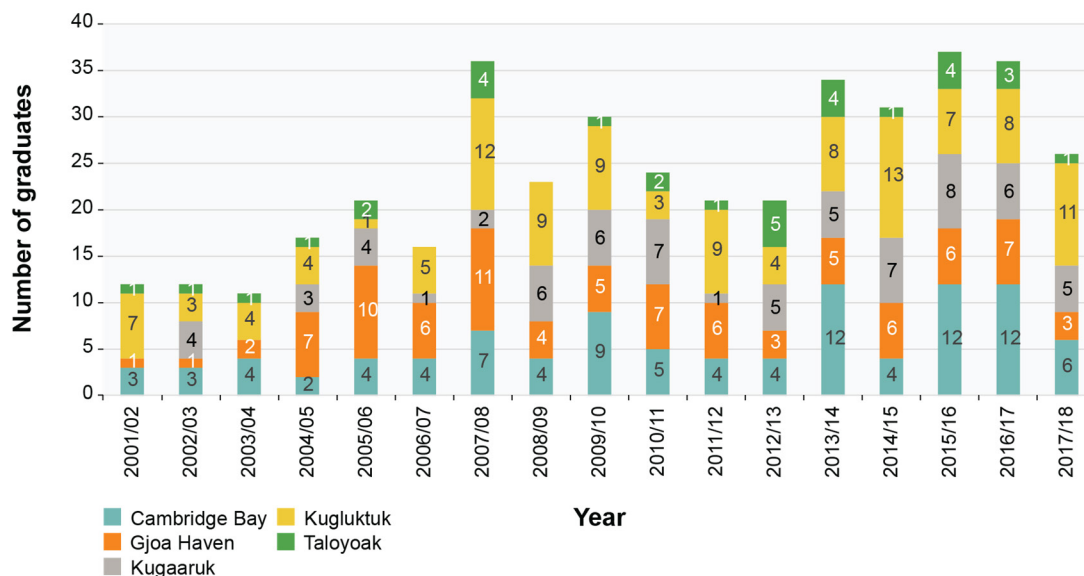
By Reclamation and Closure, it is expected that the Madrid-Boston Project will have had long-term positive effects on the perceptions of the value of formal education in relation to employment. Although the number of jobs available during this phase will be substantially lower than during Operation, a positive perception is expected to persist as many workers continue to be employed by the Project and employment and training shifts focus to those skills required for Reclamation and Closure. Also, when laid off mine workers have the skills to transition to other employment, the perception that education and training coupled with work experience having long lasting positive effects will be enhanced.

Temporary Closure

No FEIS-specific prediction.

6.6.2 Results

The number of secondary school graduates are summarized by community from 2001 to 2018 (Figure 6.6-1; at the time of writing, data for 2019 through to 2022 have yet to be released). The number of graduates includes students who completed secondary school but excludes those who completed equivalency or upgrading programs (GN 2020b).



Source: GN (2020b)

Figure 6.6-1: Secondary School Graduates by Community, 2001/02 to 2017/18

6.6.3 Interpretation

There was an increase in the number of high school graduates in the Kitikmeot communities from 2014 to 2017, with a decrease in 2018. The lack of availability of current education statistics from the GN limits the ability to test whether there is a correlation between the Project and high school completion rates. GN Department of Education is working to compile information on high-school completion to make it available in future reports.

6.7 Effects Management and Mitigation

Table 6.7-1 lists the programs and measures designed to mitigate and manage potential effects related to education and training.

Table 6.7-1: Education and Training Management and Mitigation Measures

Program/ Mitigation Measure	Purpose/Description/Outcome
All Phases	
IIBA	<p>The IIBA sets out principles and methods to, among other purposes, maximize Inuit training, employment and business opportunities arising from the operation of the Project, and provide a mechanism through which effective communication and cooperation can take place. Key features of the IIBA related to education and training include provisions for, among others: setting of annual and long-term training targets (including apprenticeships) that are achievable by Agnico Eagle using commercially reasonable efforts; creating, maintaining and annually updating a list of relevant education and training opportunities for Inuit; annually evaluating and reporting on the ITT achievements, Inuit training and recruitment plans, improving compliance with ITT, and funded activities (among others); and establishment and administration of a Training and Education Fund.</p>
Human Resources Plan	<p>The Human Resources Plan supports the provisions of the IIBA and, more broadly, provides a framework for human resources management at the Hope Bay Project which ensures that the needs of all Agnico Eagle personnel are addressed throughout the life of the Project. The Plan addresses human resources, Inuit employment, education and orientation and employee wellness. In conjunction with the IIBA, specific measures include, among others: to build cultural awareness and enforce harassment policies; promote awareness of employment opportunities within Kitikmeot communities; collaborate with training institutions; develop and implement a recruitment strategy; career development plans for Inuit employees; collaborate and partner with relevant agencies and contractors to ensure skill requirements are being met; and collaborate with education and training providers to develop training programs geared toward the long-term employment of women in non-traditional occupations.</p> <p>Agnico Eagle communicates with the Department of Education headquarters staff on any planned initiatives relating to youth employment, and other programs that may relate to education, in order to identify common points of interest and action that would help integrate the Proponent's activities into the existing education program, and communication and delivery plans.</p> <p>The plan also includes human resource provisions for temporary or final closure.</p>
Community Involvement Plan	<p>Agnico Eagle hosts a community information and career awareness session in all Kitikmeot communities at least annually. Information is provided to communities on: labour needs of the Project; skills, behaviours and qualifications required for employment at the Project; available training opportunities and educational support programs; and career opportunities in related fields. Agnico Eagle continues to engage GN representatives of relevant departments and agencies on training development and career awareness information. Agnico Eagle also sponsors competitions and achievement awards at the secondary school level in fields relevant to or related to mining sector careers.</p>

7. POPULATION DEMOGRAPHICS

7.1 Population Stability

7.1.1 Predictions

Construction and Operation

The population increase within the Kitikmeot region is expected to be driven by natural population increase (high birth rate). Due to the Project, there is expected to be a negligible or small increase of in-migration to the Kitikmeot region or between communities within the Kitikmeot primarily because of two factors:

- the agreement under the IIBA to maintain multiple points of hire across the Kitikmeot region and to transport workers from their home community (i.e., moving to a community closer to the Hope Bay Project like Cambridge Bay has no locational advantage); and
- the fly-in/fly-out nature of the operation, meaning that non-Kitikmeot employees have no advantage by moving to the Kitikmeot region.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

7.1.2 Results

Population of Kitikmeot Communities

Figure 7.1-1 shows population estimates and annual percentage change by community and for the Kitikmeot region for 2001 to 2022 (Statistics Canada 2023a). Population in the Kitikmeot region and communities, based on population estimates, generally trended upward from 2001 to 2022 with an average annual population growth of 1% to 3%, reaching 7,272 residents in the Kitikmeot in 2022^{11 12}

The 2021 Census of Population informs that, from 2016 to 2021, population in the Kitikmeot decreased to 6,458 people or by 1.3% (Statistics Canada 2022b). According to the 2021 Census of Population, population by community was as follows (% in brackets show the 2016-2021 change in population):

- Cambridge Bay – 1,760 (-0.3%).
- Gjoa Haven – 1,349 (1.9%).
- Kugaaruk – 1,033 (10.7%).
- Kugluktuk – 1,382 (-7.3%).

¹¹ Kitikmeot population is based on the population of the following communities: Cambridge Bay, Gjoa Haven, Kugaaruk, Kugluktuk, Taloyoak, Kitikmeot Unorganized (NO), Bathurst Inlet (SET), Umingmaktok (SET).

¹² In February of 2022, Statistics Canada released population estimates from the 2021 Census. After cross-referencing population estimates with the Census population counts, it was noted that population estimates for 2016 were not in line with the 2016 Census. As such, it was decided that it was not possible to compare the 2021 Census population counts to the population estimates from 2020 as that would provide misleading results.

■ Taloyoak – 934 (-9.2%).

Nunavut has, on average, more out-migrants (residents moving out of Nunavut to live in another province or territory within Canada) than in-migrants (residents moving into Nunavut from other provinces or territories). For the period of 2001/02 to 2021/22, the number of interprovincial in-migrants exceeded the number of out-migrants in 2001/02, 2010/11, 2012/13, and 2021/2022 with a notable out-migration trend in remaining years. In other words, the number of residents moving out of Nunavut to live in another province or territory was higher than the number of residents moving into Nunavut, except for those three years. In 2021/22, net interprovincial migration for Nunavut was 183, recording the highest number of in-migrants over out-migrants in the investigated period (the second highest took place in 2010/11; Statistics Canada 2023b). In comparison, net interprovincial migration was -169 in 2020/21. It is possible that some of that positive net migration represented Nunavut's working population (direct or contractors) who moved out of the region in 2020/21 in the face of the COVID-19 pandemic returning to Nunavut in 2021/2022 as lockdowns and restrictions began to ease.

Births and deaths data (from 2001/02 to 2021/22) indicate that Nunavut has, on average, five live births for each death (Statistics Canada 2023b). The high birth-to-death ratio supports natural population growth in the region and in Nunavut because net migration is primarily negative with more individuals moving out rather than into the territory.

Migration of Employees

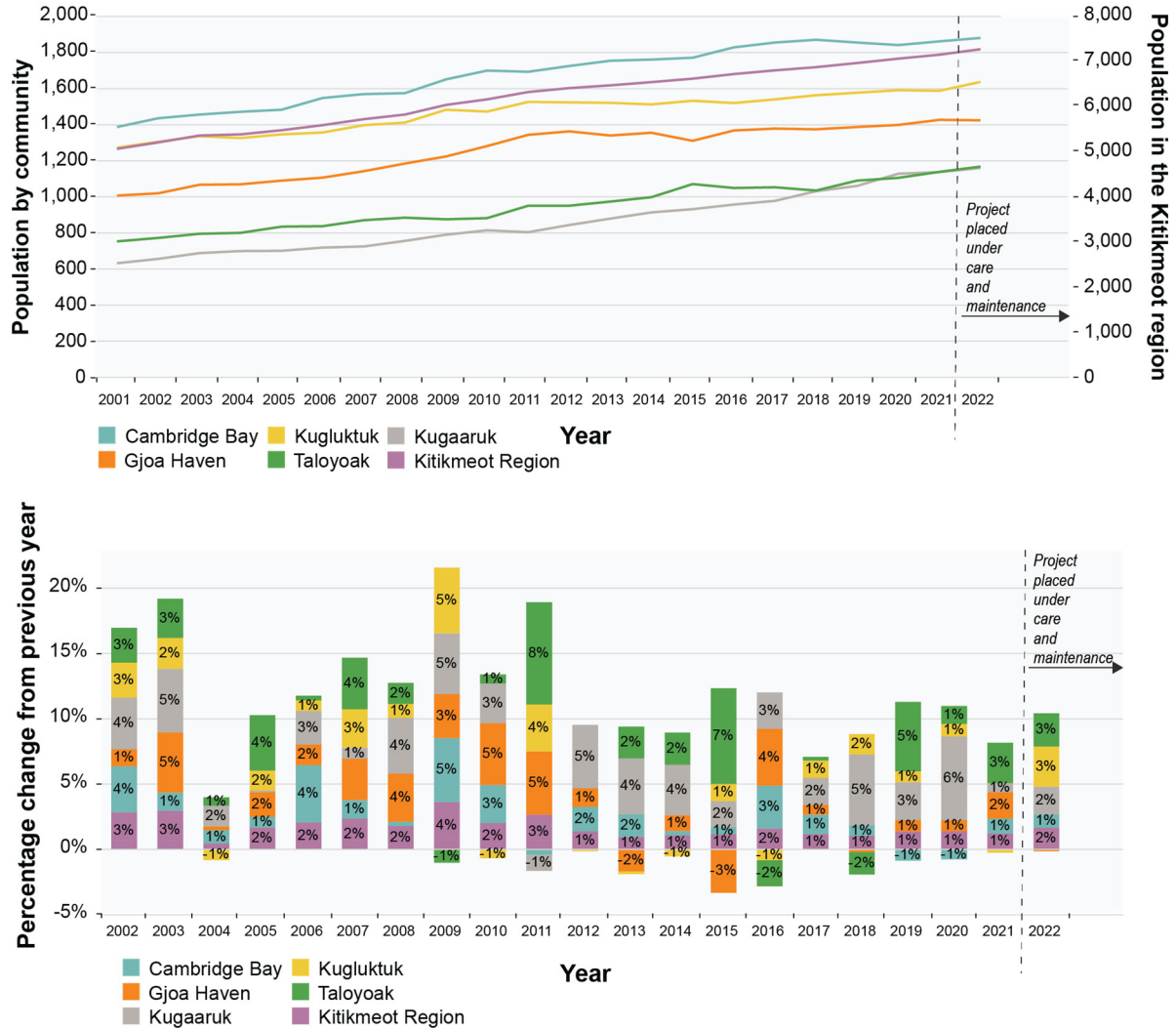
In 2018, two direct employees moved from Cambridge Bay to Edmonton. Although there were no direct employees who moved to the Kitikmeot from elsewhere, two employees moved within the region in 2018: one employee hired in Cambridge Bay returned home to the community of Taloyoak, and one employee moved from Kugluktuk to Cambridge Bay.

In 2019, four direct employees changed their place of residence. One employee moved from Kugluktuk to Cambridge Bay, one moved from Kugluktuk to Edmonton, one from Arviat to Edmonton, and one from Cambridge Bay to Edmonton (and then subsequently returned to Cambridge Bay).

In 2020, two direct employees changed their place of residence – one employee moved to Cambridge Bay, and another to Alberta.

In 2021, two Kitikmeot Inuit contract employees relocated from Kugluktuk and Gjoa Haven to Edmonton in order to retain Hope Bay employment during the pandemic as Kitikmeot based employees were precluded from working at the Project to prevent the spread of COVID-19 to communities.

In 2022, one employee moved from Kugluktuk to Cambridge Bay when he started working at Hope Bay. No employees moved from the South to Cambridge Bay or Kugluktuk. One Project employee moved from Edmonton to Gjoa Haven, while two moved from Kugluktuk, one to Edmonton and one to Yellowknife. In total, two Kitikmeot-based employees were redeployed from Hope Bay to other Agnico Eagle projects.



Graphics: HB-23ERM-008:13

Source: Statistics Canada (2023a)

Figure 7.1-1: Population by Community and in the Kitikmeot Region (Estimate and Percentage Change from Previous Year), 2001 to 2022

7.1.3 Interpretation

Most recent population projections for the Kitikmeot region were prepared in 2014 and predicted that the Kitikmeot region would have an annual population growth of approximately 1% per year, with a progressively decreasing annual growth by 2035 (GN 2014). More recent population projections for Nunavut are available from Statistics Canada and suggest moderate growth in the territory (Statistics Canada 2023a).

While population estimates prepared by the GN point to population growth, it is noted that during the 2019 KSEMC meeting, the last time the KSEMC met due to the COVID-19 pandemic, several community representatives did not agree with the Nunavut Bureau of Statistics on the population estimates and the

method used to derive these estimates for their communities during inter-census years. The discrepancy between population counts from the 2021 Census of Population and the population estimates for 2021 prepared by the GN are evident and point to overestimated population growth in all communities.

Total population, along with other demographic indicators, is a key element of any socio-economic monitoring program. Population statistics and projections are used to assess the need for housing, education, and government services (e.g., health care and social services), so that resources can be allocated according to the pace of population change. In general, an increase in population of the Kitikmeot region means an increase in the demand for infrastructure and services.

Population growth results from a number of factors including natural population changes (net births and deaths) and migration. In the Kitikmeot region, growth is driven by a relatively high birth-to-death ratio. While more variable at the community level, regional population increases were modest since 2013 at 1% to 3% per year, remaining on par with the territorial (1% - 2%) and national (1%) trend. However, the most recent Census data suggest an overall decrease in the population level in the Kitikmeot.

Considering the above, the Project does not appear to be a driver for population growth.

7.2 Effects Management and Mitigation

Table 7.2-1 lists measures designed to mitigate and manage potential effects related to changes in population.

Table 7.2-1: Population Stability Management and Mitigation Measures

Program/ Mitigation Measure	Purpose/Description/Outcome
All Phases	
Fly-in/fly-out rotation	Project workers are accommodated at site in camps while on rotation. Agnico Eagle provides air transportation for all Kitikmeot residents, Inuit and non-Inuit, from their home community to site if employed by the Project, in order to avoid in-migration to these communities.
Engagement and communications	Engage with Kitikmeot communities (e.g., through open houses) to discuss Project schedules and activities and community expectations, and collaboratively strategize for future activities.

