



Towards Sustainable Mining

Indigenous and Community Relationships

*Presented to the IWCC
Washington, DC, May 2024*

The purpose of this presentation is to guide programs benefiting the copper industry and to provide attendees with information to make independent business decisions.



MINING WITH STRONG VALUES

The Mining Association of Canada (MAC) is the voice of the mining industry and seeks to generate greater awareness around important areas in the sector from reclamation to partnerships with Indigenous communities. The sector is a major economic driver in our Canadian economy and a great contributor to jobs and leading technologies.



- MAC is the national voice of Canada's mining industry
- 50+ members in iron ore, gold, diamonds, oil sands, steelmaking coal, base metals and uranium
- 50+ members in engineering, environment and finance
- Members engaged in exploration, mining, smelting, semi-fabrication and supply



IWCC Legal Disclaimer:

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Towards Sustainable Mining®

What is Towards Sustainable Mining?



Towards Sustainable Mining™ (TSM) is an award-winning commitment to responsible mining. The program was established in 2004 and its main objective is to enable mining companies to meet society's needs for minerals, metals and energy products in the most socially, economically and environmentally responsible way.



MINING IS ESSENTIAL

From the metals needed to power our transportation to the materials required to make communication possible, it is impossible to imagine a reality without it.



THE FUTURE NEEDS MINING

Mining is essential in our transition to a low carbon economy, one that requires mined minerals and metals to be fully realized.



RESPONSIBLE MANAGEMENT

It is important that standards be in place to ensure that the process of mining is being managed responsibly, from start to finish.



COMMUNITY ENGAGEMENT

Today, communities expect more from mining companies and the industry expects much more of itself.

TSM consists of seven core components:

1. Guiding Principles
2. Performance Indicators
3. Facility Level Reporting
4. Independent Verification
5. Public Reporting of Facility Level Reporting
6. Condition of Membership
7. Community of Interest Advisory Body

TSM – A Global Responsible Mining Standard



- Adopted by national associations in 13 countries on 6 continents
- Over 200 companies actively implementing TSM globally
- 7 national Community-of-Interest panels up and running with more in development
- Recognized by a growing number of global manufacturers and investors

* Spain's national mining association has incorporated a few elements of TSM in the country's national certification standard for sustainable mining.

Towards Sustainable Mining 101: A Primer



Network of National Community of Interest Panel

Each national association implementing TSM is required to establish a COI Panel

- 7 national panels are currently active with others being developed
 - Finland, Norway, Canada, Brazil, Argentina, Philippines, Australia

MAC's COI Panel is comprised of individuals from:

- Indigenous groups
- Communities where mining is active
- Environmental and social NGOs
- Academia
- Labour
- Financial organizations
- Select members of the Mining Association of Canada's Board of Directors



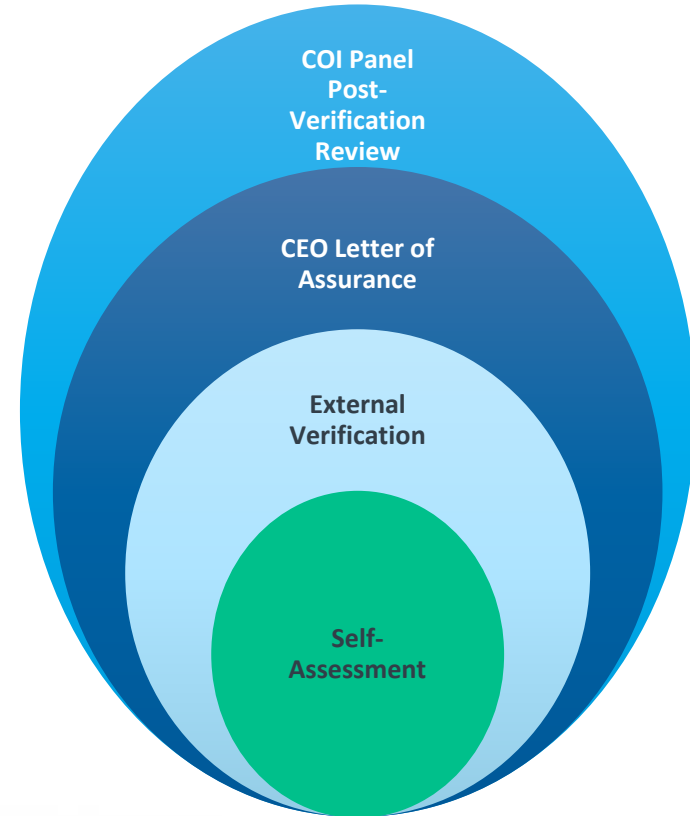
**Independently facilitated and arms
length appointment process**

