

2021

SOCIO-ECONOMIC MONITORING REPORT

FOR THE MARY RIVER PROJECT

PREPARED FOR

Baffinland

Baffinland Iron Mines Corporation

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AGLU

STRATOS
an ERM Group company

A Message from our Director of Sustainable Development

Baffinland is pleased to submit the Mary River Socio-Economic Monitoring Report for the 2021 calendar year to the Nunavut Impact Review Board (NIRB), in conformance with our Project Certificate requirements.

2021 marks 7 full years of operations at the Mary River Project. This milestone has seen Baffinland continue its phased development of the Mary River Project with proposed future positive socio-economic growth on the horizon.

As of 2021, the Project has;

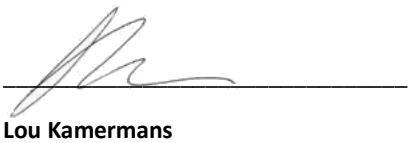
- Provided over $100 million in wages to Inuit Project Employees and Contractors;
- Reached over $1.5 billion in contracts signed and awarded to Inuit Firms;
- Provided over $1.7 million through our Sponsorship and Donation Program since 2016;
- Seen approximately 500 graduates of pre-employment training programs; and
- Have delivered over 140,000 hours of training to Inuit Project employees since Project development.

The COVID-19 pandemic continued throughout 2021 and Baffinland faced similar challenges to those posed in 2020. Although Nunavummiut who were demobilized in 2020 returned back to work in July of 2021, due to an increase in COVID-19 cases in Nunavut and at Mary River near the end of the year, Nunavummiut were again demobilized. The demobilization coupled with strict public health measures imposed in Nunavut communities limited the Company's ability to administer the Inuit Employee Survey in 2021. The COVID-19 pandemic resulted in the cancellation of the annual Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) meeting. To adapt to the circumstances, Aglu Consulting and Stratos Inc. conducted a review of Baffinland's 2021 community engagement records to supplement the monitoring results in this report that would have otherwise been collected through the annual employee survey and QSEMC meeting.

Despite the challenges brought about by the pandemic, Baffinland managed to achieve positive milestones in a very difficult year that we are proud to highlight. In response to the public health risk posed by COVID-19, Baffinland worked with its Project partners to ensure that community focused services and programs could still be offered, albeit in an augmented way. Baffinland continued to work in collaboration with the Ilisaqsivik Society to ensure the Community Counsellor Program remained accessible for all individuals living in Point of Hire communities. The Company continued to work with local governments throughout the North Baffin to ensure that engagement related to the Project could continue while keeping everyone safe.

Together with its employees and business partners, the Company has taken strides to support North Baffin communities throughout the pandemic. Baffinland has donated or supported initiatives with more than $700,000 as of the end of 2021. This has included support for food relief programs, the purchasing of cleaning supplies for North Baffin communities in response to the ongoing pandemic, and support for country food harvesting.

The Company remains committed to the phased development of the Mary River Project and looks forward to its positive growth and development in 2022.



Lou Kamermans
Senior Director of Sustainable Development
March 31, 2022

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Executive Summary

This report presents the results of the socio-economic monitoring program for the Mary River Project in 2021, as well as Baffinland's compliance with various Project Certificate Terms and Conditions. Performance was assessed using socio-economic indicators and information for several Valued Socio-Economic Components (VSECs) included in the Final Environmental Impact Statement (EIS).

This report has identified various positive effects of the Project and presents information that is consistent with several EIS predictions.

Employment and Livelihood

- The Mary River Project employed 2,056 full-time equivalents (FTEs), who worked 4,145,326 hours in 2021. This is 156 more FTEs than in 2020.
- The project had 245 Inuit FTEs in 2021, representing 12% of the total workforce.
    - The number of Inuit FTEs stayed relatively consistent compared to 2020, decreasing by 5 FTEs
    - As a proportion of the workforce, the number of Inuit decreased slightly to 12%, compared to 13% in 2020
    - 144 of the Inuit FTEs are based in the North Baffin LSA, with another 51 in Iqaluit and 41 in southern Canada.
- The project had 255 female FTEs in 2021, representing 12% of the total workforce, an increase in both number and proportion from 2020.
    - The project had 69 female Inuit FTEs in 2021, representing 28% of the total Inuit workforce.
- The turnover rates for Inuit and non-Inuit Baffinland employees increased to 18% and 21%, respectively, representing a 6% increase for Inuit and an 11% increase for non-Inuit compared to 2020.
- Nine Inuit were promoted in 2021, an increase from five promotions in 2020. Career Path discussions with 87 Inuit employees indicated that 55% of employees were interested in advancement, either through post-secondary education or training provided by the company.
- $21,595,612 million in wages were paid to Baffinland and contractor Inuit employees in 2021, up 3.5% from 2020. The average pay for Baffinland and contractor Inuit FTEs in 2021 was $88,145.

Contracting and Business Opportunities

- In 2021, the total value of Inuit firm contract expenditures increased to $220M compared to $91M in 2020. The percentage of total contracting paid to Inuit firms increased to 57%, representing a 13% increase from 2020.

Education and Training

- In 2021, the average hours of training for Inuit workers rebounded significantly, to 135 hours per Inuit FTE – 12% lower than in 2019, however more than double what was seen in 2020. The increase in average hours of training for Inuit workers in 2021 compared to 2020 is due to the transition of some training programs being delivered directly in communities, the resumption of Work Ready training, as well as Nunavummiut returning to work.

Benefits, Royalty and Taxation

- The total value of tax payments made by Baffinland to the Government of Nunavut increased in 2021 to $15.1 million. Baffinland paid $10.3 million in employee payroll tax and $4.7 million in fuel tax to the Government of Nunavut.

- In 2021, Baffinland paid a total IIBA royalty to QIA in the amount of $9,206,970.

Impacts on Worker Families and Communities in the North Baffin Local Study Area

- Graduation rates steadily declined in the Qikiqtani Region from 2009 to 2014 but have risen quickly in the post-development period. School attendance rates in the North Baffin LSA region have not changed considerably over time or compared to the rest of the Qikiqtani region. The Project is not likely having a significant impact on graduation or attendance rates given the range of other significant factors affecting these indicators. However, it remains clear that continued support for school-based initiatives such as the Lunch Program and laptop donations are valued by communities.
- Based on the 2020 Inuit Employee Survey, there is strong positive feedback from Project Inuit employees on their ability to provide for themselves and their families, with 67% saying their ability to provide has been "very improved" or "improved" as a result of Project employment.
- Based on the 2020 Inuit Employee Survey, worker and family health and wellbeing is positively affected by working at the Project: 6% of survey respondents said that well-being had been 'very improved' and 44% that it had 'improved' since starting work at the Project. Less than 4% of respondents reported a negative impact on personal or family wellbeing.
- The proportions of tax filers with employment income and of populations receiving social assistance in the North Baffin LSA have largely stayed the same during the post-development period. Considering the significant population growth during that time, this indicates that the job market has grown in line with population growth, which might be due to positive effects from the Project in growing the labour market. However, trends are similar across Nunavut so Project effects on community-level employment may not be significant.
- Impaired driving violations have increased in the North Baffin LSA during the post-development period. However, the trend is not significantly different than the trend in all of Nunavut when comparing pre-development and post-development.
- Drug violations in the North Baffin LSA have generally followed the same pattern as in Iqaluit and Nunavut. However, both Iqaluit and Nunavut have seen more rapid decreases in drug violations during the post-development period while North Baffin LSA has only seen a slight decrease.
- The average number of youths charged has declined in the LSA since Project development. However, decreasing trends in the LSA were also evident in the pre-development period, and a comparable situation has been observed across Nunavut.
- Crime rates have increased in the North Baffin LSA while dropping in Iqaluit and Nunavut during the post-development period. However, North Baffin LSA crime rates are much lower than rates for Iqaluit and Nunavut. Iqaluit's rate is nearly three times as high, while Nunavut's is over 50% higher.