8. COMMUNITY INFRASTRUCTURE AND PUBLIC SERVICES

8.1 Housing Availability

8.1.1 Predictions

Construction and Operation

There is a shortage of housing in the Kitikmeot communities due to a high natural population growth rate, limited available housing stock, and a backlog of new home development. Although it is not expected that the Kitikmeot communities will experience population influx-induced demand for housing, changes in income due to Project-related employment among Kitikmeot residents can impact housing rent costs for those living in public housing and, potentially, result in a change in demand for other housing types (e.g., those with employment income may opt for private rental homes). The impact is not expected to be negative as the NHC now has numerous policies in place to ensure there is a gradual transition for any public housing tenant who obtains employment. Housing demand will likely remain constant in the near term but may change slowly over time in step with career progression or advancement.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

8.1.2 Results

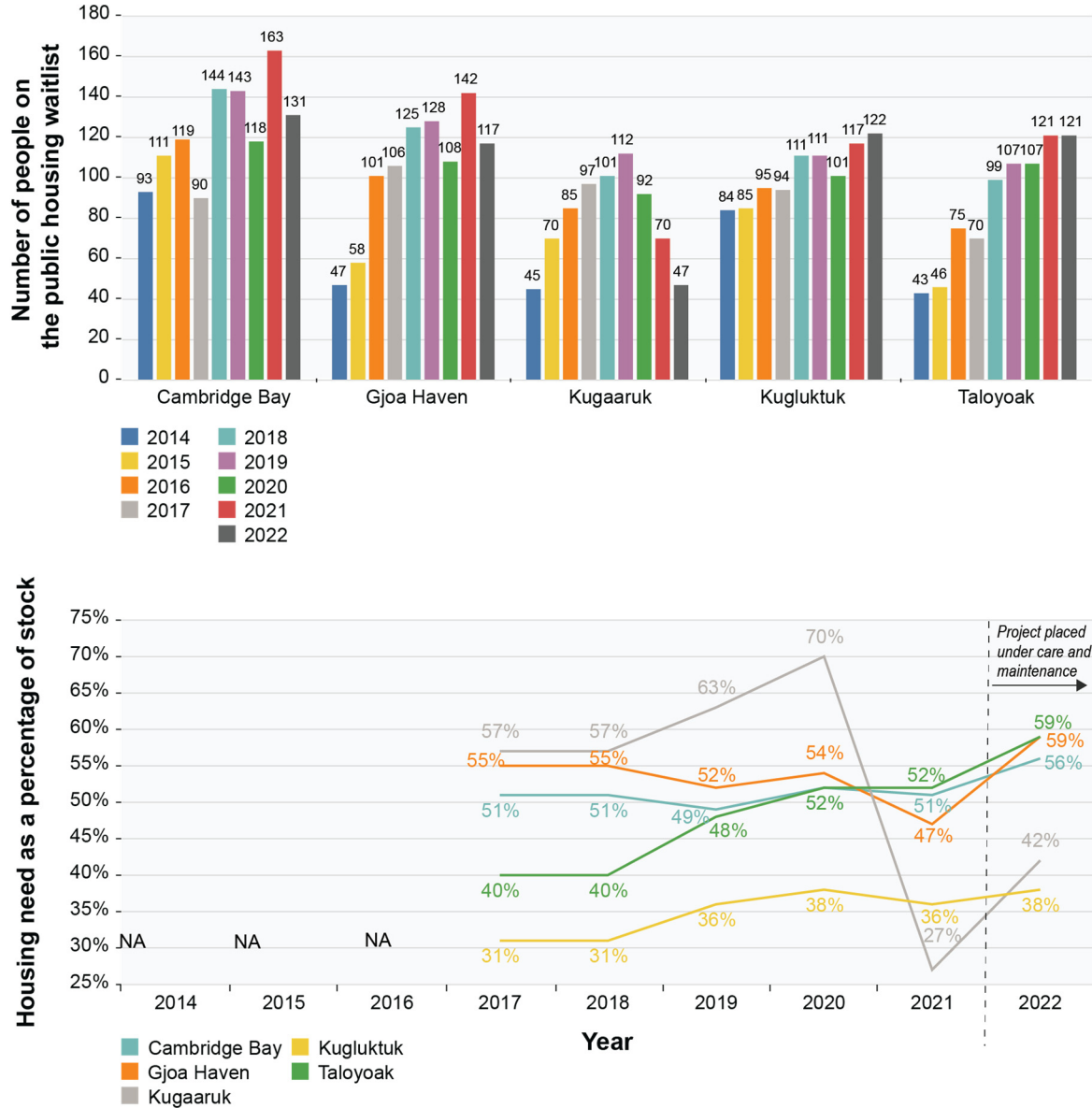
Housing Need by Community

The public housing program provides subsidized housing to tenants based on their income and ability to pay rent (NHC 2019). The rent for public housing is assessed based on income brackets of total gross income of primary tenants. Figure 8.1-1 shows the number of people on the public housing waitlist in the Kitikmeot region. In 2022, the number of people on the public housing waitlist decreased in Cambridge Bay, Gjoa Haven and Kugaaruk with a completed construction of, respectively, 10, 15 and 24 public housing units (NHC 2023). The year before (2021), public units were added in Kugaaruk, as shown by the decreasing number of people on the public housing waitlist (Figure 8.1-1).

Waitlist as a percentage of available housing represents need or demand for public housing in each community. In 2022, housing need increased in all Kitikmeot communities (Figure 8.1-1). Demand for public housing remains an issue in the Kitikmeot, with Taloyoak, Cambridge Bay, Gjoa Haven and Kugaaruk rated as “critical” in terms of housing need, and Kugluktuk rated as “high” (NHC 2023).

Approved Home Ownership Assistance Applications by Community

The Nunavut Down Payment Assistance Program (NDAP) assists Nunavummiut residents in achieving homeownership, supporting purchase of an existing home or construction of a new one. The program makes financial contributions to help clients meet a down payment of 10% of the total house cost (client contributes 2.5% while NHC contributes the remaining 7.5% to a maximum of \$30,000). NDAP is offered as a forgivable second mortgage over a 10 year period; there is no forgiveness in the first five years (NHC 2016).



Graphics: HB-23ERM-008:14

Source: NHC (2023)

Figure 8.1-1: Number of People on the Public Housing Waitlist – Total and as a Percentage of Available Public Housing Stock

The number of approved NDAP applications was as follows¹³ (NHC 2023):

- 2014/15: total of 5 approvals for the Kitikmeot.
- 2015/16: Cambridge Bay (5), Kugluktuk (1).
- 2016/17: Cambridge Bay (8), Gjoa Haven (1), Kugluktuk (2).
- 2017/18: Cambridge Bay (1), Gjoa Haven (2).
- 2018/19: no approvals.
- 2019/20: Cambridge Bay (3).
- 2020/21: Cambridge Bay (2), Kugluktuk (1).
- 2021/22: Cambridge Bay (1), Gjoa Haven (1).

8.1.3 Interpretation

The number of people on the waitlists can increase with growing population, declining condition of available housing stock, and varying socio-economic challenges. It also happens that those who live in the most chronically under housed communities can give up placing their names on the waitlist or remove their names from the waitlist as the waitlist are very long. While the number of people waiting for public housing has been generally increasing, Project induced in-migration to the Kitikmeot has been negligible. As such, it is unlikely that the Project affected the demand for public housing. Similarly, a positive impact of Project employment on the number of NDAP approvals is not evident.

8.2 Housing Status

8.2.1 Predictions

Construction and Operation

A change in employment status carries implications for income supports: those living in public housing will experience a gradual decrease in rental subsidy as their employment status changes and income level increases. This gradual transition is designed to support wealth accumulation and greater financial independence and will not exceed what is defined as the manageable cost of housing by CMHC (e.g., one-third of income). Kitikmeot residents who work at the Project will be able to accumulate wealth and seek alternative housing arrangements (i.e., leave public housing and rent private housing or purchase/build a house).

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

¹³ NHC fiscal years is from April 1 to March 31.

8.2.2 Results

Housing status of Project employees is to be determined with the help of a housing survey to be developed with NHC, GN, and KitSEMC, and administered to Nunavummiut employees. The required survey has not yet been developed. Consequently, data for this indicator is not available.

8.2.3 Interpretation

The housing survey has not been developed. The housing survey initiative is being led by NHC. The Project has made a number of attempts to engage with NHC on the status of survey development, but has not had a response to date. Agnico Eagle remains committed to administering a housing status survey to its Nunavummiut employees, should one be developed.

8.3 Project Use of Emergency Services

8.3.1 Predictions

Construction and Operation

Due to the fly-in/fly-out nature of the operation and the predicted negligible impact on in-migration to LSA and RSA communities, changes to demand for local services are expected to be minimal as any changes will be influenced primarily by existing Kitikmeot region residents in ways that are similar to continuing trends. Firefighting equipment will be provided and maintained for the Project site. Personnel will be trained in first aid and Fire Warden Duties. Agnico Eagle will provide first aid facilities and a trained first aid attendant or advanced medical care personnel, depending on camp loading.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

8.3.2 Results

Medical aid was not required in 2013 or 2015. In 2014, one Project worker required medical aid. In 2016, two workers were seen at the health centre in Cambridge Bay for minor injuries due to separate incidences of “slips, trips, and falls”. One worker returned to work the same day, and another resulted in one day of lost-time. In 2017, one direct employee required emergency medical attention and extended recovery time was required; this was due to an illness that was not work related. In 2018 and 2019, the Project did not use GN emergency health services. In 2020, emergency health services were utilized three times as part of the GN COVID-19 Rapid Response team. The Project did not use emergency medical services in 2021 and 2022.

8.3.3 Interpretation

Agnico Eagle monitors health and safety performance and adjusts its activities to avoid injuries and other incidents. Overall, the number of incidents remains very low and the Project has not resulted in increased demand on health care services in Kitikmeot communities because of Project-related emergencies.

8.4 Demand for Health and Social Services

8.4.1 Predictions

Construction and Operation

The Project is not expected to directly result in changes to health care demand, because:

- Project employees who are not Kitikmeot residents will continue to access health services in their home communities and will not interact with communities in the Kitikmeot region (i.e., will not be using health services in local Kitikmeot communities); and
- Project employees who are Kitikmeot residents will have access to health care services while at site, potentially reducing the annual number of health care visits in the region.
- Demand for health care services may be indirectly affected by the Project should additional support be required for those employees who choose to engage in high-risk behaviour (alcohol and drug use).

Through the provision of employment and income, the Project has the potential to modestly reduce the number of people who require social assistance. However, the need for social assistance is likely to fluctuate as Project employment levels and individual employment patterns fluctuate.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

8.4.2 Results

Visits to Health Centres

The number of community health centre visits by community and for the Kitikmeot region shows notable year-to-year variation over the investigated period (Figure 8.4-1). Kitikmeot saw a general drop in the number of health centre visits leading up to and including 2009, followed by an increase in 2010 through 2014. In 2015, the number of health centre visits dropped to 39,049 across the Kitikmeot region, increasing in 2016 by 8% to 42,216 (GN 2018b).

On a per capita basis, there was an overall decrease in health centre visits between 2003 and 2009 within the Kitikmeot region (i.e., from 7.6 to 4.6 visits per person annually; Figure 8.4-1). While the rate of visits in the Kitikmeot region has since increased (6.3 visits per person in 2013, 6.6 in 2014, 5.7 in 2015 and 6.1 in 2016), this level of demand is low compared to the per capita rates experienced earlier in the past decade (e.g., 7.6 and 7.7 annual visits per person in 2003 and 2004, respectively); it is also relatively low in relation to other parts of Nunavut. Cambridge Bay, Gjoa Haven, and Kugluktuk have typically had lower rates of health centre visits while Taloyoak and Kugaaruk have had higher rates (2003 to 2016; Figure 8.4-1).

At the time of writing, data for 2017 to 2022 were not available.



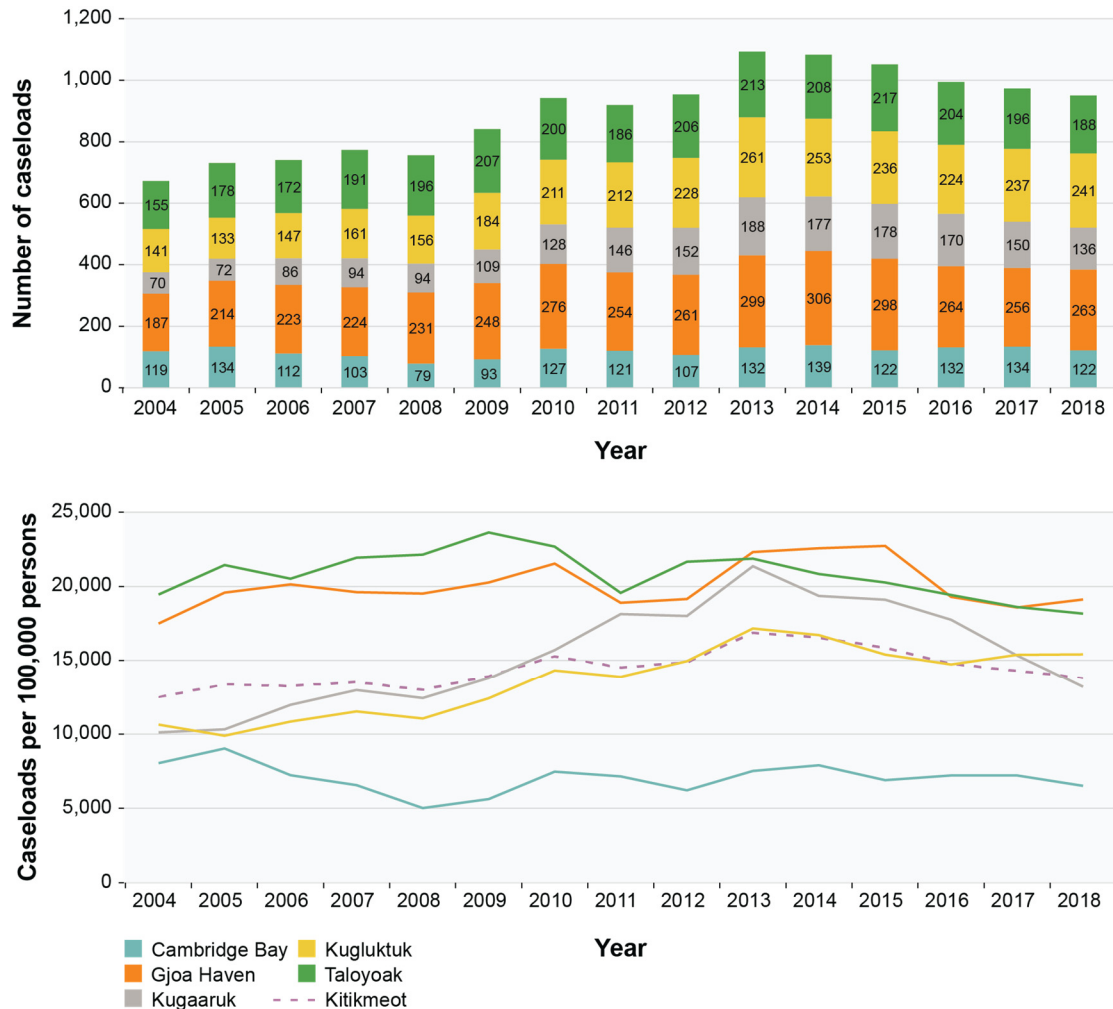
Source: GN (2018b)

Figure 8.4-1: Health Centre Visits by Community and Region (Total and per Capita), 2003 to 2016

Social Assistance Caseload

The number of social assistance cases represents the number of households receiving social assistance or income support. Social assistance data (monthly average) are available from 2004 to 2018 (GN 2019a). In the Kitikmeot region, the number of social assistance cases trended upward from a low of 672 cases in 2004 to a high of 1,093 in 2013, thereafter gradually decreasing to 950 cases in 2018. Data by community are provided in Figure 8.4-2.

The rate of social assistance caseloads (per 100,000 persons) highlights the difference in caseloads in Cambridge Bay in comparison to other Kitikmeot communities, and the regional trend. The rate of social assistance caseloads varied on an annual basis, being generally lowest in Cambridge Bay and highest in Taloyoak (Figure 8.4-2). Since 2013, there was a general decrease in the rate of social assistance caseloads in the Kitikmeot, with a small increase in 2016 in Cambridge Bay. In 2018, per capita caseload decreased in Cambridge Bay, Kugaaruk, and Taloyoak, and increased in Kugluktuk and Gjoa Haven.



Source: GN (2019a)

Figure 8.4-2: Social Assistance Average Monthly Caseload by Community (Total and per 100,000 Persons), 2004 to 2018

Information for 2019 to 2022 was not available at the time of writing this report.

8.4.3 Interpretation

While the number of visits to health centres (and the per capita rate) generally increased since 2010 (with a small dip in 2015), the number of visits to health centres from 2012 to 2016 was similar to the level of demand experienced in the past decade when the region had a smaller population. Visits to health centres are typically determined by a number of diverse factors, many of which are not related to the Project. The Project also has a number of measures to ensure that there is no impact on local services. For example, Project workers have access to first aid facilities and medical personnel while on-site. Additionally, Project employees who are not Kitikmeot residents are expected to continue to access health services in their home communities and only emergencies flown to Cambridge Bay would utilize medical services for those who are not Kitikmeot residents.

With respect to social assistance, there was a general decrease in the number of social assistance caseloads (and rate) since 2013 indicating that the need for social assistance decreased across Kitikmeot

communities. While it is possible that Project-related employment and income as well as associated spinoff opportunities benefiting Kitikmeot residents reduced the need for social assistance, a direct correlation cannot be determined with reasonable certainty. The need for social assistance is likely to fluctuate as Project employment levels and individual employment patterns fluctuate.