Critical perspectives on emerging issues

**Annual reviews of company
performance**

Verification Process

- Annual self-assessments
- External verification of self-assessments by trained verifiers every three years
- Verification reports published as of 2022
- Advanced community notice of verifications and community inclusion
- Letter signed by CEO that the results are externally verified according to requirements
- Potential for selection by the Advisory Panel for a post-verification review



TSM Protocols



Communities & People



**Environmental
Stewardship**



Indigenous and Community Relationships

Safe, Healthy & Respectful Workplaces

Crisis Management & Communications
Planning

Preventing Child and Forced Labour

Equitable, Diverse & Inclusive Workplaces

Tailings Management

Biodiversity Conservation Management

Water Stewardship

Climate Change

Communities and People

Environment and Climate Change

Indigenous and Community Relationships

Stable, Diverse
& Inclusive
Workplaces

Prevention of
Child and Forced
Labour

Tailings
Management

Biodiversity
Conservation
Management

Water
Stewardship

Climate Change

Community of interest (COI) identification

Leadership &
Strategy (Corporate)

Preventing forced
labour

Tailings
management policy
& commitment

Biodiversity
commitment

Water Governance

Corporate Climate
Change
Management

Effective COI engagement and dialogue

Advancing EDI
(Facility)

Preventing child
labour

Tailings
management
system

Biodiversity
planning &
implementation

Operational Water
Management

Facility Climate
Change
Management

Effective Indigenous engagement and dialogue

Monitoring,
performance &
reporting (Facility)

Accountability &
responsibility for
tailings
management

Biodiversity
conservation
reporting

Watershed-Scale
Planning

Facility Performance
Targets and
Reporting

Community impact and benefit management

Annual tailings
management review

Water Reporting
and Performance

COI response mechanism

Operation,
maintenance and
surveillance (OMS)
manual

Physical Safety &
Health Performance



TSM Protocols

Rating System

AAA

Excellence and leadership.

AA

Systems and processes are integrated into management decisions and business functions

A

Good practice. Systems and processes are developed and implemented.

B

Procedures exist but are not fully consistent or documented. Systems and processes are planned and being developed.

C

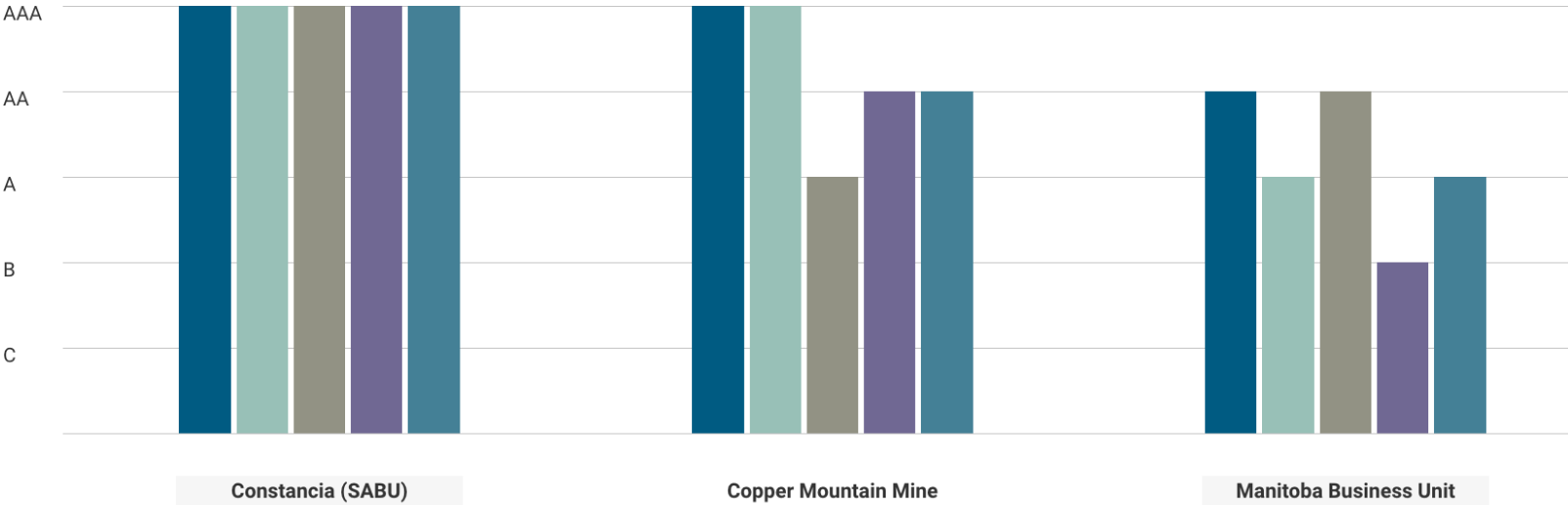
Does not meet all the criteria for Level B