Table 1 on the following page summarizes the monitoring results, including findings and trends in 2021 compared to previous years

How to read Table 1

Column	Description
Indicator	This column will identify the SEMP indicator
Latest data available	This column will provide the year of most recent data available for the indicator
Scale	This column will present the scale of the data presented in the sub-row, including the North Baffin LSA (NB LSA), Iqaluit, Nunavut, Region or Project.
Pre-development average	This column will present the average value for the 5 years before the mine started operating (2008 –13), including both a unit and value (e.g., 12 graduates). This is provided for public data only (as there is no pre-development project data)
3-year average	This column will present the average value for the 3 most recent years, including both a unit and value (e.g., 12 graduates).
Change in 3-year average	This column will present the change (in percent, percentage points (pp), or direct units, depending on the indicator) since the previous years 3-year average. The direction of the change will be represented by arrows, showing whether the movement was an increase, decrease or whether there was no movement. Arrow colors will indicate whether the direction represents a **positive** or **negative,** change. Arrows remain uncolored if the value is mixed, neutral or unclear.
Latest year	This column will present the value of the most recent single year of data, including both a unit and value (e.g., 230 Inuit FTEs).
Change from last year	This column will illustrate the change from the two most recent years data. This will be presented similarly to the change in the 3-year average column.
Summary	This column will provide a qualitative overview of performance, trends, and interpretation.

Table 1. 2021 Socio-economic monitoring reporting summary

Indicator	Latest data available	Scale	Pre-dev average	3-year average	Change in 3-year average	Latest year	Change from last year	Summary
Employment and Livelihood								
Project total employment (FTEs)	2021	Project	-	2,038 FTEs	⇧ 9%	2,056 FTEs	⇧ 8%	The Mary River Project employed 2,056 full-time equivalents (FTEs), who worked 4,145,326 hours in 2021. This is 157 more FTEs than in 2020.
Project LSA employment (FTEs)	2021	Project	-	216 FTEs	⇨ 0%	195 FTEs	⇩ 5%	In 2021, there were approximately 195 LSA-based FTEs working at Mary River, a decrease of approximately 5% from 2020.
Project female employment (FTEs)	2021	Project	-	227 FTEs	⇧ 26%	255 FTEs	⇧ 18%	In 2021, there were a total of 255 female FTEs, representing 12% of the total workforce, up by 39 FTEs (11%) in 2020.This is part of a longer trend of increased female FTEs, which has more than doubled since 2018 (112 FTEs). This trend is attributed to an increase in non-Inuit female workers, who made up 9% of the total workforce in 2021, compared to 6% in 2019.
Inuit employee turnover	2021	Project	-	16% turnover	⇩ 4pp	18% turnover	⇧ 6pp	The turnover rate for Inuit increased in 2021 to 18%, representing a 6% increase for Inuit compared to 2020. Reasons Inuit employees cited for resigning in 2021 included accepting another position and/or a position closer to home, family issues, childcare issues, and health issues. Resignations related to COVID, including concerns related to COVID-19 outbreaks and requirement to be vaccinated, also occurred.
Childcare availability and costs	-	-	-	-	-	-	-	Comments on the lack of childcare in LSA communities have been made previously by Project stakeholders and can be found in previous SEMRs. This topic continues to be tracked through the QSEMC process and community engagement conducted for the Project.
Education and Training								
Investments in school-based initiatives (Laptops)	2021	NB LSA	-	58 laptops	⇧ 14%	61 laptops	⇧ 2%	The Project supported school-based initiatives in 2021 through its ongoing donations including laptop donations (61 in 2021). Investments included the annual scholarship fund (IIBA commitment – 5 recipients in 2021)), and contributions to school lunch programs.
Investments in school-based initiatives (dollars)	2021	NB LSA	-	$92,781	⇧ 103%	$218,343	⇧ 773%	
Secondary school graduates	2017	NB LSA	45 grads	47 grads	⇧ 9%	51 grads	⇧ 6%	Graduation rates steadily declined in the Qikiqtani region from 2009 to 2014 but have risen quickly since then. School attendance rates in the North Baffin LSA region have not changed considerably over time or compared to the rest of Qikiqtani. Many factors affect school attendance and graduation rates, and the data does not suggest a significant effect of the Project.
	2017	Iqaluit	42 grads	44 grads	⇧ 27%	59 grads	⇧ 97%	
Secondary school graduation rate	2017	Region	37.5%	39%	⇧ 8pp	49%	⇧ 12pp	
	2017	Nunavut	34%	41%	⇧ 5pp	48%	⇧ 6pp	

Indicator	Latest data available	Scale	Pre-dev average	3-year average	Change in 3-year average	Latest year	Change from last year	Summary
Participation in pre-employment training (# graduates)	2021	Project	-	72 grads	⇨ 0%	62 grads	⇩ 10%	In 2021, there were 62 Work Ready Program graduates (community based).The Work Ready Program was not delivered at site due to COVID-19. In 2020, there were 69 graduates (54 community, 15 site), representing a decrease in number of graduates.
Hours of training completed by Baffinland and contractor Inuit employees	2021	Project	-	30,490 hours	⇩ 2%	32,974 hours	⇧ 129%	Both the absolute and average hours of training for Inuit (average training hours per Inuit FTE) rebounded significantly in 2021, due to transitioning training to be delivered in community and Nunavummiut return to work end of July.
Types of training provided Baffinland and contractor Inuit employees	2020	Project	-	-	-	-	-	The transitioning of of some training from on-site to community-based delivery increased the amount of training offerings available in 2021.
Apprenticeships and other opportunities (# employees)	2021	Project	-	15 apprentices	⇧ 7%	12 apprentices	⇩ 25%	In 2021, there were 12 active apprentices in the Apprenticeship Program, a 25% decrease from 2020. Other relevant programs include the Pre-Trades program, Heavy-Equipment training, and the summer student internship program.
Employee education and pre-employment status	2020	Project	-	-	-	-	-	23% of 2020 Inuit survey respondents left casual or part-time employment to work at the Project, while only 7% were enrolled in an academic or vocational program at the time of hiring.
Inuit employee promotions	2021	Project	-	7 promotions	⇧ 22%	9 promotions	⇧ 80%	Nine (9) Inuit were promoted in 2021, an increase from five (5) promotions in 2020
Contracting and Business Opportunities								
Inuit employee payroll amounts (dollars)	2021	Project	-	$20,909,494	-	$21,595,612	⇧ 3.5%	$21,595,612 million in wages were paid to Baffinland and contractor Inuit employees in 2021, up slightly from 2020. The average pay for Baffinland and contractor Inuit FTEs in 2021 was $88,145, up from 2020.
Value of contracting with Inuit Firms (dollars)	2021	Project	-	$200M	⇧ 15%	$220M	⇧242%	The total value of Inuit firm contract commitments increased, to $220M compared to $91M in 2020, with 28 individual firms. The percentage of total contracting that was committed to Inuit firms also increased in 2021, to 57% compared to 44% in 2020
Number of registered Inuit Firms in the LSA	2021	NB LSA	-	55 firms	⇧ 2%	54 firms	⇩ 4%	In 2021, a total of 186 active Inuit Firms were registered in the LSA, an increase of 4 Inuit Firms from 2020. Of the 186, 29% (54) of these firms were based in the North Baffin LSA communities and 71% (132) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 27, while the number of active Inuit Firms registered in Iqaluit has increased by 48.
	2021	Iqaluit	-	128 firms	⇧ 3%	132 firms	⇧ 3%	
Population Demographics								
Population estimates	2020	NB LSA	5,694 people	6,781 people	⇧ 3%	6,910 people	⇧ 3%	The average annual population growth rates over the post-development period for North Baffin LSA communities was 2.2%, Iqaluit 2%, and Nunavut 1.4%, higher than the Canadian average growth rate of 1.1%. The rate of growth does not appear to have been affected by the Project.
	2020	Iqaluit	7,048 people	8,249 people	⇧ 1%	8,284 people	⇧ 1%	
	2020	Nunavut	33,694 people	38,788 people	⇧ 1%	39,353 people	⇧ 2%	