The lack of availability of current social assistance statistics from the GN Department of Family Services and health service utilization statistics from the GN Department of Health is impeding the ability of this program to test this prediction.

8.5 Demand for Police Services

8.5.1 Predictions

Construction and Operation

Changes in population, employment, access to alcohol and drugs, and other complex factors can contribute to the number of police calls received in each community on an annual basis. As employees and their families have access to income, there is potential for an increase in demand for police services related to alcohol and drugs (e.g., domestic violence) in Kitikmeot communities. However, it is expected that the majority of employees will experience positive benefits of increased income and not engage in high risk behaviours, unproductive spending, or potentially criminal activities.

In some cases, income earned through Project employment may be indirectly linked to substance consumption and abuse. As employees and their families have access to income, there is potential for an increase in demand for police services related to alcohol and drugs (e.g., domestic violence) in Kitikmeot communities. However, it is expected that the majority of employees will experience positive benefits of increased income and not engage in high-risk behaviours or potentially criminal activities.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

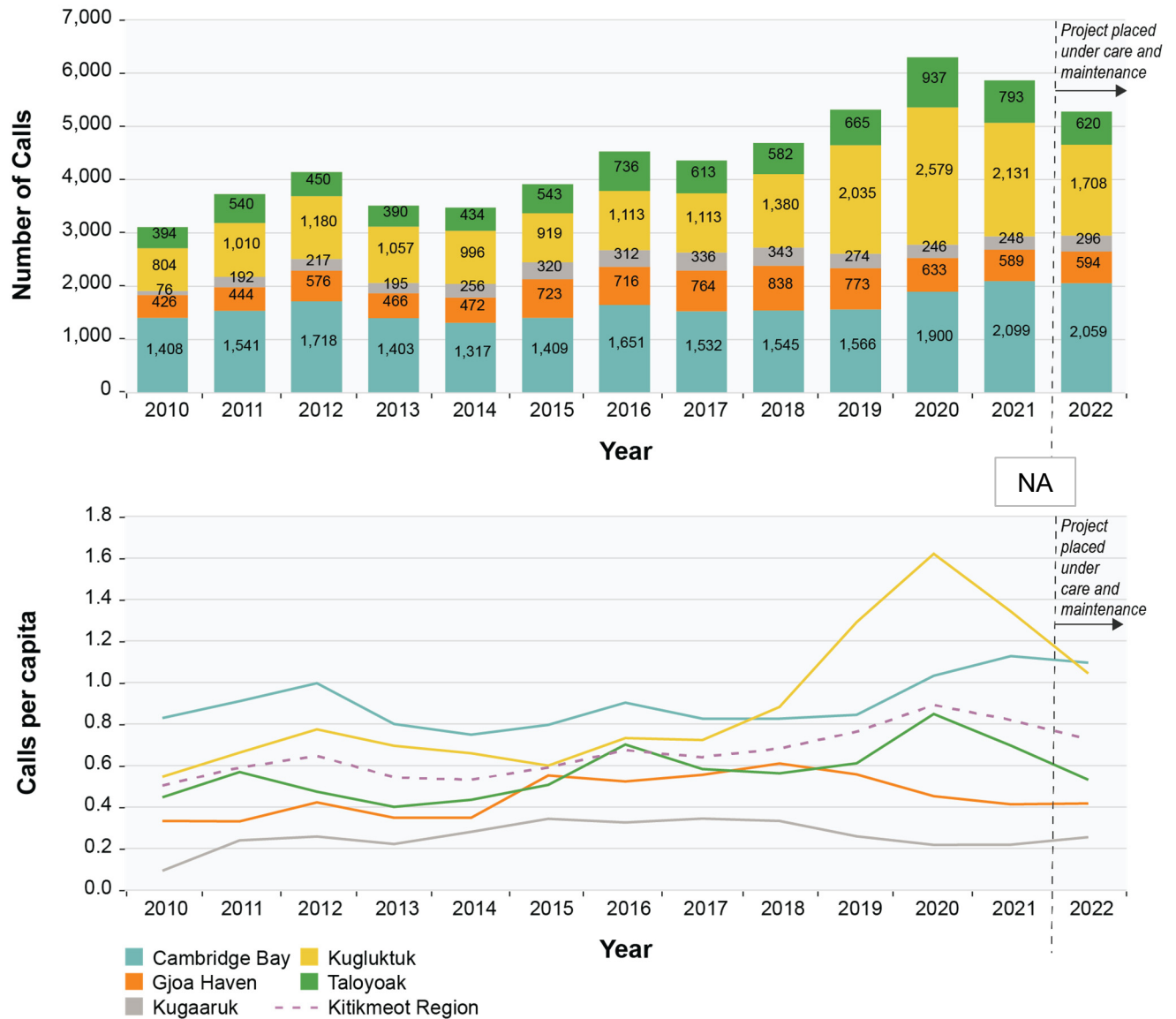
No FEIS-specific prediction.

8.5.2 Results

Police Calls

Data on the number of police calls are available for the period of 2010 to 2022. The demand for police services generally trended upward in the Kitikmeot region from 2010 through 2020, with varying trends in the communities (Figure 8.5-1). The number of police calls decreased in 2021 and then decreased further in 2022. In 2022, there were 5,277 calls in the Kitikmeot, representing a 10% decrease from 5,860 police calls in 2021. This was attributed mainly by the decrease in the number of calls in Kugluktuk and Taloyoak, while in Kugaaruk the number of calls increased by 19%. (RCMP 2023).

On a per capita basis and prior to 2018, the number of police calls was generally higher in Cambridge Bay, although remaining at less than one call per capita. From 2018 to 2021, the per capita number of police calls was consistently higher in Kugluktuk (>1 call per capita; Figure 8.5-1).



Graphics: HB-23ERM-008:15

Source: RCMP (2023)

Figure 8.5-1: Police Calls for Service (Total and per Capita), 2010 to 2022

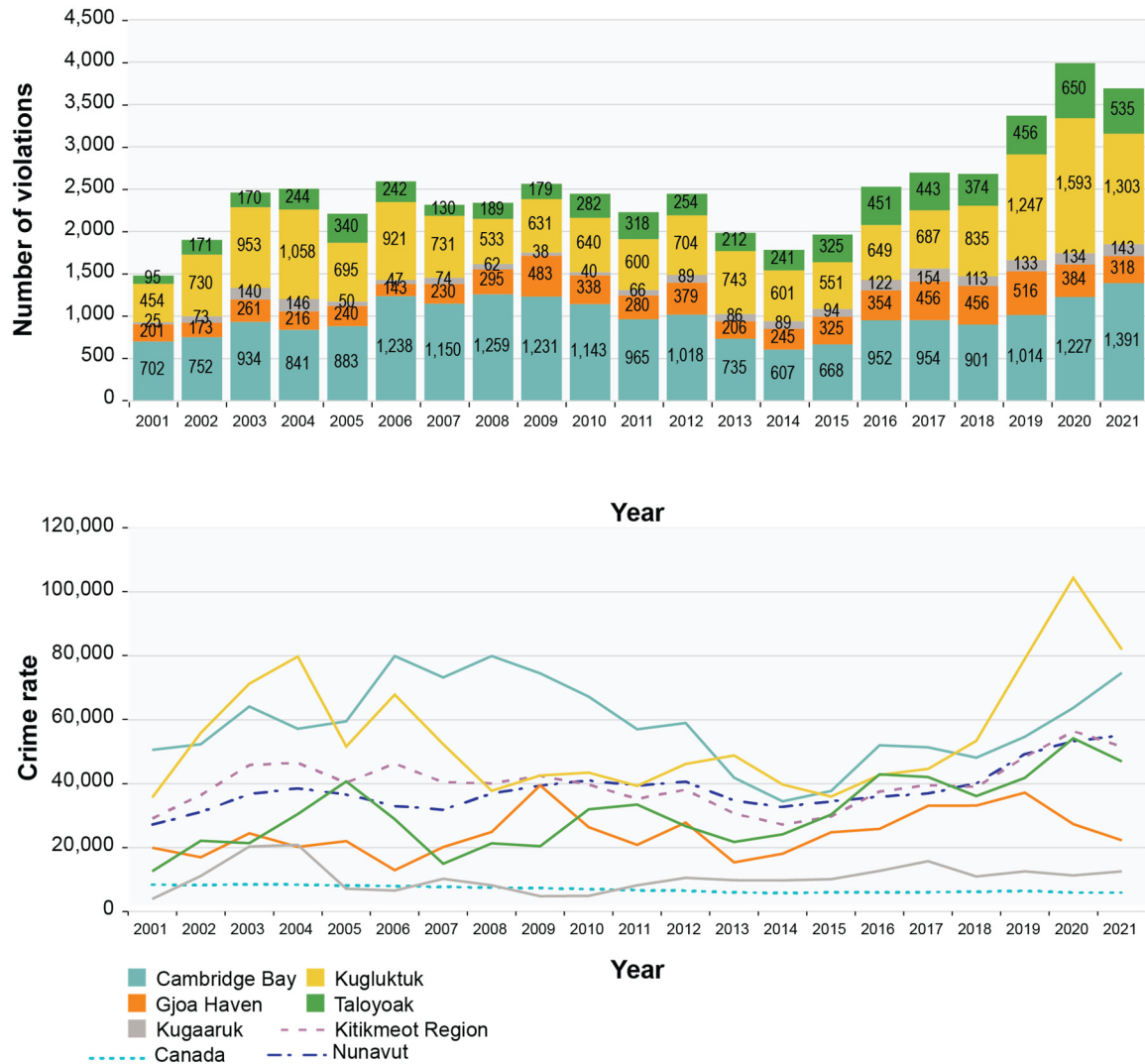
Criminal Code Violations (including traffic)

The total number of criminal code violations and the crime rate (violations per 100,000 people) are summarized for all Kitikmeot communities and the region as a whole from 2001 through 2021 (Figure 8.5-2). Between 2003 and 2012, criminal code violations in the Kitikmeot region remained relatively stable at an

average of 2,400 violations per year, decreasing to below 2,000 violations in 2013 through 2015, although the number of violations varied year to year for each community. From 2016 to 2020, there has been a general increase in the number of violations in most Kitikmeot communities (Statistics Canada 2023c).

In 2021, crime violations and crime rate increased in Cambridge Bay, remained stable in Kugaaruk, and decreased in the remaining communities. Kitikmeot had a 7% decrease in overall crime rate in 2021. Kugaaruk tends to have the lowest number of criminal code violations and the lowest crime rate of all Kitikmeot communities (Figure 8.5-2).

Information on criminal code violations for 2022 was not available at the time of writing this report.



Graphics: HB-23ERM-008:16

Source: Statistics Canada (2023c)

Figure 8.5-2: Criminal Code Violations for the Kitikmeot Region and by Community (Total Number and per 100,000 Persons), 2001 to 2021

8.5.3 Interpretation

A direct correlation between changes in Project-related employment and income, and changes in the demand for police services and crime in the Kitikmeot is not evident. Overall, there has been a slight decline in the number of police call as well as the crime rates in 2021 and 2022 after a sharp increase in 2020. On a per capita basis, police calls have remained higher in Kugluktuk and Cambridge Bay (>1 call per capita) in the last three years, while being more variable in other Kitikmeot communities. While the general crime rate in the Kitikmeot is on par with the crime rate in Nunavut, both are substantially higher than the average crime rate for Canada. The change in the number of police calls by community as well as the overall crime rate can result from many interacting and complex factors, such as changes in population size, changes in employment and income levels (due to the Hope Bay Project or other projects in the communities), levels of alcohol and drug availability, the relationship between the residents and the Royal Canadian Mounted Police (RCMP), and the availability and use of community services. The COVID-19 pandemic was possibly another contributing factor as shown by the increase in the number of calls for service and the overall crime rate in 2020.

8.6 Effects Management and Mitigation

Table 8.6-1 lists the programs and measures designed to mitigate and manage potential effects related to community infrastructure and public services.

Table 8.6-1: Infrastructure and Public Services Management and Mitigation Measures

Program/Mitigation Measure	Purpose/Description/Outcome
All Phases	
Health and Safety Management Plan	The purpose of this plan is to detail the Health Safety and Loss Prevention (HSLP) policies and systems adopted by Agnico Eagle and to provide the framework for their implementation. The Agnico Eagle Management Team is committed to providing a healthy and safe working environment for all personnel. The objectives are: to have all personnel appropriately trained, responsible and accountable for safety management; to incorporate industry best practice for health and safety standards in the engineering, design and processes implemented at all workplaces; to comply with all relevant standards and codes of practice, and regulatory requirements; and to provide effective training, efficient communication and continuous review of occupational health and safety practices.
Employee and Family Assistance Program (EFAP)	The EFAP provides Inuit employees and their families with services to assist them with dealing with personal problems, family matters, mental health concerns, and alcohol, drug and gambling dependencies.
Fly-in/fly-out rotation	Project workers are accommodated at site in camps while on rotation. Agnico Eagle provides air transportation for all Kitikmeot residents, Inuit and non-Inuit, from their home community to site if employed by the Project, in order to avoid in-migration to these communities.
Family communications	While on site, employees have access to communications facilities to allow communication with spouses and families.
Community Involvement Plan	Agnico Eagle maintains communications with service providers within the Kitikmeot communities and shares information to assist in the development of collaborative adaptive management measures, should unanticipated impacts arise and mitigation be required.

Program/Mitigation Measure	Purpose/Description/Outcome
Alcohol and Drug Policy	The Alcohol and Drug Policy restricts the possession and use of alcohol and drugs at the Hope Bay Project, including provisions for site access and enforcement.
Agnico Eagle Liaison	The Agnico Eagle Liaison assists in identifying and developing wellness initiatives for the workforce, and aids in identifying wellness needs of employees, as appropriate.

9. INDIVIDUAL AND COMMUNITY HEALTH AND WELLNESS

9.1 Work-Life Balance

9.1.1 Predictions

Construction and Operation

Due to the fly-in/fly-out nature of the Project and workers being away from home while on shift (typically a two-week on/ two-week off rotation), the Project has the potential to affect family stability among households with one or more employees. The potential for one or more household members to be away from the family for an extended period may be disruptive to family life, particularly as Inuit culture places high value on close relationships with extended family members. Also, as a result of the primarily male workforce, it is expected that Project employment will result in an increased burden on women in the household. This has implications for children and childcare, spousal relationships, and gender roles. It also has the potential to adversely affect the mental and physical health of individuals.

Employee and Family Assistance Program (EFAP) will provide Inuit employees and their families with services to assist them with dealing with personal problems, family matters, mental health concerns, and alcohol, drug and gambling dependencies.

Reclamation and Closure

Both positive and negative changes in family stability may occur during this transition. Potential negative implications include increased stress associated with decreased employment income and any associated negative behaviours that may arise. Potential positive implications include the ability to reconnect with family members and the ability to be more present and active in family life, as well as to leverage the experience at the mine for other opportunities. Madrid-Boston employees will have work experiences to share and will have modelled employment behaviours to their family members. Following Reclamation and Closure, employment experience is expected to transfer to other opportunities that continue to support family members.

Temporary Closure

No FEIS-specific prediction.

9.1.2 Results

Ability of Inuit Workers to Balance Employment and Family, Traditional Lifestyle

Ability of Inuit workers to balance employment and family and traditional lifestyle is measured by tracking turnover statistics and Inuit workers who report resignation due to homesickness, family commitments, incompatibility with traditional lifestyle, and/or emotional stress factors. Turnover data for Inuit workers are provided in Section 5.5.2.

Regarding resignations, in 2018, ten Inuit left direct Project employment, with five jobs terminated and five who left voluntarily. Of those who left voluntarily, two left for other employment in their community, one left due to dissatisfaction with work hours, and two resigned due to either family commitments or conflicts with their lifestyle and rotational work.

In 2019, 12 Inuit left direct Project employment, of those:

- Four were seasonal hires with contracts that ended;
- Two were terminated due to work performance;
- Two were terminated due to missing work rotations;
- Three resigned due to family commitments; and
- One resigned seeking promotion in another job.

Of Inuit employees who left direct Project employment in 2020, there was one resignation, two dismissals with cause, and 24 dismissals without cause of which 22 were related to COVID-19 pandemic challenges.

In 2021, two Inuit left employment with the Project, the cause of one termination was job abandonment; the cause of the second termination was unknown at the time of writing this report.

There were four Inuit who left direct Project employment in 2022. Of those, one was dismissed with cause, two resigned due to either finding another job or dissatisfaction with the job, and one termination was related to a company reorganization.

Utilization of Employee and Family Assistance Program (EFAP)

Frequency and reasons behind the utilization of EFAP can provide further insight into the ability of Inuit employees to maintain work-life balance. The Project implemented an EFAP in 2014 for permanent, full-time employees and have continued to provide the EFAP. EFAP is not available to contractors, although suppliers working on the Project may offer a similar program to their employees.

Direct employee count was too low in 2014, 2015, and 2016 to report and ensure adequate privacy of information on usage under the EFAP. The data, therefore, have been suppressed to protect confidentiality, however, the program was accessed by employees in those years.