Facility-Based Public Reporting



Indigenous and Community Relationships

- Community of Interest Identification
- Effective Community of Interest Engagement and Dialogue
- Effective Indigenous Engagement and Dialogue
- Community Impact and Benefit Management
- Community of Interest Response Mechanism



Case Study: Community Economic Development and Wetland Conservation



- Company: Hudbay
- Location: Constanica, Peru
- Commodity: Copper
- Actions:
 - Cochapampa Bog Sustainable Use and Management program - A community-based program to reduce water consumption in a nearby ecologically important bog. The program has resulted in a shift from cattle farming to strawberry farming which has reduced water consumption by 90% and resulted in stronger community relationships.





Case Study: Cultural Heritage Protection

- Company: Teck
- Location: Highland Valley Copper, BC, Canada
- Commodity: Copper
- Actions:
 - Exploration of the archaeological record at HVC began in the early 1980s, and a community-led Cultural Heritage Program was established in 2016. Over time the program has become more inclusive and moved beyond archaeology towards a goal of holistic heritage assessment including tangible and intangible heritage. The development of the Program seeks to amplify Canada's Truth and Reconciliation Commission's Call to Action 92(1) to the corporate sector to "commit to meaningful consultation, building respectful relationships, and obtaining the free, prior, informed consent of Indigenous Peoples before proceeding with economic development projects."

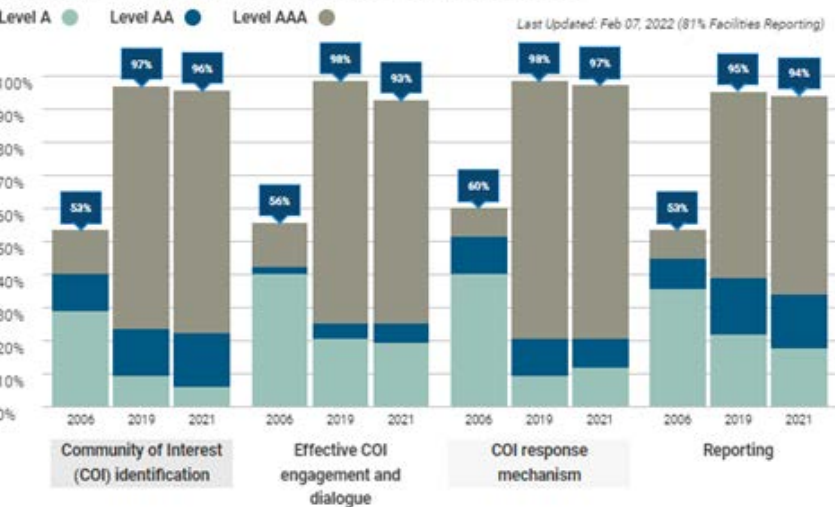


Continual Improvement

- Improvements in industry performance are measurable and meaningful over time
- Companies commit to demonstrate continual improvement until they achieve good practice

Aboriginal and Community Outreach

Percentage of Facilities at a Level A or Higher – 2006, 2019 and 2021



Indigenous and Community Relationships

Percentage of Facilities at a Level A or Higher – 2023



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