Indicator	Latest data available	Scale	Pre-dev average	3-year average	Change in 3-year average	Latest year	Change from last year	Summary
Known in-migrations of non-Inuit Baffinland and contractor employees	2021	NB LSA	-	< 1 people	⇨ 0%	0 people	⇨ 0%	One non-Inuk employee migrated into the LSA and one non-Inuk migrated out of the LSA in 2021, resulting in net-zero non-Inuit in-migrations 2021. Since 2015 a net of one non-Inuk employee/contractor is known to have in-migrated to the North.
In-migration of non-Inuit to the LSA	N/A	NB LSA	-	-	-	-	-	While LSA-level migration data is not available, the proportion of Inuit to non-Inuit in LSA communities has remained relatively similar to pre-development levels.
Known out-migrations of Inuit Baffinland and contractor employees	2021	NB LSA	-	7 people	⇨ 0%	8 people	⇩ 60%	Eight (8) Inuit Baffinland and contractor employees were known to have moved out of the North Baffin LSA in 2021.
Out-migration of Inuit from the LSA	N/A	NB LSA	-	-	-	-	-	While LSA-level migration data is not available, the proportion of Inuit to non-Inuit in LSA communities has remained relatively similar to pre-development levels.
Nunavut net migration	2019	Nunavut	-38 people	-102 people	⇧ 3%	-88 people	⇧ 60%	Nunavut net migration was -88 people in 2019, continuing a negative trend over the past 5 years.
Employee and contractor changes of address, housing status, and migration intentions	2020	Project	-	-	-	-	-	Based on 2020 Inuit Employee Survey results, declared migration intentions for 2021 align with the past several years of movement, with nine respondents expressing an intention to move in the next year.
Employee and contractor origin (LSA headcount)	2020	LSA	-	279 employees	⇩ 5%	230 employees	⇧ 0.5%	In 2021, 230 Baffinland and contractor Inuit employees were based in LSA communities, representing an increase of 1 compared to 2020.
Human Health and Wellbeing								
Proportion of tax filers with employment income	2017	NB LSA	82%	79%	⇨ 0 pp	79%	⇨ 0 pp	The portion of tax filers with employment income in the North Baffin LSA has largely stayed the same during the post-development period.
	2017	Iqaluit	89%	88%	⇨ 0 pp	88%	⇨ 0 pp	
	2017	Nunavut	85%	82%	⇨ 0 pp	83%	⇧ 1 pp	
Median employment income	2017	NB LSA	$15,195	$16,740	⇧ 2%	$17,432	⇧ 4%	There continues to be a gradual but steady growth in median employment income, to which the Project likely contributes.
	2017	Iqaluit	$64,485	$74,100	⇧ 2%	$76,720	⇧ 5%	
	2017	Nunavut	$26,327	$30,443	⇧ 2%	$31,390	⇧ 2%	
Percentage of population receiving social assistance	2018	NB LSA	56%	58%	⇧ 1 pp	59%	⇧ 1 pp	The portion of the population receiving social assistance in the North Baffin LSA has largely stayed the same during the post-development period.
	2018	Iqaluit	18%	14%	⇩ 1 pp	13%	⇩ 2 pp	
	2018	Nunavut	41%	43%	⇧ 4 pp	50%	⇧ 11 pp	
Number of drug and alcohol related contraband infractions at Project sites	2021	Project	-	16 infractions	⇩ 33%	5 infractions	⇩ 75%	Five drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees in 2021, a decrease of 15 compared to 2020.
Number of impaired driving violations	2018	NB LSA	16 violations	37 violations	⇧ 2%	32 violations	⇩ 22%	Impaired driving violations have not increased in the North Baffin LSA during the post-development period. Impaired driving violations have increased in Iqaluit during the post-development period.However, the trend is not significantly different than the trend in all of Nunavut when comparing the different periods.
	2018	Iqaluit	32 violations	76 violations	⇧ 32%	111 violations	⇧ 44%	
	2018	Nunavut	125 violations	345 violations	⇧ 28%	419 violations	⇧ 11%	

Indicator	Latest data available	Scale	Pre-dev average	3-year average	Change in 3-year average	Latest year	Change from last year	Summary
Number of drug violations	2018	NB LSA	39 violations	35 violations	⇩ 11%	46 violations	⇧ 110%	Both Iqaluit and Nunavut have seen rapid decreases in drug violations during the post-development period, while North Baffin LSA has only seen a slight decrease, with an uptick in 2018, the latest year for which data is available.
	2018	Iqaluit	112 violations	42 violations	⇩ 34%	37 violations	⇧ 32%	
	2018	Nunavut	339 violations	151 violations	⇩ 30%	105 violations	⇩ 27%	
Number of youths charged	2020	NB LSA	44 youths	20 youths	⇩ 10%	14 youths	⇩ 22%	The average number of youths charged has declined in the LSA since Project development. However, decreasing trends in the LSA were also evident in the pre-development period, and a comparable trend has been observed across Nunavut.
	2020	Iqaluit	44 youths	24 youths	⇩ 6%	17 youths	⇩ 23%	
	2020	Nunavut	316 youths	146 youths	⇩ 4%	126 youths	⇩ 24%	
Crime rate (violations per hundred)	2017	NB LSA	21 violations	23 violations	⇧ 6%	24 violations	⇧ 7%	Crime rates have increased in the North Baffin LSA while dropping in Iqaluit and Nunavut during the post-development period. However, North Baffin LSA crime rates are much lower than the other areas: Iqaluit's rate is nearly three times as high, while Nunavut's is over 50% higher.
	2017	Iqaluit	74 violations	63 violations	⇨ 0%	62 violations	⇨ 0%	
	2017	Nunavut	39 violations	36 violations	⇧ 4%	36 violations	⇧ 2%	
Number of times Baffinland's Employee and Family Assistance Program (EFAP) is accessed	2021	Project	-	62 times	⇧ 19%	72 times	⇧ 33%	EFAP usage has been relatively consistent since 2017 at approximately 5 accesses per 100 employees. 60% of the 63 counseling cases in 2021 were classified as "psychological" support, with other issues including marital, work, addiction and trauma.
Percent of health centre visits related to infectious diseases	2016	NB LSA	3%	3%	⇧ 1 pp	4%	⇧ 2 pp	Compared to pre-development period averages, there has been a slight increasing trend in health centre visits related to infectious diseases in the North Baffin LSA (from 2.6% to 2.7%) and decreasing trends in Iqaluit (from 2.0% to 1.0%) and Nunavut (from 4.8% to 3.1%) in the post-development period.
	2016	Iqaluit	2%	1%	⇨ 0 pp	2%	-	
	2016	Nunavut	5%	3%	⇨ 0 pp	5%	⇧ 3 pp	
Absence from the community during work rotation Prevalence of gambling issues Prevalence of family violence Prevalence of marital problems Rates of teenage pregnancy	-	-	-	-	-	-	-	Topics will continue to be tracked through the QSEMC process and community engagement conducted for the Project.
Community Infrastructure & Public Services								
Number of health centre visits (total)	2016	NB LSA	9,722 visits	11,819 visits	⇩ 3%	10,872 visits	⇩ 8%	Per capita visits in 2016 in the North Baffin LSA communities, except Arctic Bay, were similar to historical levels (2009 and earlier). Given the lack of more recent data, the project is not considered to have a significant effect on use of public health services.
	2016	Iqaluit	13,438 visits	17,184 visits	⇩ 15%	7,953 visits	⇩ 51%	
	2016	Nunavut	200,647 visits	244,215 visits	⇩ 3%	217,168 visits	⇩ 10%	
Number of health centre visits (per capita)	2016	NB LSA	9 visits / capita	10 visits / capita	⇩ 4%	9 visits / capita	⇩ 5%	
	2016	Iqaluit	2 visits / capita	2 visits / capita	⇩ 16%	1 visits / capita	⇩ 52%	
	2016	Nunavut	6 visits / capita	6 visits / capita	⇩ 4%	6 visits / capita	⇩ 11%	