EFAP is available to a larger number of workers during the operations phase as the number of permanent, full-time direct Project employees substantially increased. For 2017, the first year of operation, utilization of the EFAP was low – a total of 1.5 persons (standardized measure) accessed the service.

Between October 2017 and September 2018, there were 14 new counselling and life smart coaching cases.

Information for 2019 is not available. In 2020, there were 17 EFAP cases, with nine of those accessed by Project employees, and the remaining by dependents or spouses. Information on the use of EFAP in 2021 was not available at the time of writing this report.

In 2022, EFAP was available for all Hope Bay workers under the general Organization Support program. There was no site-specific employee assistance program. As such, information on the utilization of EFAP by Hope Bay workers is not available. Agnico Eagle is working to develop and implement a site-specific assistance program for Hope Bay employees that will allow for easier tracking of program use.

9.1.3 Interpretation

As stated in Section 5.5.2, turnover rates for Inuit workers at the Project are generally higher than those for the overall Agnico Eagle / direct workforce and the Canadian mining industry. In 2022, reasons for resignations included finding another job or dissatisfaction with the job.

An EFAP continues to be available to and accessed by employees every year to help direct Project employees and their families deal with personal challenges, although the format of the program changed in 2022.

To improve the retention of Inuit in Project roles, and as outlined in the IIBA, Agnico is committed to give priority to vacation requests from Inuit employees who plan on doing traditional activities during their leave, support Inuit employees to be in contact with their families by phone or computer, provide cultural and cross-cultural training to all employees, as well as provide on-the-job training and career advancement opportunities.

9.2 Household Financial Management

9.2.1 Predictions

Construction and Operation

Increased income has potential to increase the standard of living, and decrease challenges associated with providing financially for the family. Agnico Eagle will reach out to third parties to deliver financial management programs such as financial literacy, financial planning and personal budgeting as identified in the Human Resources Plan.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

9.2.2 Results

Atuqtuarvik's Corporation Chartered Professional Accountants (CPA) offered financial literacy training to Cambridge Bay workers on a pilot basis in 2018, however the training had no attendees. No courses were offered between 2019 and 2022 due to lack of interest, pandemic-related closures and restrictions, and /or reduction in Project-related activities.

9.2.3 Interpretation

Financial literacy training offered to Cambridge Bay workers was not attended by Project employees, and the training was abandoned in 2019 due to lack of interest. Agnico Eagle will consider other program delivery options to increase interest and participation in financial literacy training again in the future.

9.3 Spending Decisions and Lifestyle Choices

9.3.1 Predictions

Construction and Operation

Project employment and associated increase in personal income has the potential to result in a more frequent purchase of alcoholic beverages in the Kitikmeot communities. Agnico Eagle has a zero tolerance on their premises for the unlawful manufacture, distribution, dispensation, possession or use of illegal drugs and/or possession of or use of alcohol.

Increased income has the potential to increase criminal behaviour, impaired driving violations, drug violations, domestic violence, and gambling activity levels in Kitikmeot communities. Changes to family spending are typically expected to occur primarily during the period of transition to Project employment, followed by adjustment or stabilization as the new circumstances (employment and income) become the norm.

Reclamation and Closure

No FEIS-specific prediction.

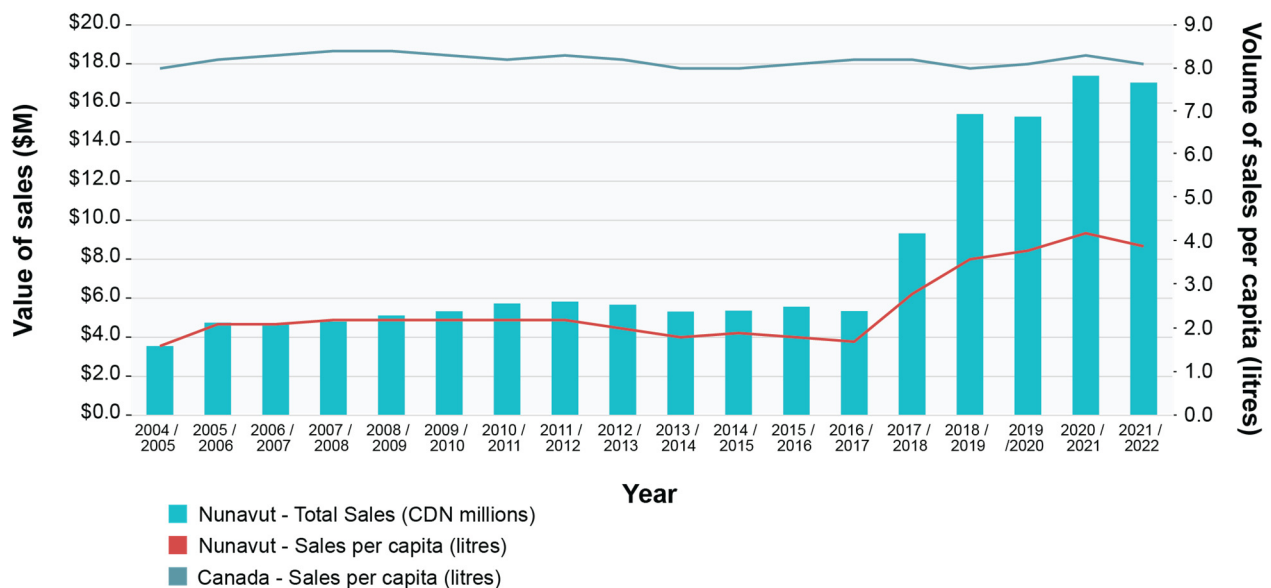
Temporary Closure

No FEIS-specific prediction.

9.3.2 Results

Sale of Alcoholic Beverages

Data on the sale of alcoholic beverages for Nunavut were retrieved from Statistics Canada; information is not available at a regional level. Total sales for Nunavut as well as per capita sales (for inhabitants of 15 years of age and over) for Nunavut and Canada are shown in Figure 9.3-1 (Statistics Canada 2023d). Sales of alcoholic beverages remained relatively flat from 2004/05 to 2016/17 at below \$6.0 million per year. In 2018/19, the sales increased to \$15.4 million attributed, at least in part, to the opening of the first beer and wine store in Iqaluit in 2017. (CBC News 2019). The second store opened in Rankin Inlet in December 2021 (Burnett 2022). The 2% decrease in 2021/22 sales over the previous year indicates that while the Rankin Store improved the accessibility to alcohol, it is estimated that the overall impact on the sales was minimal.



Graphics: HB-23ERM-008:17

Source: Statistics Canada (2023d)

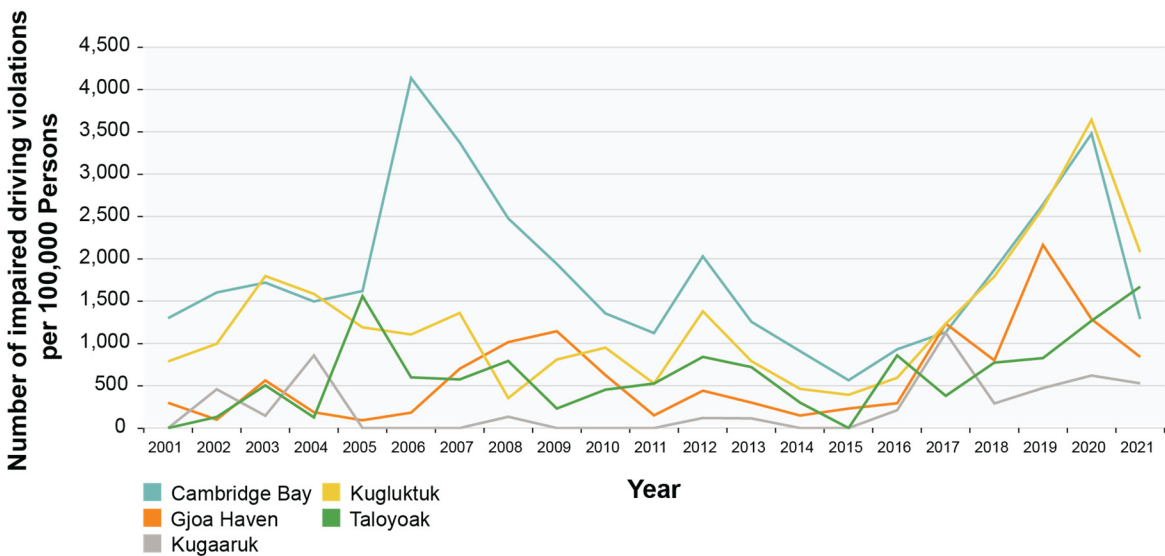
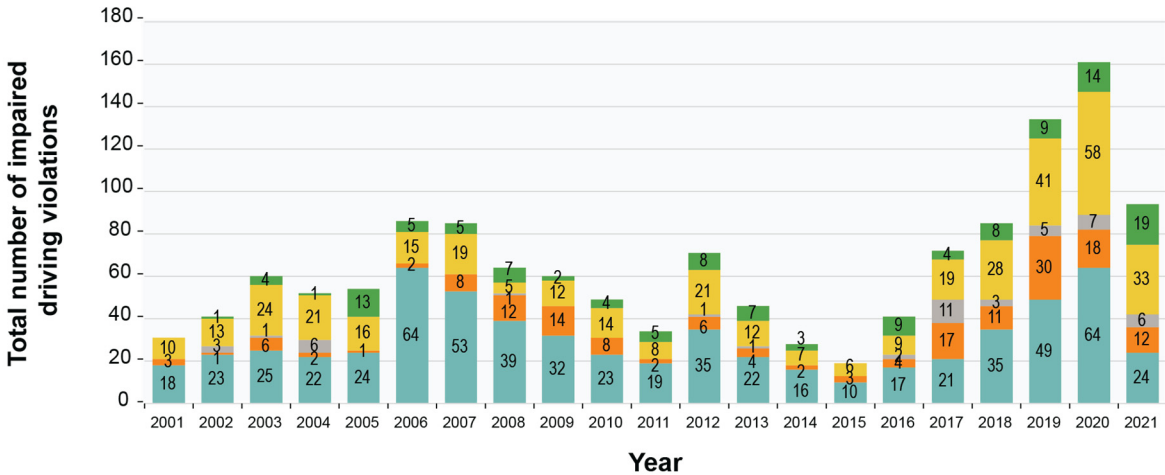
Figure 9.3-1: Sale of Alcoholic Beverages in Nunavut, 2004/05 to 2021/22

Criminal Violations: Impaired Driving

The number of impaired driving violations in each community fluctuated over time (Figure 9.3-2). While violations generally decreased in 2013, 2014 and 2015, they have been trending upward in the Kitikmeot from 2016 to 2020. This trend was mostly driven by higher impaired driving violations in Cambridge Bay and Kugluktuk. In 2021, the number of impaired driving violations decreased in most communities except

for Taloyoak, which recorded the highest number since 2001. Overall, Cambridge Bay and Kugluktuk tend to have higher rates of impaired driving violations compared to other Kitikmeot communities, with the community of Kugaaruk generally having fewest impaired driving violations and the lowest impaired driving violation rate per 100,000 persons (Statistics Canada 2023c).

Information for 2022 was not available at the time of writing this report.



Graphics: HB-23ERM-008:18

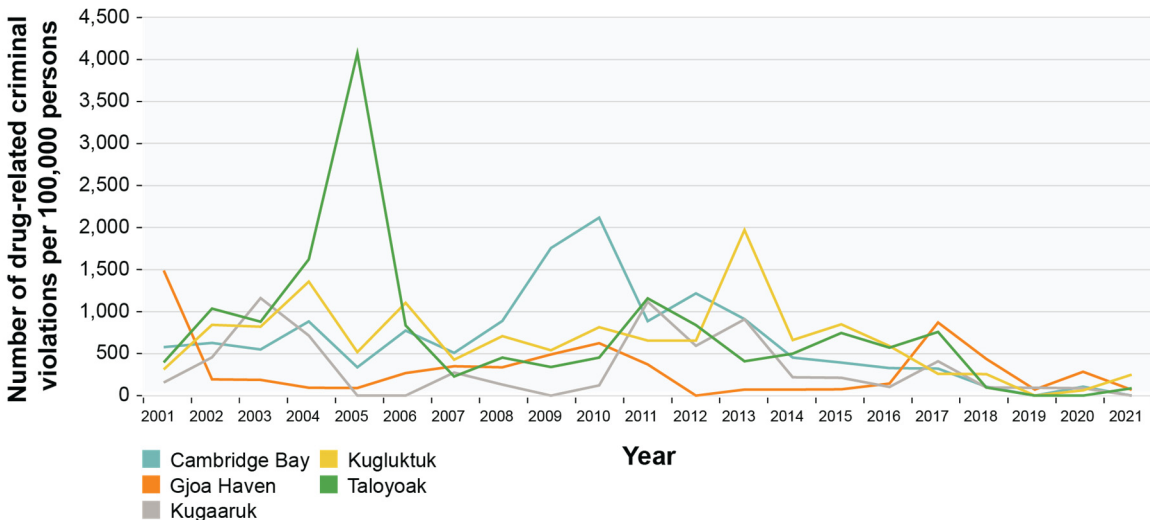
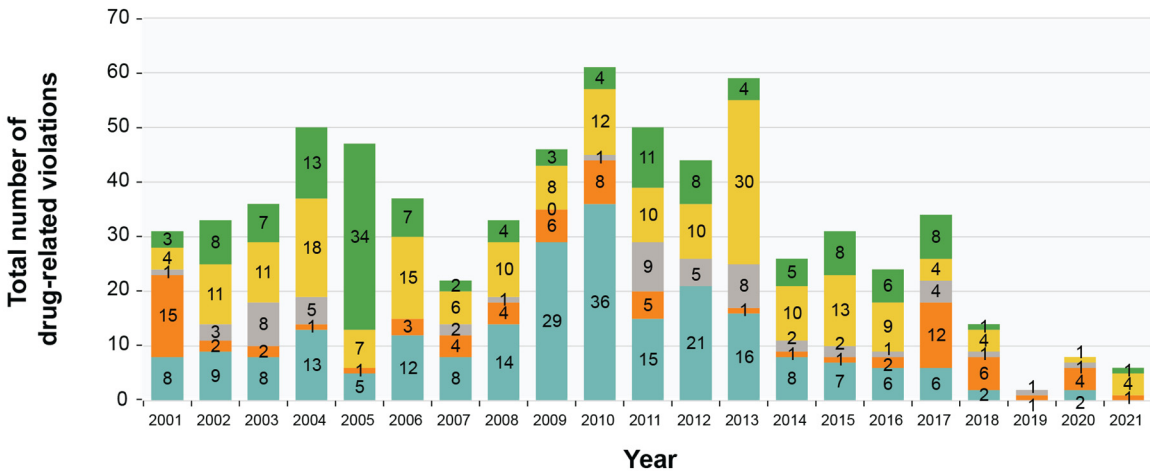
Source: Statistics Canada (2023c)

Figure 9.3-2: Impaired Driving Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021

Criminal Violations: Drug-Related

There was a notable spike in the number of drug-related violations in Taloyoak in 2005, in Cambridge Bay in 2009 and 2010, and in Kugluktuk in 2013 (Figure 9.3-3). Most recently, a trend towards fewer drug-related violations in the region began in 2014 but with a slight increase in 2017. Lower numbers and rates (per 100,000 persons) of drug-related violations since 2018 can likely be attributed to the legalisation of cannabis in Canada in 2018 (Statistics Canada 2023c). In 2021, Cambridge Bay and Kugaaruk had no reports of drug violations.

Information for 2022 was not available at the time of writing this report.



Graphics: HB-23ERM-008:19

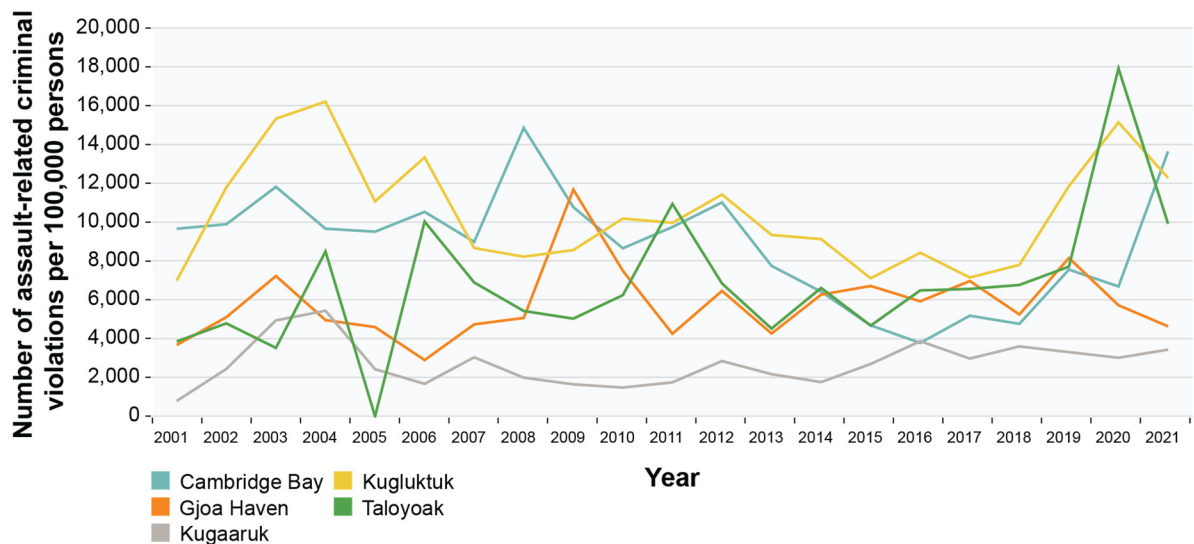
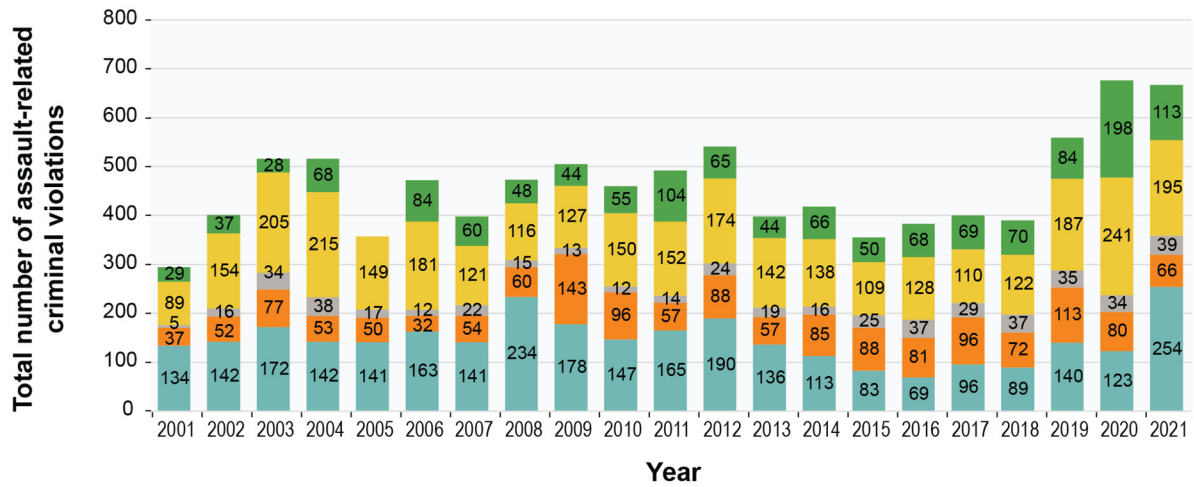
Source: Statistics Canada (2023c)

Figure 9.3-3: Drug-Related Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021

Criminal Violations: Assault

Kugluktuk generally has higher rates of assaults compared to other Kitikmeot communities (Figure 9.3-4). There were notable spikes in the number of assaults in Cambridge Bay (2008), Gjoa Haven (2009), Taloyoak (2011 and 2020), and Kugluktuk (2020). In 2020 and in 2021, the number of assaults in the region were at its highest level since 2001. Similarly, assault rates (per 100,000 persons) in Kugluktuk and Taloyoak were higher in 2020 compared to historical averages (Statistics Canada 2023c).

Information for 2022 was not available at the time of writing this report.



Graphics: HB-23ERM-008:20

Source: Statistics Canada (2023c)

Figure 9.3-4: Assault-Related Criminal Violations (Total Number and per 100,000 Persons), 2001 to 2021

9.3.3 Interpretation

As the information is not available at the regional level, it is difficult to monitor the effect of Project income on the purchase of alcoholic beverages in the Kitikmeot region.

Impaired driving violations increased in the Kitikmeot region in 2020 but then decreased in 2021. Drug-related violations have been low since the legalization of marijuana, while assaults exceeded historical averages in 2020 and 2021. By community, while violations increased in some communities, they decreased in others. There is also a substantial inter-annual variation in the number of violations that makes it challenging to assess the effect of Project income on the number of violations in each community. However, a possible positive correlation cannot be discarded.

Intergenerational trauma experienced by Indigenous people has been linked to increased drug and alcohol use, criminal behaviour, and other unsafe conduct affecting Indigenous people (Bombay et al 2014). As such, the effects of Project income cannot be interpreted in isolation.

9.4 Country Foods Consumption

9.4.1 Predictions

Construction and Operation

Agnico Eagle provides country foods to Inuit employees through camp kitchens; country foods are obtained from a licensed processing facility (e.g., Kitikmeot Foods). Agnico Eagle will continue to provide access to a Country Food Kitchen to allow personnel to store and consume personally harvested and owned country food. The Country Food Kitchen is available for workers to access while on site. The extent to which Agnico Eagle will serve country foods through its camp kitchens will depend on the level of demand and needs of Inuit employees, as well as the availability of supply.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

9.4.2 Results

Hope Bay canteen serves country foods to Project employees every three weeks and on special holidays. In 2018, country foods were served to workers up to 20 times. In 2020, there were no country foods shipments to the Project from Kitikmeot Foods.

Inuit workers use the cultural cabin on a regular basis. Individual users are not logged in as the facility is open on a continual basis. Consequently, the number of workers who utilize the Country Food Kitchen is unknown.

In 2020, it remained possible for Inuit workers to use the Hope Bay Country Food Kitchen to store and consume their own country foods at site. The Country Food Kitchen remained in use during Q1 2020 to Nunavut workers until the site was isolated from the rest of the territory. During Q2 and Q3, the kitchen remained available for use. However, in Q4 2020, in the aftermath of the COVID-19 outbreak at Hope Bay, enhanced social and physical distancing measures that were enacted at Hope Bay precluded the use of this facility.

In 2021, country food kitchens were not used by Project employees due to COVID-19 measures that, among other things, included an isolation policy for Kitikmeot based staff. Similarly, country foods were not served at the Project as the site was isolated from Kitikmeot sources.

In 2022, the country food kitchen continued to be used by Agnico Eagle employees and contractors, however, country foods were not served by the Project canteen.

9.4.3 Interpretation

Access to the country foods kitchen continues to be available to Project employees and contractors. However, country foods have not been served at the Project since 2020.

9.5 Food Security

9.5.1 Predictions

Construction and Operation

There could be a minor increase in the cost of living (the cost of food) in the communities as a result of the Project. However, the Project can also reduce food insecurity through increased employment and income. Employees who choose to use their income productively (e.g., spending on nutritious foods, purchasing equipment to support harvesting) have the potential to positively impact food security not only in their own households but also amongst their extended family network, due to the Inuit cultural practice of sharing food (and country foods in particular).

Reclamation and Closure

No FEIS-specific prediction.

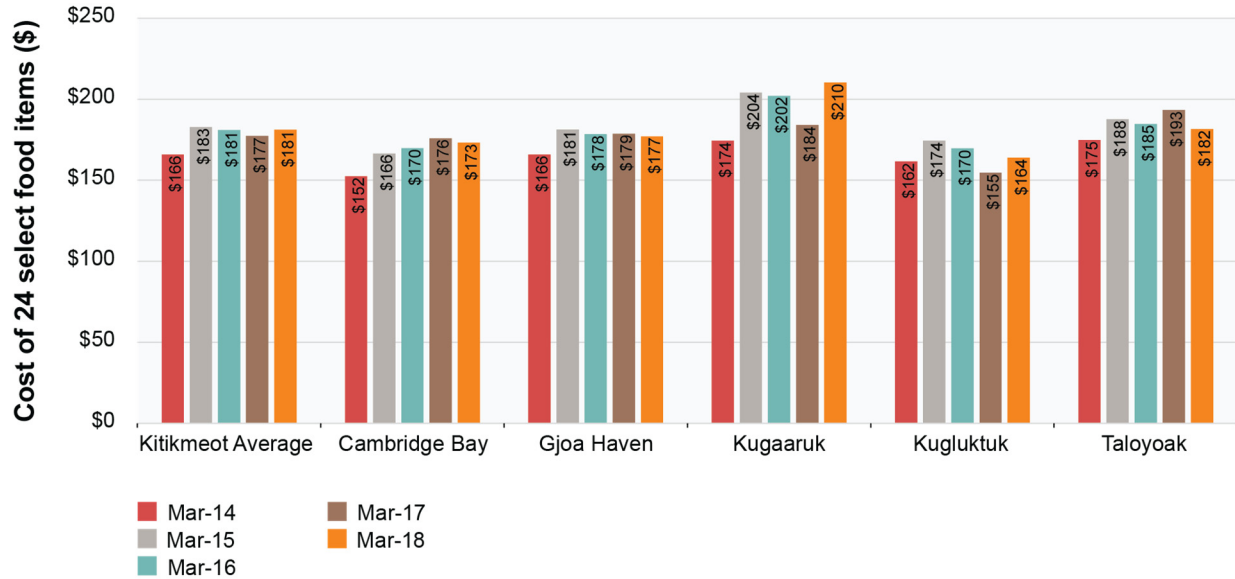
Temporary Closure

No FEIS-specific prediction.

9.5.2 Results

The Nunavut Food Price Survey (NFPS) is an annual survey conducted by the GN in each of Nunavut's 25 communities. GN started the NFPS as a pilot in 2013 and began regularly reporting food price data in 2014. The NFPS provides information on food prices for a basket of 24 items by calculating the average cost of an item from all stores in a community¹⁴. The last year for which this data is available is 2018. Figure 9.5-1 provides the NFPS data for 2014 to 2018 for the Kitikmeot communities, including the Kitikmeot average. To supplement this data, Figure 9.5-2 provides the cost of the Revised Northern Food Basket (RNFB) for 2011 to 2021 as of March each year. The RNFB provides the cost to feed a family of four a healthy diet for one week, utilizing food prices that come from registered retailers in the Kitikmeot (GoC 2022).

¹⁴ The 24 select food items basket includes: 2% milk (2l), apples (1kg), baby food in jars (128ml), bananas (1kg), canned baked beans (398ml), canned cream of mushroom (284ml), canned pink salmon (213g), carrots (1kg), eggs (12 large), frozen corn (750g), frozen french fries (650g-1kg), frozen pizza (one unit, >799g), ground beef (1kg), instant rice (700g), macaroni and cheese dinner (200-225g), margarine (454g), pork chops (1kg), potatoes (2.27kg), quick oatmeal (900g-1kg), soda crackers (450g), spaghetti noodles (500g), white bread (570g), white flour (2.5kg), and wieners (450-500g).

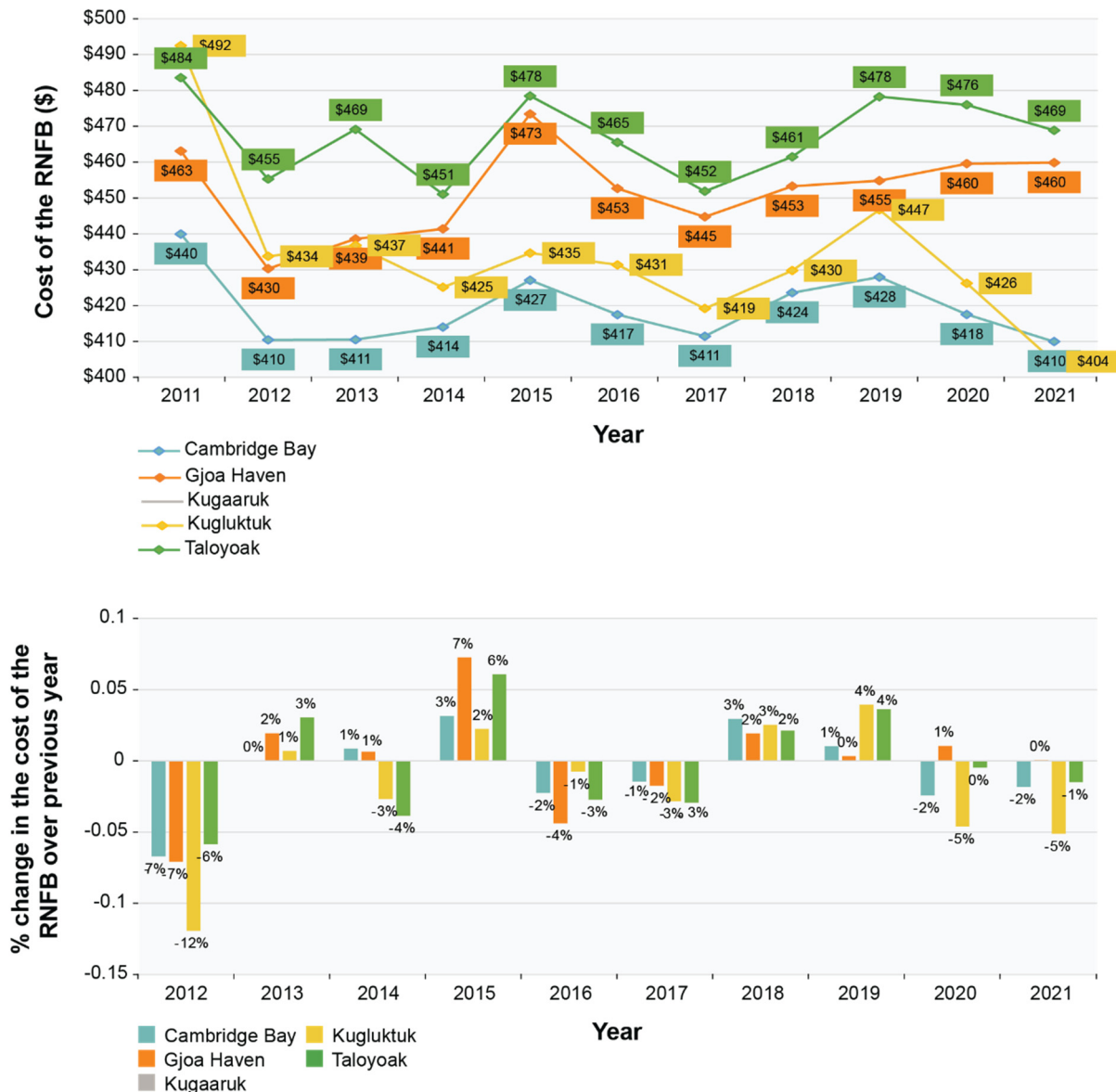


Source: GN (2018c)

Figure 9.5-1: NFPS – Comparison of 24 Select Food Items Basket, 2014 to 2018

Figure 9.5-2 shows that, in 2021, the cost of the RNFB decreased in Cambridge Bay, Kugluktuk, and Taloyoak, while it remained unchanged in Gjoa Haven; the RNFB is not available for Kugaaruk. Prior historical data show no definite trends (GoC 2022). This general decrease in the cost of the RNFB is in contrast to the average inflation in Canada, which was 2.0% in March 2021, and 5.1% in March 2022 (Statistics Canada 2023e). The RNFB information was not available for 2022 at the time of writing this report.

However, while price level might not be rising in the Kitikmeot as quickly as they increase in the rest of Canada, the prices for most items are generally much higher in the territory. In 2018, the latest year for which this comparison was available, apples and white bread cost on average \$9.73 and \$7.42 in the Kitikmeot (being much higher in some communities), while average costs in Canada were \$5.00 and \$4.62, respectively. Compared to the national average, food costs in the Kitikmeot are one to six times the Canadian average, depending on the product (GN 2018d).



Source: GoC (2022)

Figure 9.5-2: Cost of the Revised Northern Food Basket (\$), 2012 to 2021

9.5.3 Interpretation

The cost of food in Nunavut is determined by a number of factors, including the cost to transport food from southern Canada and the wholesale cost of food from southern vendors. Programs that subsidize transport costs aim to regulate the cost of certain food and non-food items. The extent to which changing food subsidies influence the price of specific items is unknown.

The NFPS and RNFB indicate that it is common for prices to both rise and fall in the Kitikmeot communities. A Project-related impact on prices is not apparent.

9.6 Household Economic Self-sufficiency

9.6.1 Predictions

Construction and Operation

Project-related employment will increase personal and family income for households in the Kitikmeot region. This, in turn, has the potential to improve households' economic self sufficiency and to decrease the number of low-income households in the region.

Reclamation and Closure

No FEIS-specific prediction.

Temporary Closure

No FEIS-specific prediction.

9.6.2 Results

Low-income Households

Low-income metrics, set at 50% of adjusted median household income, represents a relative measure of low income¹⁵ for Kitikmeot communities. Low-income data were collected for all Kitikmeot tax filers for 2004 to 2018 and include data on couple families¹⁶, single parent families¹⁷ and persons not in a census family¹⁸ (Figure 9.6-1)¹⁹. For 2017 and 2018, data was not available for the total number of families and persons not in a census data and, therefore it was not possible to calculate the share of low-income families as a percentage of total. Data for 2019, 2020, and 2021 have yet to be released.

Project Employment Income

Total employment income increased with the commencement of Project production, supporting the financial security of Inuit workers. In 2019, \$2.5 million was paid in payroll to direct Inuit employees, representing a 31% increase over the previous years, and a four-fold increase in income to Inuit workers since 2015. In 2020, \$1.8 million was paid in wages to Inuit workers, a decrease of 28% compared to 2019 income, resulting from reductions in employment at the Project due to COVID-19 pandemic. In 2021, \$1.7 million was paid in wages to Inuit workers. In 2022, Inuit employees received a total of \$889,374 in Project income.