Indicator	Latest data available	Scale	Pre-dev average	3-year average	Change in 3-year average	Latest year	Change from last year	Summary
Number of visits to Project physician assistant	2021	Project	-	5,604 visits	⇩ 7%	5,040 visits	⇩ 6%	The Project continues to provide all workers with regular access to a physician's assistant, with whom they can confidentially address health-related issues (including those unrelated to the workplace)
Number of Project aircraft movements at LSA community airports	2021	NB LSA	-	463 movements	⇩ 8%	286 movements	⇧ 353%	Baffinland's utilization of community infrastructure, particularly airports, increased slightly in 2021 compared to 2020, but remains significantly below pre-pandemic levels.
	2021	Iqaluit	-	725 movements	⇩ 27%	445 movements	⇧ 31%	
Cultural Resources								
Monitoring is conducted through the Archaeology Status Update Report								
Resource and Land Use								
Number of recorded land use visitor person-days at Project sites	2021	Project	41 person-days	474 person-days	⇩ 18%	199 person-days	⇩ 40%	In 2021, a total of 199 land use visitor person-days were recorded at Project sites, a 40% reduction from 2020.
Wildlife compensation fund claims	2021	Project	-	-	-	$8,191 paid	⇩ 68%	The QIA reported that 2 claims were paid from the Wildlife Compensation Fund in 2020, totaling $8,191. A total of 4 claims were submitted, however, two (2) of the claims did not meet fund criteria and therefore were not fulfilled.
Cultural Well-Being								
Monitoring is conducted through the Archaeology Status Update Report								
Economic Development and Self-Reliance								
Project harvesting interactions and food security	-	-	-	-	-	-	-	Topic will continue to be tracked through the QSEMC process, community engagement conducted for the Project, and related information.
Benefits, Royalty, and Taxation								
Payroll and corporate taxes paid by Baffinland to the territorial government	2021	Nunavut	-	$15M taxes paid	-	$15M taxes paid	⇧ 1%	The value of tax payments made by Baffinland to the Government of Nunavut increased slightly in 2021 to $15.09 million.
Governance and Leadership								
Data indicators for monitoring the Governance and Leadership VSEC have not been developed.								

Introduction

Report Objectives and Structure

This is the ninth annual Socio-Economic Monitoring Report prepared by Baffinland for the Project, which supersedes all previous reports. The content of this report is guided by the Project's Socio-Economic Monitoring Plan, which was updated in 2019 to reflect the Phase 2 proposal. This report supports the achievement of the objectives of the monitoring program identified in the Socio-Economic Monitoring Plan:

1. Evaluate the accuracy of selected socio-economic effect predictions presented in the Mary River Project EIS and identify any unanticipated effects[1].
2. Identify areas where Baffinland's existing socio-economic mitigation and management programs may not be functioning as anticipated.
3. Assist regulatory and other agencies in evaluating Baffinland's compliance with socio-economic monitoring requirements for the Project.
4. Support adaptive management, by identifying potential areas for improvement in socio-economic monitoring and performance, where appropriate.

This report is structured as follows.

Introduction *(this section)*	Introduces the report and the scope of its contents
Methods	Describes the methods used in this report and how they support findings
Results *(Sections 1 through 12)*	Assesses the socio-economic performance based on established socio-economic indicators
Report summary	Provides a summary of regional and cumulative economic effects, and comments on adaptive management for the Project
Appendix A	Compliance Assessment
Appendix B	Socio-Economic Monitoring Indicators
Appendix C	Headcount data
Appendix D	2020 Inuit Employee Survey Report

Mary River Overview

Baffinland Iron Mines Corporation (Baffinland) is a Canadian mining company with one operating iron ore mine, the Mary River Project (the Project) in the Qikiqtani Region of Nunavut. Baffinland is jointly owned by ArcelorMittal and The Energy and Minerals Group, with a corporate head office located in Oakville, Ontario, a northern head office located in Iqaluit, and offices in five North Baffin communities: Arctic Bay, Clyde River, Sanirajak, Igloolik, and Pond Inlet.

[1] References to the Mary River Project EIS in this report include any subsequent addendums to the EIS that have been approved (i.e. had a Project Certificate issued) by the NIRB.

The Project consists of two main operating locations: the mine site at Mary River, and Milne Port north of the mine. The two sites are connected by a tote road.

A timeline for the project is presented below:

1986

- Baffinland starts exploration and development on the property.

End-2012

- The Nunavut Impact Review Board (NIRB) issues Project Certificate No. 005, authorizing the construction, operation, and closure of an 18 million tonnes per year operation focused on Deposit No. 1. The project also included the development of a railway approximately 150 kilometres south to Steensby Inlet.

2013

- Mine construction begins.
- Inuit Impact and Benefit Agreement (IIBA) finalized between Baffinland and the Qikiqtani Inuit Association (QIA).
- Baffinland applies to the NIRB to amend its Project Certificate to allow for an Early Revenue Phase (ERP) operation, including the seasonal shipping of 3.5 million tonnes of iron ore from Milne Inlet on the north coast of Baffin Island.

2014

- NIRB issues an amended Project Certificate approving the ERP.
- Mining of iron ore commences.

2015

- First shipment of iron ore.

2018

- IIBA renegotiated and amended.
- Application to amend the Project Certificate to allow for an increase in production to six million tonnes per year; approved by NIRB on a time limited basis (until the end of the 2019 shipping season – since extended until the end of 2021).
- Baffinland applies to amend the Environmental Impact Statement (EIS) in order to expand operations. The proposed Phase 2 Expansion Project would involve constructing a railway from the mine to Milne Port, adding a second ore dock at the Port and increasing production to 12 million tonnes per year.

2019

- Baffinland conducts consultations for the Phase 2 permitting process.
- Memorandum of Understanding to maximize Inuit employment signed with the Government of Nunavut.
- 5.7 million tonnes of ore were stockpiled.

2020

- Baffinland and the QIA sign the Inuit Certainty Agreement.
- 6 million tonnes of ore were stockpiled.

2021

- NIRB holds technical and final public hearing(s) for the Phase 2 permitting process
- 5.3 million tonnes of ore were stockpiled.

Additional information on Baffinland's regulatory submissions and approvals can be found on the NIRB Public Registry by referencing File No. 08MN053 and Application No. 124701.

Socio-Economic Monitoring

Baffinland has been undertaking socio-economic monitoring for the Project since 2013. The socio-economic monitoring program has evolved beyond the initial framework described in the EIS ((Baffinland FEIS, 2012); Volume 4, Section 15) based on lessons learned and feedback from stakeholders. The structure and content of the socio-economic monitoring program may benefit from additional refinement; suggestions on how indicators and data sources could be improved are welcome and will be considered by Baffinland and the Project Socio-Economic Monitoring Working Group (SEMWG – see below).

Socio-economic monitoring indicators are established as part of the Project's Socio-Economic Monitoring Plan (Baffinland SEMP, 2019).