9.6.3 Interpretation

Due to the lack of more recent data on low-income families, it is difficult to determine whether there was a decrease in the number of low-income families in the Kitikmeot region as a result of Project-related employment and income. However, as a large proportion of Hope Bay recruitment was from the pool of unemployed and underemployed persons within the region, a positive effect on low-income families can be expected.

¹⁵ The measure is categorized according to the number of persons present in the household.

¹⁶ A couple family consists of a couple living together (married or common-law, including same-sex couples) living at the same address with or without children.

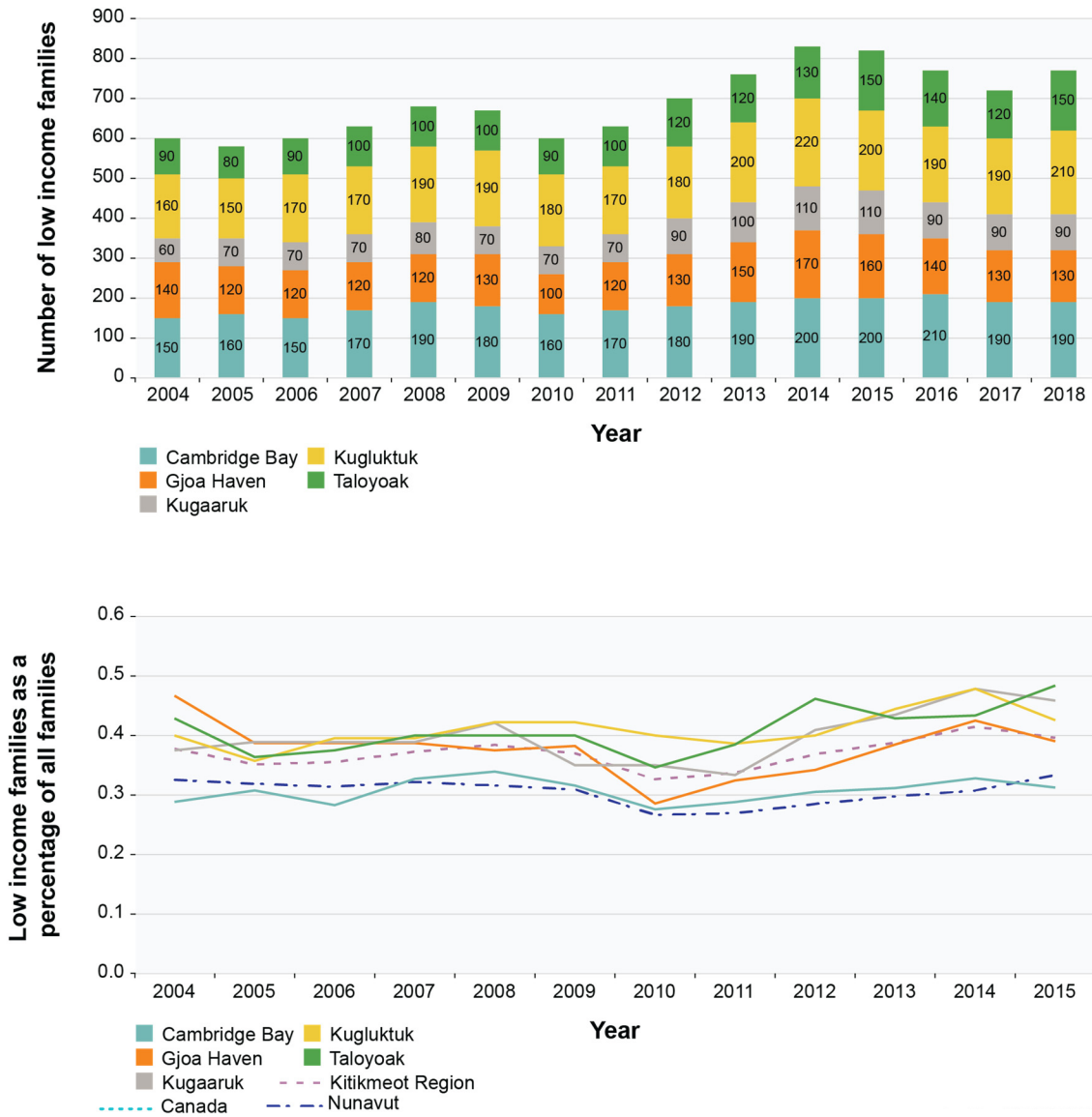
¹⁷ A lone-parent family is a family with only one parent, male or female, and with at least one child.

¹⁸ Persons not part of a couple or lone-parent family.

¹⁹ All low-income data should be interpreted with caution as the data are subject to rounding.

9.7 Effects Management and Mitigation

Table 9.7-1 lists the programs and measures designed to mitigate and manage potential effects related to individual and community health and wellness.



Source: GN (2020c)

Figure 9.6-1: Low Income Families and Non-family Persons (Total and as a Percentage of All Families and Non-family Persons), 2004 to 2018

Table 9.7-1: Health and Wellness Management and Mitigation Measures

Program/Mitigation Measure	Purpose/Description/Outcome
All Phases	
Employee and Family Assistance Program (EFAP)	The EFAP provides Inuit employees and their families with services to assist them with dealing with personal problems, family matters, mental health concerns, and alcohol, drug and gambling dependencies. Specific to suspension of project activities, coordinate with community and family services to provide family supports, such as an extension of employee and family assistance programming, financial management training, and assist employees to apply for EI and other benefits.
Family Communications	While on site, employees have access to communications facilities to allow communication with spouses and families.
Community Involvement Plan	Agnico Eagle maintains communications with service providers within the Kitikmeot communities and shares information to assist in the development of collaborative adaptive management measures, should unanticipated impacts arise and mitigation be required.
Alcohol and Drug Policy	The Alcohol and Drug Policy restricts the possession and use of alcohol and drugs at the Hope Bay Project, including provisions for site access and enforcement (policy of “zero tolerance” at the Project).
Country Foods	Agnico Eagle provides a country food kitchen that can be used at anytime by workers. Agnico Eagle also provides cultural activities at the Project as determined by the site social committee based on demand and request.
Financial Training	Agnico Eagle will reach out to third parties to deliver financial management programs such as financial literacy, financial planning and personal budgeting as identified in the Human Resources Plan. Third parties will be engaged to provide the necessary expertise in financial literacy training, and may include financial institutions, post-secondary education institutions (e.g., Nunavut Arctic College) and/or government. In particular, Agnico Eagle will approach GN Family Services (or other GN department as appropriate) to solicit input and/or participate in the delivery of programming to Project workers.
Agnico Eagle Liaison	The Agnico Eagle Liaison assists in identifying and developing wellness initiatives for the workforce, and aids in identifying wellness needs of employees, as appropriate.
Specific to Temporary or Final Closure	
Social Investment Strategy	Develop and implement a closure social investment strategy, aligned with community and government planning, to support sustained community well-being during transition and beyond closure.

10. CONCLUSIONS

10.1 Summary of Results

A total of 60 socio-economic indicators comprise the Hope Bay SEMP Report. Agnico Eagle provides data for 42 indicators. The remaining community-level indicators require data from other sources, including the GC, GN, NHC, RCMP, and NAC. Where available, the socio-economic indicators are updated annually and include information for the most recent calendar year. The 2022 Hope Bay SEMP Report is based on the Hope Bay SEMP Plan updated in 2022/23 to align the Plan with all phases of the Project (construction, operation, temporary and final closure), and therefore has some new or modified indicators for which historical data is not available.

2022 Project Update

On February 18, 2022, Agnico Eagle announced its decision to place the Doris Mine into Care and Maintenance and suspend production of the Project. It provided the NWB with a formal written notice of Care and Maintenance on March 30, 2022. Agnico Eagle intends to continue exploration activities (site activities) as well as management and modification of facilities to remain in regulatory compliance with various permits, licenses, and approvals for the Project. Agnico Eagle is also undertaking a strategic review of the planned activities at the Hope Bay Project and will confirm appropriate schedule for the Project once available.

Key results from the Hope Bay SEMP for 2022 are included in Table 10.1-1.

10.2 Management Response

The review and analysis of Project-specific indicators and trends over time suggest the following management responses:

- Encourage Kitikmeot Inuit to seek employment with the Project when it resumes operating activities.
- Continue to encourage and support the participation of women in the Project's workforce.
- As enabled by the provisions of the IIBA, continue to encourage contractors to rely on Inuit workers, and demonstrate a preference for Kitikmeot Qualified Businesses and other contractors with Inuit content as defined by the IIBA.
- As enabled by the provisions of the IIBA, continue to support the development of skills and worker readiness for employment by working with the KIA, GN, NAC and other organizations. Continue to work with GN and NAC on the development and implementation of courses and programs that are relevant to the mining industry for Inuit.
- Continue to monitor the diversity of job types held by Inuit and advancement into more senior roles. Agnico Eagle expects this to evolve further over time as Inuit skill levels increase, along with interest in mining career opportunities.
- Continue to work with the GN and other government departments to encourage the updating of government statistics, as the lack of current data for a number of community-level indicators is limiting the ability of the Hope Bay SEMP to provide meaningful monitoring of Project impacts and recommendations for course-correct actions.

Agnico Eagle will continue to track Project-specific indicators as defined by the updated Hope Bay SEMP Plan and respond to any issues or concerns arising in consultation with NIRB, the GN, CIRNAC, and the KIA, as appropriate. Agnico Eagle will continue to participate in and contribute to the Kitikmeot SEMC.

Table 10.1-1: Key 2022 SEMP Results

Indicator(s)	Source(s)	2022 Update
■ Agnico Eagle payments to KIA and NTI	Agnico Eagle	In 2022, because the Project was placed under care and maintenance and no revenue was earned from Project production, no payments were made to Inuit organizations.
■ Direct territorial tax payments	Agnico Eagle	In 2022, the GN directly received \$2.8 million in tax payments from the Project.
■ Project expenditures	Agnico Eagle	In 2022, Agnico Eagle spent \$118.5 million, this included \$5.7 million in OPEX, \$22.1 million in CAPEX, and \$39.9 million in care and maintenance expenditures.
■ Annual spending on goods and services	Agnico Eagle	In 2022, the Project's spent \$133.7 million on contracts with businesses from Nunavut and beyond.
■ Contracts awarded to Nunavut Businesses	Agnico Eagle	In 2022, the Project spent \$51.4 million on contracts with Nunavut-based businesses.
■ Contracts awarded to KQB ■ Contracts awarded to non-KQB	Agnico Eagle	In 2022, the Project spent \$49.5 million on contracts with KQBs. No contracts were awarded to non-KQBs.
■ Contracts awarded to all Inuit Firms	Agnico Eagle	In 2022, the Project spent \$51.1 million on contracts with Inuit Firms.
■ Number of Kitikmeot Qualified Businesses ■ Number of registered Inuit firms in the Kitikmeot region	Agnico Eagle, NTI	In 2022, there were 29 KQBs on Hope Bay list. In March 2023, there were 93 NTI-registered Inuit-owned firms in the Kitikmeot. Of the 12 KQBs that provided services in 2021 to Hope Bay, 11 continued to provide services in 2022 when the Project was placed under care and maintenance.
■ Workforce size	Agnico Eagle	In 2022, up to 518 employees worked at the Project, with average onsite workforce of up to 173 employees.
■ Workforce effort	Agnico Eagle	In 2022, total workforce effort reached 680,892 hours, or 2,026 hours per employee.
■ Kitikmeot Inuit workforce size (resident of Kitikmeot region) ■ Kitikmeot Inuit workforce effort	Agnico Eagle	In 2022, the Project hired up to 46 Kitikmeot Inuit (3% of total workforce effort representing 23,100 hours of work). Two Inuit employees moved from operation to care and maintenance, and two were redeployed to other Kivalliq projects.
■ Other Inuit workforce size (not resident of Kitikmeot region) ■ Other Inuit workforce effort	Agnico Eagle	In 2022, the Project hired up to ten Inuit from elsewhere (1% of total workforce effort representing 9,945 hours of work).
■ Other regional workforce size (non-Inuit Kitikmeot residents) ■ Other regional workforce effort	Agnico Eagle	In 2022, there was no other regional workforce at the Project.
■ Kitikmeot workers by community	Agnico Eagle	In 2022, and on average, 29 Inuit from Kitikmeot communities worked at the Project. In 2022, Agnico hired 15 and contractors hired 18 Inuit from Kitikmeot communities.
■ Workforce effort by women	Agnico Eagle	In 2022, women worked 88,515 hours, representing 13% of total effort at the Project.
■ Workforce effort by Inuit women	Agnico Eagle	In 2022, Inuit women worked 6,310 hours at the Project, representing 1% of total employment. Change in employment of Inuit women in 2022 included the hiring of four Nunavummiut women, and termination or resignation of three Inuit female employees.

Indicator(s)	Source(s)	2022 Update
<ul style="list-style-type: none"> ■ Payroll ■ Payroll for Inuit workers 	Agnico Eagle	In 2022, total payroll at the Project reached \$16.8 million, with \$0.9 million of that paid to Inuit workers.
<ul style="list-style-type: none"> ■ Payroll by Kitikmeot community 	Agnico Eagle	In 2022, Kitikmeot Inuit earned \$577,950 in employment income, for a total employment income paid to Inuit workers of \$889,374.
<ul style="list-style-type: none"> ■ Employee turnover rate 	Agnico Eagle	In 2022, turnover rate for all employees was 29%, and 18% for Inuit employees.
<ul style="list-style-type: none"> ■ Lost time incidents 	Agnico Eagle	In 2022, there was one lost time incident that involved a driller experiencing a partial shoulder dislocation.
<ul style="list-style-type: none"> ■ Utilization of site medic 	Agnico Eagle	In 2022, per capita utilization of the site medic was 0.15.
<ul style="list-style-type: none"> ■ On-the-job training courses 	Agnico Eagle	In 2022, Agnico delivered 13,196 hours of internal training. While two Hope Bay employees were redeployed in 2022 to other Agnico Eagle projects, no additional training was required for those employees.
<ul style="list-style-type: none"> ■ Inuit participation in on-the-job training 	Agnico Eagle	In 2022, 2,294 hours of training was delivered to Inuit employees.
<ul style="list-style-type: none"> ■ Apprenticeships with the Project 	Agnico Eagle	In 2022, no apprenticeship not offered at the Project.
<ul style="list-style-type: none"> ■ Inuit apprentices 	Agnico Eagle	In 2022, no apprenticeship not offered at the Project.
<ul style="list-style-type: none"> ■ Inuit employees, by job category (skill level) 	Agnico Eagle	In 2022, Agnico Eagle hired 10 Inuit in semi-skilled positions, five in skilled positions, two in professional positions and one in management, for a total of 18 employees. Inuit employees represented 11% of total Agnico Eagle employment. Additionally, Contractors hired seven Inuit in skilled roles, seven in semi-skilled roles, and eight in unskilled roles, for a total of 22 contractor employees.
<ul style="list-style-type: none"> ■ Inuit employees, by department 	Agnico Eagle	In 2022, Inuit hired by Agnico Eagle worked in exploration, environment, social responsibility, mining, and operation. In addition, Inuit hired by contractors worked as operators, drivers or helpers in construction.
<ul style="list-style-type: none"> ■ Number of skilled workers leaving employment in community for employment at mine 	Agnico Eagle	In 2022, three Kitikmeot residents left temporary positions they had in community roles (with the GN and Hamlets) to obtain employment with Agnico Eagle at the Hope Bay Project. One Hope Bay employee left employment with Agnico Eagle to work in Yellowknife.
<ul style="list-style-type: none"> ■ Courses related to employment in mining industry 	NAC	For the school year 2022/23, the Kitikmeot NAC campus did not offer any mining-related courses.
<ul style="list-style-type: none"> ■ Enrolment of Kitikmeot students in post-secondary education 	KIA, GN, NAC	For 2022/23 school year, 11 students enrolled in post-secondary education from Cambridge Bay, two from Gjoa Haven, and two from Taloyoak, in programs including social work, college foundation, Nunavut Teacher Education Program (NTEP) and Adult Basic Education (ABE).
<ul style="list-style-type: none"> ■ Investments in school-based initiatives 	Agnico Eagle	In 2022, a 2-week Smart Ice Training was held at the Cambridge Bay office.
<ul style="list-style-type: none"> ■ Community and student outreach events 	Agnico Eagle	In 2022, community information and career awareness sessions were not delivered as the Project was placed under care and maintenance.
<ul style="list-style-type: none"> ■ Public school enrollment, by community 	GN	Information is not available for 2022.
<ul style="list-style-type: none"> ■ Public school attendance (truancy) rate 	GN	Information is not available for 2022.
<ul style="list-style-type: none"> ■ High school completion, by community 	GN	Information is not available for 2022.
<ul style="list-style-type: none"> ■ Population of Kitikmeot communities 	GN	Based on GN population estimates, population in the Kitikmeot reached 7,272 residents in 2022, representing a 2% increase over 2021.

Indicator(s)	Source(s)	2022 Update
■ Migration of employees to/from Kitikmeot communities	Agnico Eagle	In 2022, one Project employee moved from Edmonton to Gjoa Haven, while two moved from Kugluktuk, one to Edmonton and one to Yellowknife.
■ Housing need, by community	NHC	In 2022, housing need increased in all Kitikmeot communities.
■ Approved home ownership assistance applications, by community	NHC	In 2021/22 NHC fiscal year, there were two NDAPs, one in Cambridge Bay and one in Gjoa Haven.
■ Housing status of project employees	NHC	Information is not available for 2022.
■ Use of GN emergency services by the Project	Agnico Eagle	The Project did not use emergency medical services in 2022.
■ Visits to health centres, by community	GN	Information is not available for 2022.
■ Social assistance caseload, by community	GN, DFS	Information is not available for 2022.
■ Police calls for service, by community	RCMP	In 2022, there were 5,277 calls in the Kitikmeot, representing a 10% decrease from 5,860 police calls in 2021.
■ Criminal violations, by region and community	Statistics Canada	Information is not available for 2022. In 2021, crime violations and crime rate increased in Cambridge Bay, remained stable in Kugaaruk, and decreased in the remaining communities.
■ Ability of Inuit workers to balance employment and family and/or traditional lifestyle	Agnico Eagle	There were four Inuit who left direct Project employment in 2022. Of those, one was dismissed with cause, two resigned due to either finding another job or dissatisfaction with the job, and one termination was related to a company reorganization.
■ Utilization of EFAP	Agnico Eagle	In 2022, EFAP was available for all Hope Bay workers under the general Organization Support program. There was no site-specific employee assistance program and therefore, information on the utilization of EFAP by Hope Bay workers is not available.
■ Financial management training for workers	Agnico Eagle	Training was not offered in 2022.
■ Sale of alcoholic beverages, by community	Statistics Canada	In 2021/22, there was a 2% decrease in the sale of alcoholic beverage in the region over the previous year.
■ Types of criminal violations, by region and community	Statistics Canada	Information is not available for 2022. Impaired driving violations decreased in the Kitikmeot region in 2021. Drug-related violations have been low since the legalization of marijuana, while the number of assaults remained high in 2021.
■ Consumption of country foods at Agnico Eagle camp	Agnico Eagle	In 2022, country foods continued to be used by Agnico Eagle employees and contractors. However, country foods were not served by the Project canteen.
■ Food costs, by community	GN, GoC	Information for 2022 was not available. From March 2020 to March 2021, the cost of the RNFB decreased in Cambridge Bay, Kugluktuk, and Taloyoak, while it remained unchanged in Gjoa Haven; the RNFB is not available for Kugaaruk.
■ Low-income households (families and non-family persons), by community	GN	Information is not available for 2022.
■ Project employment income	Agnico Eagle	In 2022, \$0.9 million was paid in wages to Inuit workers.

11. REFERENCES

- AMEC. 2007. *Miramar Hope Bay Limited Socio-Economic Monitoring Program for the Doris North Gold Project*. August 2007.
- Burnett, S. 2021. Opening day rakes in \$32k and 444 customers at new Rankin Inlet beer and wine store. Published on December 6, 2021 in *Nunavut News*. <https://www.nunavutnews.com/news/opening-day-rakes-in-32k-and-444-customers-at-new-rankin-inlet-beer-and-wine-store/> (accessed April 2022).
- Bombay A, Matheson K, Anisman H. 2014. The intergenerational effects of Indian Residential Schools: implications for the concept of historical trauma. *Transcult Psychiatry*. 2014 Jun;51(3):320-38. doi: 10.1177/1363461513503380. Epub 2013 Sep 24. PMID: 24065606; PMCID: PMC4232330.
- CBC News. 2019. *Beer and wine sales up in Nunavut, liquor sales down*. May 15, 2019. <https://www.cbc.ca/news/canada/north/beer-and-wine-up-liquor-down-1.5136188> (accessed March 2020).
- ERM. 2015. *Doris North Project: Revisions to TMAC Resources Inc. Amendment Application No. 1 of Project Certificate No. 003 and Water Licence 2AM-DOH1323 – Package 4 Identification of Potential Environmental Effects and Proposed Mitigation*. Prepared for TMAC Resources Inc. by ERM Consultants Canada Ltd.: Vancouver, BC. (accessed March 2019).
- ERM. 2019. *Hope Bay 2019 Socio-economic Monitoring Program (SEMP) Plan*. Prepared for TMAC Resources Inc. by ERM Consultants Canada Ltd.: Vancouver, BC.
- ERM. 2023. *Hope Bay 2023 Socio-economic Monitoring Program (SEMP) Plan Update*. Prepared for Agnico Eagle Mines Ltd. by ERM Consultants Canada Ltd.: Vancouver, BC.
- GN (Government of Nunavut). 2012. *Nunavut Public School Truancy Rate: 2001-2002 to 2010-2011*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2014. *Nunavut Population Projections, 2014 to 2035*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/population-data> (accessed April 2023).
- GN. 2015. *Nunavut Public School Attendance Rate, 2001-2002 to 2013-2014*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2018a. *Nunavut Public School Enrolment by Grade, 2003 to 2017* (6 tables). <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2018b. *Nunavut Community Health Centre Visits: 2003 to 2016*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2018c. *Nunavut Food Price Survey – Comparison of 24 Select Food Items Basket*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/economic-data> (accessed April 2023).
- GN. 2018d. *2018 Nunavut Food Price Survey – StatsUpdate*. https://www.gov.nu.ca/sites/default/files/food_price_survey_statsupdate_2018.pdf (accessed April 2023).

- GN. 2019a. *Nunavut Social Assistance Average Monthly Caseload by Community, Region and Territory, 2004 to 2018*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2020a. *Nunavut Public School Enrollment by Community, Region & Territory 2003 – 2018*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2020b. *Nunavut Secondary School Graduates by Community 1999-2018*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/social-data> (accessed April 2023).
- GN. 2020c. *Nunavut Taxfilers with Low Income by Region and Community, 2004 to 2018*. <https://www.gov.nu.ca/executive-and-intergovernmental-affairs/information/economic-data> (accessed April 2023).
- GoC (Government of Canada). 2022. *Reports on the cost of the Revised Northern Food Basket*. <https://www.nutritionnorthcanada.gc.ca/eng/1415647255632/1415647437113#tpc3> (accessed April 2023).
- ITK (Inuit Tapiriit Kanatami). 2020. *Inuit Post-Secondary Education*. <https://www.itk.ca/projects/inuit-post-secondary-education/>.
- KIA & TMAC. 2015. March 30, 2015 Hope Bay Belt Project Inuit Impact and Benefit Agreement (IIBA) between Kikikmeot Inuit Association (KIA) and TMAC Resources Inc.
- MiHR. 2017. *Canadian Mining Labour Market Outlook*. https://www.mihr.ca/pdf/publications/National-Report-2017_EN_WEB.pdf (accessed March 2019).
- MIHR. 2021. Mining Year In Review National Outlook 2021. [MIHR-National-Outlook-LMI-Report-2021-EN-web.pdf](https://www.mihr.ca/pdf/publications/National-Report-2021-EN_WEB.pdf) (accessed May 2023).
- MMC. 2005. Chapters 25 and 26 of the *Doris North Technical Report – FEIS*. (accessed March 2019).
- NAC. 2018. *Annual Report 2017-2018*. <https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/5ca4cbac41920228e466b7c5/1554304053430/NAC-Annual-Report-2017-2018-online-EN.pdf> (accessed March 2020).
- NAC. 2019. *Annual Report 2018-2019*. [https://assembly.nu.ca/sites/default/files/TD-240-5\(2\)-EN-NAC-Annual-Report-2018-2019.pdf](https://assembly.nu.ca/sites/default/files/TD-240-5(2)-EN-NAC-Annual-Report-2018-2019.pdf) (accessed March 2020).
- NAC. 2020a. *Annual Report 2019-2020*. [https://assembly.nu.ca/sites/default/files/TD-372-5\(2\)-EN-NAC-Annual-Report-2019-2020.pdf](https://assembly.nu.ca/sites/default/files/TD-372-5(2)-EN-NAC-Annual-Report-2019-2020.pdf) (accessed March 2022).
- NAC. 2020b. *NAC Program Offerings – Academic Year 2020-2021*. [https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/5f32da4f1df01231cb02d238/1597168207879/NAC Reopening Plan 2020-2021-Illustrated ENG.pdf](https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/5f32da4f1df01231cb02d238/1597168207879/NAC+Reopening+Plan+2020-2021-Illustrated+ENG.pdf) (accessed March 2021).
- NAC. 2020c. *Re-Opening of NAC Facilities for Staff and Faculty Starting June 8, 2020*. <https://arcticcollege.ca/covid19?locale=en> (accessed April 2022).
- NAC. 2021. *Program Offerings 2021-2022*. <https://static1.squarespace.com/static/5b1954d75cfd798b94327249/t/60c8f01c4f01d540b5e3c10e/1623781404793/Program-Offerings21-22.pdf> (accessed March 2022).
- NAC. 2022a. *Nunavut Arctic College 2022-2023 Academic Programs*. [2022-2023 Academic Programs – March 31, 2022.pdf \(cdn-website.com\)](https://www.nunavutcollege.ca/2022-2023-Academic-Programs-March-31-2022.pdf) (accessed March 2022).

- NAC. 2022b. Nunavut Arctic College's Environmental Technology Program Celebrates 35 years. <https://www.gov.nu.ca/education/news/nunavut-arctic-colleges-environmental-technology-program-celebrates-35-years> (accessed April 2023).
- NAC. 2022c. Nunavut Arctic College Annual Report 2021-2022. [AnnualReport+2022+ENG_v5-Signed.pdf \(squarespace.com\)](#) (accessed April 2023).
- NHC. 2016. *Nunavut Down-payment Assistance Program*. https://www.gov.nu.ca/sites/default/files/fillpdf/11.2_nhc_-_nunavut_down_payment_assistance_policy_1016.pdf (accessed March 2019).
- NHC. 2019. *Public Housing*. <http://www.nunavuthousing.ca/publichousing> (accessed March 2019).
- NHC. 2023. *Publications – Annual Reports*. <http://www.nunavuthousing.ca/publications> (accessed April 2023).
- NIRB. 2003. *Environmental Impact Statement (EIS) Guidelines for the Doris Hinge Project*.
- NIRB. 2012. *Guidelines for the Preparation of an Environmental Impact Statement for Hope Bay Mining Ltd.'s Phase 2 Hope Bay Belt Project (NIRB File No. 12MN001)*. Nunavut Impact Review Board: Cambridge Bay, NU. (accessed March 2019).
- NTI. 2023. *Search the Registry*. <https://inuitfirm.tunnjavik.com/search-the-registry/> (accessed April 2023).
- RCMP. 2023. Iqaluit RCMP Detachment, Iqaluit, NU. Personal Communication.
- Statistics Canada. 2022a. Table 36-10-0222-01 Gross domestic product, expenditure-based, provincial and territorial, annual (x 1,000,000). <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3610022201> (accessed April 2023).
- Statistics Canada. 2022b. Census Profile. 2021 Census of Population. Statistics Canada Catalogue no. 98-316-X2021001. [Census Profile, 2021 Census of Population \(statcan.gc.ca\)](#) Ottawa. Released April 27, 2022.
- Statistics Canada. 2023a. Table 17-10-0142-01 Population estimates, July 1, by census subdivision, 2016 boundaries. [Add/Remove data - Population estimates, July 1, by census subdivision, 2016 boundaries \(statcan.gc.ca\)](#) (accessed April 2023).
- Statistics Canada. 2023b. Table 17-10-0008-01 *Estimates of the components of demographic growth, annual*. <https://doi.org/10.25318/1710000801-eng> (accessed April 2023).
- Statistics Canada. 2023c. Table 35-10-0185-01 *Incident-based crime statistics, by detailed violations, police services in the Territories*. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3510018501> (accessed April 2023).
- Statistics Canada. 2023d. Table 10-10-0010-01 *Sales of alcoholic beverages types by liquor authorities and other retail outlets, by value, volume, and absolute volume*. <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=1010001001> (accessed April 2023).
- Statistics Canada. 2023e. Table 18-10-0256-01 *Consumer Price Index (CPI) statistics, measures of core inflation and other related statistics - Bank of Canada definitions*. <https://doi.org/10.25318/1810025601-eng> (accessed April 2023).
- Statistics Canada. 2023f. Table 14-10-0023-01 Labour force characteristics by industry, annual (x 1,000). <https://doi.org/10.25318/1410002301-eng> (accessed April 2023).
- TMAC. 2017. *Madrid-Boston Project: Final Environmental Impact Statement*. TMAC Resources Inc.: Toronto, ON. (accessed March 2019).

TMAC. 2019a. *Audited Financial Statements*.

https://s1.q4cdn.com/893791552/files/doc_financials/2018/Q4/TMAC-Financial-Statements-Q4-2018.pdf (accessed March 2019).

TMAC. 2019b. *Condensed Interim Financial Statements September 30, 2019 (Unaudited)*.

https://s1.q4cdn.com/893791552/files/doc_financials/2019/q3/TMAC-Financial-Statements-Q3-2019-Filing-Copy.pdf (accessed April 2020).

TMAC. 2020a. *Condensed Interim Financial Statements September 30, 2020 (Unaudited)* (Expressed in Canadian dollars, except where otherwise indicated).

<https://www.sedar.com/DisplayCompanyDocuments.do?lang=EN&issuerNo=00037240>
(accessed April 2021).

TMAC. 2021. *Audited Financial Statements for the years ended December 31, 2019 and 2018 Toronto, Canada*.

APPENDIX A SUMMARY OF PROJECT ACTIVITIES, 2013 TO 2022

Appendix A: Summary of Project Activities, 2013 to 2022

Activities in 2013

In March 2013, the Hope Bay Project, including existing licences and permits associated with the Doris Project, was acquired by TMAC, with Newmont remaining as the main shareholder. The acquisition of the Hope Bay Project included the signing of a Memorandum of Understanding between TMAC, Newmont and the Kitikmeot Inuit Association (KIA) to transfer existing surface access agreement to the new company. At that time, TMAC was a privately held company based in Toronto, Canada. The company's vision and sole focus is the responsible and economically sustainable exploration, development, and mining of the Belt.

TMAC took Doris Camp and the Hope Bay Project out of seasonal unmanned closure on March 22, 2013 in support of advanced exploration and environmental compliance work. Environmental work began in April 2013; the exploration drilling program commenced in June 2013.

As a new corporate entity, TMAC began in 2013 to develop and implement the financial, human resource, project management, environmental management, and safety systems necessary to support and govern future operations at Hope Bay.

TMAC conducted a Kitikmeot community tour in late March to inform stakeholders about project acquisition and introduce the new company to the region. Also in late March, Doris Camp was reopened to support environmental compliance monitoring and a gold exploration program, including surface diamond drilling with a target of 30,000 metres of drilling for the year.

During the spring, summer, and fall, work at the Doris North mine site was limited to regular site maintenance activities; underground workings were still sealed and several mining-related buildings remained in care and maintenance. In August 2013, a sealift of supplies was received from the western Arctic, and previously de-mobilized equipment was shipped back from Quebec.

During 2013, TMAC continued efforts to renew the Doris North Type A Water Licence. This work culminated in September 2013 with the ten year renewal of the licence. At the end of 2013, TMAC submitted a Water Licence amendment and commensurate NIRB Project Certificate amendment package outlining proposed changes to the future operation of the Doris North Mine. With the Doris North Inuit Owned Land (IOL) commercial lease expiry set for September 2013, TMAC was successful in renewing this lease for a period of five years.

TMAC's focus in 2013 centered on mine planning and the completion of a Preliminary Economic Assessment (PEA) of the Hope Bay Project, an assessment that would inform future development plans and form the basis for continued funding of gold mining efforts at Hope Bay.

Activities in 2014

In 2014, TMAC continued activities aimed at bringing the Hope Bay project into production. These activities included land tenure negotiations, advanced exploration, re-opening the Doris North underground workings, process plant design and mine planning, licencing, and permitting, and economic analysis aimed at producing a Pre-Feasibility Study.

TMAC opened discussions with Nunavut Tunngavik Incorporated (NTI) and the KIA in order to secure long-term land tenure to the IOL parcels that comprise almost all of the Hope Bay Belt area. Significant progress was achieved in obtaining a new Mineral Exploration Agreement (MEA) to allow for continued

mineral exploration and production at Hope Bay, as well as in the drafting of a Framework Agreement that governs how TMAC can access the surface of these lands for mining and exploration in the future.

Advanced exploration work in 2014 included 67,000 metres of diamond drilling primarily focused on upgrading resource estimates at the Doris North and Madrid deposits. Additionally, several metallurgical samples were collected and analyzed for mill design purposes.

Repair and maintenance work was conducted at the Doris Project to maintain facilities in operational readiness for continued Care and Maintenance and eventual production. In 2014, chief amongst these activities was obtaining Mine Inspector approval to open the Doris underground to TMAC personnel. Additionally, the Roberts Bay jetty was repaired, the Doris airstrip was resurfaced, the main power plant was brought on-line again, and an existing maintenance facility was enlarged.