Indicators are metrics used to measure and report on the condition and trend of a Valued Socio-Economic Component (VSEC)[2], and help understand the interactions between a project and a VSEC (BCEAO, 2013)**.** Project-specific socio-economic monitoring programs in Nunavut are generally expected to focus on two areas: effects monitoring, and compliance monitoring.	
Effects monitoring	Measures the socio-economic effects of a project to determine whether management plans are working or if unexpected effects are occurring.
Compliance monitoring	Ensures that proponents follow the terms and conditions of the licences, decisions, and certificates issued by authorizing agencies (NIRB, 2013).

All the socio-economic indicators that were developed to conduct effects and compliance monitoring are tracked in this report, organized by VSEC. The full list of VSECs and indicators is provided in Appendix A.

Regular review of monitoring plans helps determine whether existing socio-economic indicators and monitoring methods remain appropriate (Vanclay, Esteves, Aucamp, & Franks, 2015). Indicators can also provide an early warning of potential adverse effects and are considered the most basic tools for analyzing change (Noble, 2015).

There are several instances where indicators have not been identified for certain topics for various reasons (e.g. monitoring is already conducted elsewhere, no residual effects were identified in the EIS, insufficient data availability). In some additional cases, other forms of issue tracking will take place (e.g. through the QSEMC process or community engagement conducted for the Project). Should new indicators be required for these topics in the future, they will be selected in consultation with the SEMWG.

Regulations and Governance

Project-related socio-economic monitoring requirements originate from the Nunavut Agreement and NIRB Project Certificate No. 005. The Nunavut Agreement is a comprehensive land claims agreement signed in 1993 between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada. As a result of signing the Nunavut Agreement, Inuit exchanged Aboriginal title to all their traditional land in the Nunavut Settlement Area for a series of rights and benefits. The Nunavut Agreement also created various 'institutions of public government', such as the NIRB, and established conditions for the review and oversight of resource development projects. Article 12, Part 7 of the Nunavut Agreement provides details on monitoring programs which may be required under a NIRB project certificate and notes the purpose of these programs shall be:

[2] Valued Components are typically referred to as Valued Ecosystem Components (VECs) and Valued Socio-Economic Components (VSECs) in Nunavut.

> a) to measure the relevant effects of projects on the ecosystemic and socio-economic environments of the Nunavut Settlement Area;
> b) to determine whether and to what extent the land or resource use in question is carried out within the predetermined terms and conditions;
> c) to provide the information base necessary for agencies to enforce terms and conditions of land or resource use approvals; and
> d) to assess the accuracy of the predictions contained in the project impact statements.

This Report includes the socio-economic indicators required for compliance under the Project Certificate No. 005. The Compliance Assessment section in Appendix A. Compliance Assessment outlines the general socio-economic requirements from Project Certificate No. 005. For more information, NIRB should be consulted.

Some Terms and Conditions included in Project Certificate No. 005 relate to Baffinland's engagement with the Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC). The QSEMC is one of three regional socio-economic monitoring committees in Nunavut. These committees were established in 2007 to address project certificate requirements for project-specific monitoring programs and to create a discussion forum and information sharing hub that supports impacted communities and interested stakeholders to take part in monitoring efforts (SEMCs, 2018). Baffinland is actively involved in the QSEMC and regularly participates in its meetings. Out of an abundance of caution, the Government of Nunavut postponed the QSEMC meeting scheduled for 2021.

The Mary River Socio-Economic Monitoring Working Group (SEMWG or Working Group) Terms of Reference (TOR) also provides guidance on Baffinland's socio-economic monitoring program. Baffinland, in addition to the Government of Nunavut, Government of Canada, and the QIA, is a member of the SEMWG. The SEMWG supports the QSEMC's regional monitoring initiatives through Project-specific socio-economic monitoring. The SEMWG also supports the fulfillment of Terms and Conditions set out in Project Certificate No. 005 that relate to socio-economic monitoring. The SEMWG TOR, which are included in Baffinland's Socio-Economic Monitoring Plan (Baffinland SEMP, 2019)[3], describe the Working Group's purpose; membership and member roles; objectives; and reporting, communication, and meeting requirements. Section 5.1 of the TOR notes that Baffinland:

> … will prepare an annual socio-economic report for the Project (the "Program Report"), which will be attached to its Annual Report submission to the NIRB. Annual Program Reports … contain data with respect to the previous calendar year (January to December) and may be presented at the Project, community, and/or regional scale of operations. The Program Report will further describe Baffinland's participation on the QSEMC, other collaborative socio-economic monitoring processes, and other relevant activities related to understanding socio-economic processes.

As stated in the TOR, collaboration is required to effectively monitor the socio-economic performance of the Project given the general mandates and roles of each member organization. Specifically, it states that:

- Baffinland is best able to collect and provide data concerning employment and training in relation to the Project;
- the Government of Nunavut and the Government of Canada are best able to report public statistics on general health and well-being, food security, demographics, and other socio-economic indicators at the community and territorial level; and,
- the QIA is best able to provide information and data related to Inuit land use and culture at the community and regional level.

[3] Baffinland worked with SEMWG members to revise the TOR in 2018 and 2019. The previous TOR was somewhat dated (December 2012) and did not fully reflect the current scope of Working Group activities. Revisions to the TOR were completed in March 2019.

Baffinland administers the Mary River SEMWG and holds regular meetings. In 2021, Baffinland engaged with the SEMWG on the Inuit Employee Survey, and to update the Socio-Economic Closure Risk Analysis. The survey and risk analysis were both updated to reflect input received by SEMWG members.

Methods

This report is intended to assess the socio-economic performance of the Project on an annual basis by tracking indicators that provide data on any changes to valued socio-economic components (VSECs).

This report generally focuses on one of four spatial scales: The Local Study Area (LSA), The North Baffin Local Study Area (North Baffin LSA), Regional Study Area (RSA), and Project scale.

Local Study Area (LSA)	The LSA includes the North Baffin point-of-hire communities of Arctic Bay, Clyde River, Sanirajak, Igloolik, and Pond Inlet, in addition to Iqaluit (which is also a point-of-hire)
North Baffin LSA	The North Baffin LSA includes the North Baffin point-of-hire communities of Arctic Bay, Clyde River, Sanirajak, Igloolik, and Pond Inlet
Regional Study Area (RSA)	The RSA includes the entire territory of Nunavut. For clarity, references to the RSA throughout the report are simply noted as Nunavut or the Territory

Following the presentation of available data, relevant management and mitigation measures are discussed and an assessment of residual effects predicted to occur in the EIS is made. Structuring the report in this manner allows predictions to be evaluated against current monitoring data and provides insight into the effectiveness of existing mitigation measures. A compliance assessment of Project Certificate Terms and Conditions relevant to the monitoring of each VSEC is also presented at the end of the report. The status of other socio-economic Terms and Conditions unrelated to monitoring is discussed in Baffinland's Annual Report to the NIRB.

Indicator trends are discussed throughout this report and describe whether an indicator has exhibited change (and the direction of that change). A 'pre-development' trend in this report refers to the five-year period preceding Project construction (2008 to 2012) which is often compared to a 'post-development' trend which refers to the period after Project construction commenced (2013 onwards). A trend 'since previous year' refers to the two most recent years for which indicator data is available. Available data and trends may then be assessed in the context of potential Project influences on the indicator(s) in question.

Residual effects may be assessed against some of the relevant EIS predictions, including direction (e.g. positive, negative) and where appropriate, magnitude. Baffinland has developed monitoring thresholds for certain indicators, but these are still undergoing review and approval. Once thresholds are formally adopted through inclusion in the SEMP and future reports, specified management actions may be triggered if annual performance is observed to exceed the threshold. For example, residual effects may be assessed against some of the relevant EIS predictions, including direction (e.g. positive, negative) and where appropriate, magnitude[4]. Furthermore, management action may be triggered if annual performance is observed to be below a monitoring threshold.

The process of socio-economic monitoring sometimes requires many years of data to effectively discern trends and causality (defining what is causing the change). Even then, some socio-economic effects are caused by a range of project and non-project factors and these may not be easy to individually measure or confirm. Baffinland's monitoring program is not intended to describe the causes of every socio-economic change that is reported. Rather, the program is intended to identify potential areas of socio-economic concern; once identified, these areas may benefit from additional examination

[4] Effect magnitude is only assessed in this report where quantitative metrics were provided in the EIS.

or a management response. More generally, successful socio-economic monitoring for the Project will require appropriate long-term data, the regular input of Project stakeholders, and a focus on continuous improvement.

Community Engagement

Baffinland's monitoring program includes topics raised through the many QSEMC sessions that have been held, as well as community engagement conducted specifically for the Project (see Appendix B. Socio-Economic Monitoring Indicators for the topics and indicators). This allows for monitoring on topics where quantitative data may not be collected, readily available, updated, or consistent, or where appropriate quantitative indicators have not yet been identified to monitor the topic. Community engagement results also support a more fulsome understanding of the effects of peoples experience with the project and socio-economic performance, and the accuracy of predictions outlined for the Project, beyond those indicators that are identified in the SEMP.

The QSEMC, which generally meets once a year to discuss monitoring results, provides one such opportunity for community-level feedback on the monitoring report. In 2021, there was no meeting of the QSEMC due to COVID-19 and the water contamination emergency in Iqaluit. As such, this year's monitoring report draws on other community engagement results.

While Baffinland's community engagement in 2021 focused heavily on its Phase 2 proposal, participants did speak to ongoing effects of the current Approved Project, including several VSECs discussed in this report. Baffinland engagement records including minutes from meetings with community organizations and local government (e.g. Hamlets, Hunters and Trappers Organizations, Community Economic Development staff), records and reports from public meetings (e.g. town halls, question and answer booth), and the NIRB Public Hearing and Community Roundtable Phase 2 Development Project Proposal hearing transcript were reviewed. These engagement records supplemented 2021 monitoring results.

1 · Employment and Livelihood

The local labour market and employment opportunities for North Baffin LSA residents

FEIS Predictions

"The Project will have a positive effect on wage employment in North Baffin by introducing new job opportunities and actively assisting local residents to access these jobs."

"The Project will have a positive effect on the ability of local residents to progress in their jobs and career choices. This effect will arise as a result of the new career paths that will be introduced to the region, from entry-level through step-by-step advancement to higher level jobs."

Key Findings

- The Mary River Project employed 2,056 full-time equivalents (FTEs), who worked 4,145,326 hours in 2021. This is 156 more FTEs than in 2020.
- The project had 245 Inuit FTEs in 2021, representing 12% of the total workforce.
    - The number of Inuit FTEs stayed relatively consistent compared to 2020, decreasing by 5 FTEs
    - As a proportion of the workforce, the number of Inuit decreased slightly to 12%, compared to 13% in 2020
    - 144 of the Inuit FTEs are based in the North Baffin LSA, and 51 are based in Iqaluit.
- The project had 255 female FTEs in 2021, representing 12% of the total workforce, an increase in both number and proportion from 2020.
- The project had 69 female Inuit FTEs in 2021, representing 28% of the total Inuit workforce.
- 67% of female Inuit employed directly by Baffinland are in semi-skilled positions, with an additional 21% in skilled positions. Comparatively, over 75% contractor female Inuit are in unskilled positions. Semi-skilled contractor female Inuit FTEs increased from 2 FTEs in 2020 to 6 FTEs in 2021. There are very few female Inuit in higher skill job categories (professional and management).
- The turnover rates for both Inuit and non-Inuit increased to 18% and 21% respectively, representing a 6% increase for Inuit and an 11% increase for non-Inuit compared to 2020.

Employment indicators: "FTE" vs. "headcount"

There are two indicators used to measure employment at Mary River: 'full time equivalent positions' (FTE), and 'headcount'.

In this report, 'full-time equivalent positions' or 'FTE' is used more often to describe the number of workers employed at Mary River. One FTE represents 2,016 hours which is the approximate time one person works on a full-time basis for a year. Therefore, the number of FTEs represents the number of people who would work at the mine site during a year if every person worked the full year in a full-time position.

Headcount, in contrast, is a simple count of the number of people employed at a given time. The headcount figures in this report are an average of quarterly headcounts of Baffinland and contractor employees (measured based on the actual number of individuals who had worked any amount of time at Mary River during the previous quarter).

Both indicators are helpful: FTE lets us know the total amount of work that was done over the past year and is a way to control for the differences in the number of hours worked by different individuals. It helps us compare the total amount of work done year by year and the amount of work done on average by Inuit, females or others.

Headcount lets us know how many people are employed overall and helps us track measures such as turnover.

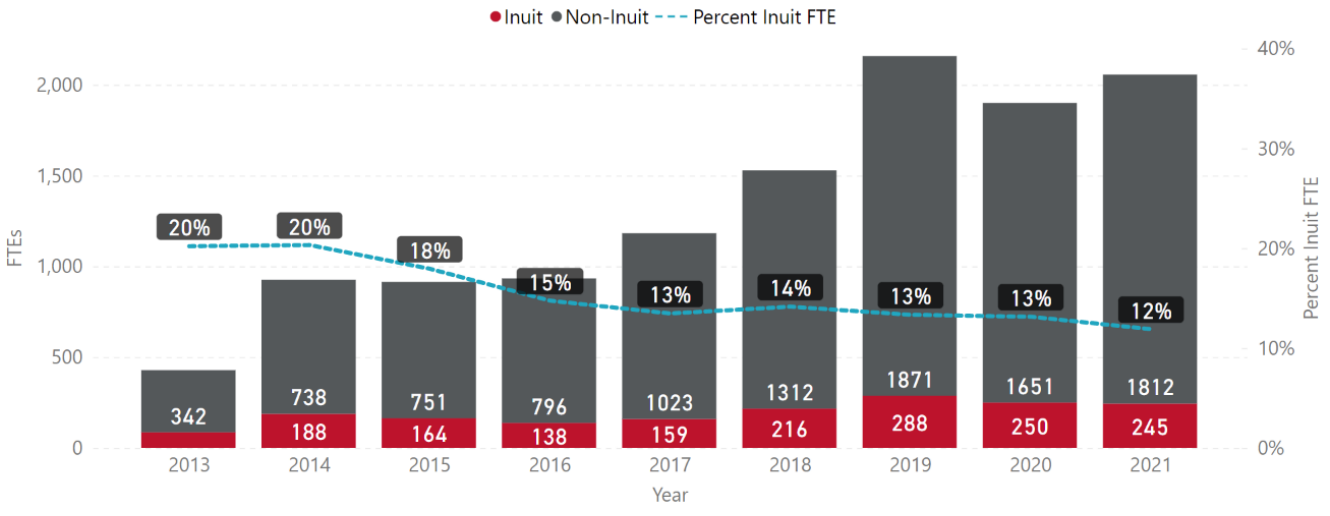
Due to **issues associated with rounding,** numbers presented – most notably with regard to FTEs – may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. This is due to presenting FTE data broken down across a number of dimensions (e.g., by community, region, Inuit status and gender). Please refer to Tables 2, 3 and 4 for the most detailed FTE data.

1.1 Mary River Inuit and LSA employment

Total Workforce

Figure 1 below presents the number of Inuit and non-Inuit full time equivalent positions (FTEs) at Mary River since 2013. This data includes all workers – Baffinland and contractor employees.