In 2014, process plant design was advanced, and drilling results were incorporated into the TMAC business case for the Hope Bay project. These results were summarized in a new Pre-Feasibility Study (PFS) which was finalized in April 2015 and included the updated and increased Doris resource estimate.

With respect to licencing and permitting, TMAC conducted a number of relevant activities in 2014. A successful field season of compliance monitoring was conducted pursuant to existing licence and permit requirements for care and maintenance. TMAC continued preparation work aimed at updating the Type A Water Licence Amendment application in line with new mine planning strategies. Also, a new Type B Water Licence application, seeking approval for bulk sampling the Madrid Deposit at two locations, was submitted in 2014.

In 2014, TMAC launched a Facebook page in order to better communicate with stakeholders, participated in initial NIRB community consultation regarding the Type A Water Licence Amendment, and completed one Kitikmeot community tour to provide the public with an update on the Hope Bay project.

TMAC took the Doris North permitted gold project out of Care and Maintenance status and began working towards completing mine construction to start gold production at the Doris Deposit in early 2017.

Activities in 2015

In March 2015, TMAC successfully concluded negotiations with both the KIA and NTI, gaining long-term surface and subsurface access to the IOL portion of the Hope Bay Project. Surface access was secured for a 20 year period by means of a Framework Agreement that provides for a number of benefits to Kitikmeot Inuit including TMAC shares, a Net Smelter Royalty, and annual payment. In exchange, the KIA granted TMAC access to Hope Bay IOL for a broad range of exploration and mine development activities. Part of the Framework Agreement provides for a new Inuit Impact and Benefit Agreement (IIBA) that applies to the entire project. The existing Doris North IIBA was replaced with this agreement. Additionally, the existing Doris North Commercial Lease was replaced with an updated and renewed version.

Under the terms of the new IIBA, TMAC and the KIA concluded two Implementation Committee meetings. The IIBA Implementation Committee is intended to facilitate and support the successful execution of IIBA employment, training, and contracting provisions. Additionally, TMAC and the KIA concluded two Inuit Environmental Advisory Committee (IEAC) meetings in 2015.

With respect to subsurface rights, TMAC obtained a new MEA from the NTI for a 20 year period. Updated royalty provisions are included in this new agreement. Seven existing and expiring Mineral Concession Agreements were replaced with this one agreement. Subsequently in August, TMAC activated the Production Lease provisions of the new NTI MEA for the Doris Deposit. This sub agreement allows for the production of gold from this deposit.

In April, TMAC released a new PFS for the Hope Bay Project. In brief, the PFS supported the sequential development and underground mining of the three known deposit trends at Doris, Madrid, and Boston.

The development plan in the PFS includes conventional high-grade underground mining that makes use of existing surface and underground infrastructure. The updated mineral resources estimate in the PFS includes 4.5 million ounces of gold in the Measured and Indicated categories, as well as TMAC's first reported Proven and Probable Reserves estimate of 3.5 million ounces in support of an initial 20 year mine life.

In the 2015 Amendment Application, TMAC extended the mine life for the Doris Project from a two year period of operations to six years through mining two additional mineralized zones (Doris Connector and Doris Central zones) to be accessed via the existing Doris North portal. The expanded mining program would also increase the approved mining and milling rates to 2,000 tonnes per day, and require the restructuring of the TIA to be managed as subaerial tailings with treated effluent being transported via a pipeline for discharge into Roberts Bay. A larger anticipated workforce has required an increase to the Doris Camp size.

Also in 2015, TMAC ceased being a privately held company by means of an Initial Public Offering of its shares. This offering managed to raise aggregate gross proceeds of \$135 million. These proceeds will be used to advance the Hope Bay Project. Furthermore, TMAC obtained a US \$120 million senior secured term loan in July 2015. With this financing in place, TMAC was able to complete construction of the Doris mine and begin gold production in early 2017.

Operationally, TMAC continued with near deposit diamond-drill exploration by Doris and Madrid in 2015, with the addition of an airborne geophysics program focused on nearby Elu belt Crown mineral claims.

At Doris Camp, TMAC undertook a number of activities including commissioning the automated controls for the existing four generator primary powerhouse at Doris, and the purchase of construction equipment to erect the processing plant building in 2016. Further, TMAC designed and completed fabrication of the processing plant building, initiated on-site construction of the processing plant building foundations, and completed the Gekko processing plant flowsheet design. TMAC took advantage of the opening of quarries and the initiation of earthworks related to the process plant foundation construction to opportunistically advance Doris Airstrip improvements aimed at lengthening and widening the airstrip. Finally, TMAC ordered long lead time items and initiated fabrication of the processing plant.

Underground operations continued in 2015. Significant activities included delivery of narrow-vein test mining equipment via an airlift in the spring and the purchase of mobile mine equipment capable of mining at a rate of 1,000 tonnes per day for delivery via sealift. TMAC also developed a narrow vein undercut test drift at Doris to validate the PFS mining model and cost assumptions, ordered the first year mining supplies for delivery by sealift, initiated and completed the widening of the Doris Mine vent raise to incorporate escape-way infrastructure, and completed a tactical plan for mine development and production.

In the fall, TMAC successfully concluded the 2015 sealift including the purchase and delivery of 15 million litres of diesel fuel and delivery of the processing plant building materials to Hope Bay to allow for erection of the building in the second and third quarters of 2016.

In October, TMAC concluded a Kitikmeot-wide community consultation tour aimed at explaining the Doris amendment application and providing a general project update. Public meetings were well attended and valuable comments received.

Activities in 2016

In 2016, TMAC focused on completing the construction of Doris Mine. This included earthworks to complete the TIA, establish an explosives magazine, construct the process plant building and conduct a large sealift including the shipment of machinery for the process plant. The process plant was assembled in preparation for commissioning.

Concurrent with construction, underground mining continued throughout 2016 with the aim of stockpiling a quantity of ore at the surface in advance of processing.

TMAC permitting accomplishments in 2016 included the completion two public regulatory processes which resulted in the issuance of:

- an amended Doris North NIRB Project Certificate (No. 003, dated September 23, 2016); and
- an amended Type A Water Licence for the Doris Project (2AM-DOH1323 issued by the NWB, dated December 16, 2016).

During the latter part of 2016, TMAC began recruitment efforts aimed at developing a production workforce for the Doris mine.

Activities in 2017

TMAC commenced commercial production at Doris Mine in 2017, processing a total of 150,700 tonnes of ore mined at a grade of 11.5 g/t, containing 55,700 ounces of gold during the year. First gold was poured at Doris Mine in February, and a mine opening ceremony was conducted including community and territorial leaders in April. The focus of work at Doris Mine has been to optimize process plant availability and throughput.

In May, TMAC obtained a Type B Water Licence from the Nunavut Water Board that allows for underground bulk sampling of the Madrid deposit at two locations. Further, in the summer of 2017, TMAC undertook an underground drilling program at Doris Mine in order to examine the gold resource at depth below a diabase dyke (BTD – Below the Dyke) that intersects the ore body. This work also included exploration work at Boston Camp to further understand the Boston deposit and to support mine planning for Phase 2 (Madrid-Boston). The drilling program at Boston confirmed high grade gold zones and the potential to increase these resources, as well as Boston's potential exploration upside, along strike and at depth.

In 2017, NIRB concluded its review of the Hope Bay Phase 2 (Madrid-Boston) Draft Environmental Impact Statement (DEIS). TMAC conducted a series of meetings in the Kitikmeot during the fall of 2017 to provide communities with updates on the Hope Bay Project, including the DEIS. Following this, TMAC submitted the Final Environmental Impact Statement (FEIS) for the proposed Madrid-Boston development in December.

Activities in 2018

In 2018, commercial operations continued at Doris. TMAC produced over 110,000 ounces of gold during the year. Infrastructure constructed included a fabric tent structure over the primary crusher of the mill and an enclosure for the detoxified tailings conveyor exiting the mill building. Two dorms were added to allow an additional 98 beds at the Doris site. Construction of the Tailings Impoundment Area South Dam and associated access road were completed in 2018. In addition to this, construction of the access road and outfall berm for the Roberts Bay ocean discharge line and fusing of the discharge pipeline began in 2018. To accommodate increased fuel storage required for future project activities, the Roberts Bay single tank farm berm was raised to allow full use of the 5 ML tank and this tank was recommissioned in 2018. In order to support continued underground development, the Doris Connector Vent Raise access road was constructed. The final section of Pad T was completed in 2018 to allow additional ore and waste rock storage within the permitted footprint.

In the fall, TMAC concluded another successful sealift operation including the purchase and delivery of diesel fuel and Jet-A fuel as well as explosives and reagents to support mining and milling activities. The sealift also included additional heavy equipment and supplies to support mining and construction operations.

In 2018, the focus of TMAC's permitting efforts were on the Madrid-Boston (Phase 2) Project. The Madrid-Boston Project FEIS was submitted to NIRB in December 2017, the FEIS final hearing was held in May 2018, and Project Certificate No. 009 was awarded in November 12, 2018. The final permitting for the Madrid-Boston Project was completed on January 14, 2019 with the approval of two Type A Water Licence as recommended by the NWB on December 7, 2018 and concluded the final step in the environmental permitting process that enables mine development at Madrid North, Madrid South and Boston, with connecting all-weather roads.

Community consultation in 2018 focused on engaging positively and effectively with local communities regarding TMAC operations, employment and contracting opportunities and consultation on TMAC's Boston-Madrid Project. TMAC conducted community tours of Kugluktuk, Cambridge Bay, Kugaaruk, Taloyoak, and Gjoa Haven in both March and October 2018. The purpose of the March 2018 Community Tour was to share a Hope Bay Project update and seek public input on the proposed Boston-Madrid Project, and the purpose of the October 2018 Community Tour was to offer an opportunity to ask questions and to raise awareness on Human Resources related matters such as jobs and skill training opportunities.

Activities in 2019

In 2019 commercial operations continued at Doris with efforts focused on progressively ramp up production to increase ore throughput and optimize gold recovery. TMAC produced over 139,000 ounces of gold during the year.

Civil construction activities included the completion of the Roberts Bay Discharge System (RBDS) and installation of the associated underground mine dewatering and Tailings Impoundment Area (TIA) discharge pipelines and pumping infrastructure. The ocean discharge pipeline was successfully installed into Roberts Bay during the open water season. As part of this system, a Water Treatment Plant was constructed to remove Total Suspended Solids from underground mine water at Doris prior to discharge through the RBDS. No discharge occurred to Roberts Bay in 2019. At the Doris site one dorm was added to allow an additional 48 bed spaces and at Roberts Bay and an additional 5 million litre fuel tank was constructed at the Fuel Storage and Containment facility.

Earthworks began at the Madrid North site to support the commencement of mining of the Naartok East Crown Pillar and Madrid North underground decline. This included construction of the first kilometre of the Madrid North all-weather-road, the Madrid North Contact Water Pond, and construction of the Madrid North Waste Rock storage pad. Laydown space and access roads were constructed to support shop facilities, lunchroom/offices, and wash car facilities. An overburden stockpile was established to store overburden removed during mining of the Naartok East Crown Pillar.

In the fall, TMAC concluded another successful sealift operation including the purchase and delivery of diesel fuel, as well as supplies to support mining and milling activities. The sealift also included additional heavy equipment and supplies to support mining and construction operations.

Consultations in 2019 included two workshops with the Inuit Environmental Advisory Committee (IEAC). The focus of these meetings was to advance the Fisheries No Net Loss Plan and work through viable options for caribou monitoring in relation to the Madrid-Boston Project. The workshops were successful at communicating objectives and gaining and documenting perspectives from the IEAC on potential fisheries and caribou monitoring programs. TMAC also initiated a capacity building program for Inuit Environmental Assistants working at Hope Bay. The program was successful in documenting skills learned during the field season and promoting regular coaching sessions for information exchange, with the overall objective of building a larger and sustainable Inuit environmental workforce. In October 2019, TMAC conducted Career Awareness Sessions in each of the five Kitikmeot communities. As part of the Socio-economic Monitoring Program, TMAC continued to engage with the Hope Bay Socio-economic Monitoring Working Group (SEMWG); work completed with the SEMWG in 2019 included a comprehensive update of the

Hope Bay Socio-economic Monitoring Program. In 2019, TMAC was also an active participant in the annual meeting of the Kitikmeot Socio-economic Monitoring Committee held in Cambridge Bay.

Activities in 2020

TMAC continued commercial gold production in 2020. In March of 2020, while there were no confirmed cases of the COVID-19 disease at the Project or in Nunavut, TMAC implemented an Infectious Disease Control Plan at Hope Bay on March 12. This included demobilization of Nunavut based workers, initially with workers staying at home on standby hourly rates. These measures were implemented to reduce the risk of transmitting the virus to remote communities. As the pandemic continued unabated in Canada workers were placed on temporary lay-off in April, and then in September 2020, terminated as access to work remained unavailable.

Also in March, as a result of the pandemic, TMAC made the decision to suspended exploration activities at Hope Bay, development of Madrid North and Naartok East, and underground development at Doris. Operations at the Project focused on operation of the processing plant. The Hope Bay site workforce was reduced to between approximately 120 and 140 people in camp at any given time. TMAC continued to operate the processing plant with material from existing stockpiles and reduced underground mine production. Thereafter, operations, including mining at a reduced rate, continued for remainder of 2020 and the processing plant operated on a campaign basis for three weeks at a time. Development at Madrid was planned to restart in 2021.

Regulator site inspections and some portions of the 2020 Hope Bay environmental compliance monitoring program were curtailed due to pandemic provincial and territorial travel restrictions. Despite the efforts outlined in the Infectious Disease Control Plan, a COVID-19 outbreak was experienced at Hope Bay in September. The outbreak was successfully addressed with the assistance of a Government of Nunavut Public Health Rapid Response Team.

The updated NI 43-101 Technical Report on the Hope Bay Property was also released in March of 2020. In May and June of 2020, TMAC was pursuing an arrangement agreement with Shandong Gold for the sale of TMAC Resources including the Hope Bay property. However, in December of 2020 Government of Canada rejected the sale of the Project on national security grounds.

Activities in 2021

In early January 2021, Agnico Eagle Mines Limited (“Agnico”) agreed to purchase TMAC Resources Inc. This was achieved using the Arrangement Agreement originally struck between TMAC and Shandong Gold Mining in 2020. During the same month, public statements were made by both the Kivalliq and Kitikmeot Inuit Associations supporting the purchase. On February 2, 2021, the acquisition of TMAC by Agnico completed regulatory hurdles and was concluded.

During the remainder of late winter, Agnico began to integrate Hope Bay and TMAC staff and operations into the company. Agnico announced its intention to maintain cash neutral gold production at Doris Mine, examine future development scenarios, and focus on gold exploration at Hope Bay. During the remainder of 2021, Agnico employed 7 diamond drill rigs to drill 80,000m of core at Hope Bay with exploration results released in November 2021.

In 2021, Agnico maintained Doris Mine under reduced operations, including campaign milling, similar to 2020. This was done in response to the continued COVID-19 public health emergency in order to limit mine site infection risk. Hope Bay and Doris Mine continued to be isolated from Nunavut communities in 2021 to eliminate the risk of COVID-19 transmission from southern based mine workers and Nunavut staff resident in Kitikmeot communities. Despite rigorous COVID-19 protocols, Hope Bay experienced a COVID-19 outbreak in late September and October 2021. Agnico responded to this outbreak by sending

staff offsite, while extracting cases to care in southern Canada by direction of the Nunavut Chief Public Health Officer. With a focus on underground production, Agnico discontinued campaign milling for the remainder of the year. A total of 55,524 ounces of gold was produced at Doris Mine in 2021.

Activities in 2022

On February 18, 2022, Agnico Eagle announced its decision to place the Doris Mine into Care and Maintenance and suspend operating activities at the Project. On March 30, 2022, Agnico Eagle provided the NWB with a formal written notice of Care and Maintenance for the Doris-Madrid operations under Part J, Item 4 of the Water Licence. Care and Maintenance at Doris and Madrid includes the temporary suspension of ore extraction at Doris and Madrid and milling operation at the Doris Mine. Production activities remained suspended throughout 2022 and thus on-site Project activities were limited to care and maintenance and exploration. Agnico Eagle continues exploration activities (site activities) as well as management and modification of facilities to remain in regulatory compliance with various permits, licenses, and approvals for the Project.

In 2022, exploration activities at Hope Bay confirmed the potential to upgrade and expand mineral resources at the Doris deposit at depth below the dike in the BTD Extension and BTD Connector zones, and in the West Valley Zone above the dike to the south. As at December 31, 2022, Agnico Eagle estimated that Hope Bay hosts proven and probable mineral reserves of 3.4 million ounces (16.3 million tonnes grading 6.50 g/t gold), indicated mineral resources of 1.1 million ounces (9.8 million tonnes grading 3.58 g/t gold) and inferred mineral resources of 2.0 million ounces (11.0 million tonnes at 5.49 g/t gold). Future exploration in 2023 will focus on the Madrid deposit to further expand the mineral resources.

Project camp associated with the Boston deposit was refurbished in 2022 and is ready to support future exploration activities in 2023.