Figure 1. Baffinland and contractor employment (FTEs) by Inuit status



Source: (Baffinland, 2021)

Table 2 breaks down the total number of FTEs by Inuit and Non-Inuit and employee origin from 2019 to 2021. The total number of hours worked is presented alongside the number of FTEs it represents.

Table 2: Baffinland and contractor employment (FTEs and hours worked) by ethnicity and origin from 2019 to 2021

Employee Ethnicity & Origin	2019			2020			2021		
	FTEs	Hours Worked	% of Total	FTEs	Hours Worked	% of Total	FTEs	Hours Worked	% of Total
Inuit									
North Baffin LSA	187	377,956	9%	151	304,998	8%	144	290,479	7%
Iqaluit	59	118,307	3%	55	110,830	3%	51	102,541	2%
Other	42	83,934	2%	43	87,530	2%	50	100,111	2%
Inuit total	**288**	**580,197**	**13%**	**250**	**503,358**	**13%**	**245**	**493,131**	**12%**
Non-Inuit									
North Baffin LSA	1	1,648	-	1	2,013	0%	1	2,201	0%
Iqaluit	1	2,426	-	1	2,565	0%	1	1,820	-
Other	1,869	3,767,412	87%	1,648	3,322,898	87%	1,810	3,648,174	88%
Non-Inuit total	**1,871**	**3,771,486**	**87%**	**1,651**	**3,327,476**	**87%**	**1,812**	**3,652,195**	**88%**
Grand Total	**2,159**	**4,351,683**	**100%**	**1,900**	**3,830,834**	**100%**	**2,056**	**4,145,326**	**100%**

Source: (Baffinland, 2021) | Note: values may not add up due to rounding

Table 3 provides a detailed breakdown of FTEs by employer (Baffinland or contractor), location and ethnicity in 2021.

Table 3. Detailed Baffinland and contractor employment (FTEs) 2021[5]

Location	Baffinland			Contractor			All workers		
	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total
LSA Communities									
Arctic Bay	27	1	**28**	10	-	**10**	37	1	**38**
Clyde River	21	-	**21**	8	-	**8**	29	-	**29**
Pond Inlet	25	-	**25**	9	-	**9**	34	-	**34**
Igloolik	10	-	**10**	6	-	**6**	16	-	**16**
Iqaluit	28	1	**29**	23	-	**23**	51	1	**52**
Sanirajak	19	-	**19**	9	-	**9**	28	-	**28**
LSA total	**130**	**2**	**132**	**65**	**-**	**65**	**195**	**2**	**197**
Other Qikiqtaaluk Communities									
Cape Dorset	1	-	**1**	-	-	**-**	1	-	**1**
Kimmirut	1	-	**1**	-	-	**-**	1	-	**1**
Pangnirtung	2	-	**2**	-	-	**-**	2	-	**2**
Qikiqtarjuaq	-	-	**-**	-	-	**-**	-	-	**-**

[5] For headcount figures for Inuit communities, see Appendix C. Headcount data.

Location	Baffinland			Contractor			All workers		
	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total
Resolute	-	-	**-**	-	-	**-**	-	-	**-**
Sanikiluaq	-	-	**-**	-	-	**-**	-	-	**-**
Other Qikiqtaaluk	-	-	**-**	2	-	**2**	2	-	**2**
Other Qikiqtaaluk total	**4**	**-**	**4**	**2**	**-**	**2**	**6**	**-**	**6**
Other Nunavut									
Rankin Inlet (Kivalliq)	1	-	**1**	-	-	**-**	1	-	**1**
Unknown	-	-	**-**	1	1	**2**	1	1	**2**
Other Nunavut total	**1**	**-**	**1**	**1**	**1**	**2**	**2**	**1**	**3**
Other provinces and territories									
Alberta	-	92	**92**	1	143	**144**	1	236	**237**
British Columbia	1	40	**41**	-	43	**43**	1	83	**84**
Manitoba	2	21	**23**	-	31	**31**	3	51	**54**
New Brunswick	3	74	**77**	-	46	**46**	3	119	**122**
Newfoundland & Labrador	-	189	**189**	-	157	**157**	-	347	**347**
Northwest Territories	-	1	**1**	-	3	**3**	-	4	**4**
Nova Scotia	1	154	**155**	1	79	**80**	1	233	**234**
Ontario	19	325	**344**	7	164	**171**	26	489	**515**
Prince Edward Island	-	10	**10**	-	5	**5**	-	15	**15**
Quebec	2	57	**59**	2	82	**84**	4	139	**143**
Saskatchewan	1	27	**28**	1	21	**22**	2	49	**51**
Yukon	-	1	**1**	-	1	**1**	-	2	**2**
Other provinces and territories total	**29**	**991**	**1,020**	**12**	**775**	**787**	**41**	**1,767**	**1,808**
Other									
International	-	-	**-**	-	-	**-**	-	-	**-**
Unknown	-	-	**-**	-	43	**43**	-	43	**43**
Other total	**-**	**-**	**-**	**-**	**43**	**43**	**-**	**43**	**43**
Totals	**164**	**992**	**1157**	**80**	**819**	**899**	**245**	**1812**	**2056**

Source: (Baffinland, 2021) | Note: values may not add up due to rounding

In 2021, there were a total of 2,056 FTEs working at Mary River. This represents an 8% increase in total workforce compared to 2020, and continues the general trend of steady workforce increase seen since the Project began construction in 2013. Since the Project began operations in 2015, the workforce has more than doubled, with a total average annual workforce of 2,039 FTEs since 2019.

Baffinland direct employment remained relatively steady since 2020, increasing by 22 FTEs. Contractor total employment increased by 135 FTEs since 2020, representing 44% of the total workforce.

Impact of COVID-19 on the Workforce

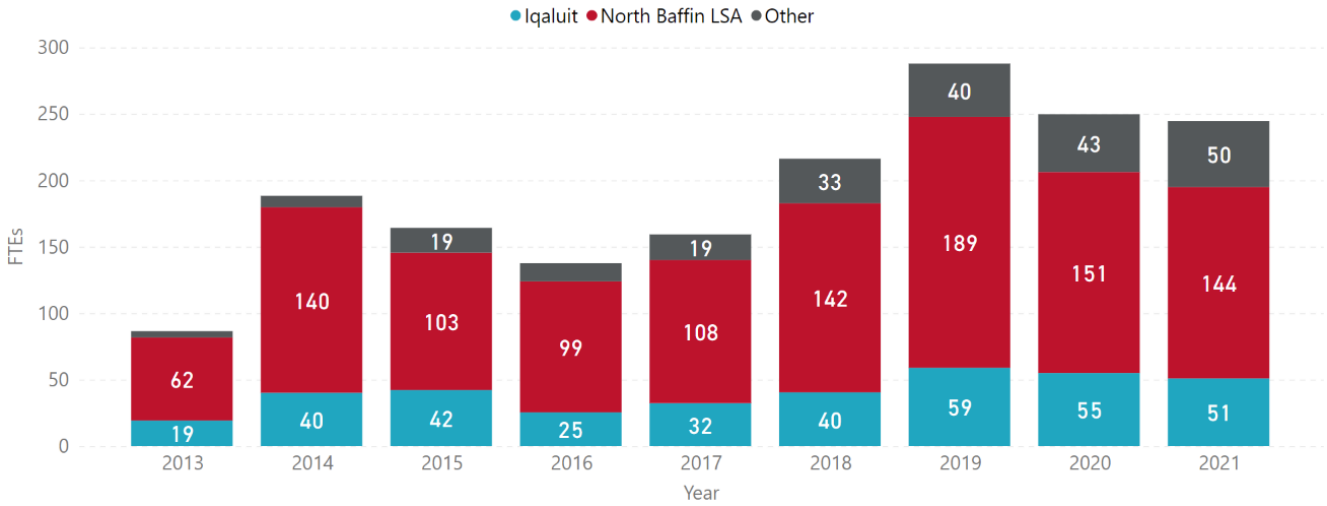
In 2021, COVID-19 continued to impact the workforce, especially the Inuit workforce. Baffinland continued to collaborate with the Government of Nunavut and Nunavut Public Health on measures to ensure worker and community health and supported Nunavummiut workers who were required to stay home due to the GN's stay-at-home policy.

- In mid-March 2020, Baffinland, following the advice of the Government of Nunavut, made the difficult decision to return Nunavummiut employees to their home communities with full compensation. This decision was made to help protect Nunavummiut employees and their communities. From April 2020 to July 2021, employees staying at home were put on standby pay rates with full group benefits (standby pay is full salary for 8-hour days/40-hour weeks, which is slightly less in terms of hours than an employee's regular rotational schedule, and does not include premiums and travel allowance).
- On May 2, 2021, Baffinland announced it had identified a cluster of presumptive positive COVID-19 cases at the Mary River project site, and as a result, on May 5, 2021, operations were temporarily suspended, and non-essential workers were demobilized from the site. The process to move back to full operational capacity began at the end of May. Following an extended period with no cases of COVID-19 on site, Nunavut Public Health lifted Baffinland's outbreak designation on July 12, 2021.
- In July 2021, Baffinland decided to gradually return Baffinland and contractor Nunavummiut employees to site. Nunavummiut were remobilized to Mary River during the week of July 26, 2021.
- On July 15, 2021, Baffinland introduced the Contractor COVID-19 Policy which requires all contractors coming to site to have one shot of a Health Canada-approved vaccine. On September 15, 2021, all Mary River employees coming to site were required to be fully vaccinated.
- In December 2021, Baffinland, following public health recommendations from the Government of Nunavut's Chief Health Officer, decided to demobilize Nunavummiut employees again temporarily to their home communities due to the aggressive spread of the Omicron variant of COVID-19 throughout Caanda and globally. As this decision took place in late December, this decision did not further impact Nunavummiut working hours in 2021.

Inuit Employment

In 2021, 245 Inuit FTEs worked at the Project, either directly or with contractors. This included 144 Inuit FTEs (59%) from North Baffin LSA communities and 51 Inuit FTEs from Iqaluit. The remainder of Inuit FTEs were residing either elsewhere in Nunavut, or in other Canadian provinces or territories, with the majority living in Ontario.

Figure 2. Baffinland and contractor Inuit employment (FTEs) by location



Source: (Baffinland, 2021) | Note: values may not add up due to rounding

From 2020 to 2021, Inuit employment by FTE stayed relatively stable; however the proportion of total workforce that is Inuit decreased slightly, from 13% to 12%, as the non-Inuit workforce increased by 10%.

The proportion of Inuit employed by contractors has dropped over the last several years, from 14% in 2019 to 9% in 2021. This effect is largely attributable to COVID-19, as Nunavummiut were unable to work at the Project site for half of 2021, and therefore contractors decreased hiring in Nunavut.

Figure 3 and Figure 4 below provide an overview of Baffinland and contractor Inuit employment (FTEs) by location of origin in 2021. In 2021, 59% of Inuit employees were based in the North Baffin LSA, with 21% of Inuit employees based in Iqaluit. Within the North Baffin LSA, most Inuit FTEs originate from the communities of Arctic Bay (37 FTEs) and Pond Inlet (34 Inuit FTEs), with Igloolik having the lowest number of Inuit FTEs (16 Inuit FTEs).

Figure 3. Baffinland and contractor Inuit FTEs by community (2021)

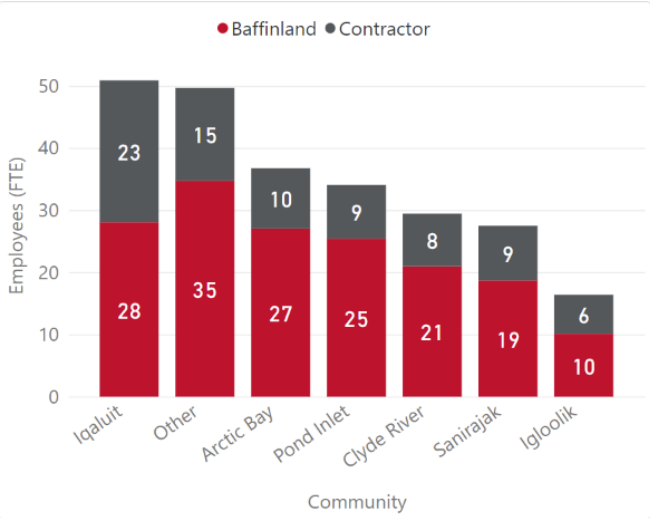
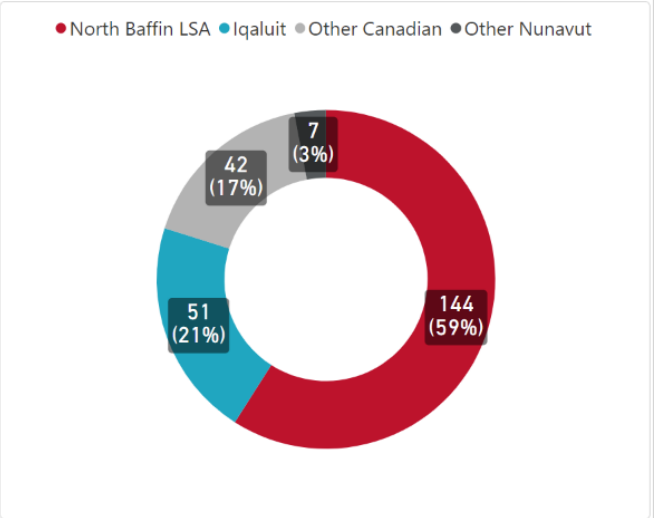


Figure 4. Baffinland and contractor Inuit FTEs by location (2021)



Source: (Baffinland, 2021) | Note: values may not add up due to rounding

The overall trend of increasing numbers of Inuit FTEs in the past five years indicates that Baffinland has been successful in recruiting and retaining Inuit LSA residents, although the challenges of COVID-19 have influenced ability to assess success over the last two years. Various factors contribute to the positive employment results.

- Corporate commitments and requirements as formalized in the 2018 IIBA, including the Minimum Inuit Employment Goals (MIEGs)
- Recruitment and retention initiatives, including: focus on recruiting Inuit from North Baffin LSA communities, supported by Community Liaison Officers and employment and training information sessions; various pre-training and on-the-job training initiatives including Work Readiness, Q-STEP and apprenticeships; and, personal and cultural supports including the Inuit Success Assurance Team (Further details and discussion on employment, training and advancement are provided in the Education and Training and section of this report.)
- Regular flight access from LSA communities directly to the Project site as well as the relative proximity of the communities to the Project
- Strong wages and benefits and an industry-attractive rotation schedule

In 2021, Baffinland also commenced efforts to engage with existing contractors in developing Contractor Inuit Content Plans (CICPs), in order to support increasing Inuit contractor employment. At the end of 2021, 12 CICPs were submitted to Baffinland and QIA from contractors with the expectation that these plans will improve Inuit contractor employment in 2022 and beyond.

The Project has been successful at attracting Inuit from the Qiqiqtaaluk region. The large number of Baffinland and contractor employees from outside of Nunavut is in part attributed to a skills gap within the territory, including workforce skills that Baffinland commonly uses, and mining employers' growing demand for workers with higher levels of education (Impact Economics, 2018; MIHR, 2016; Mining Industry Human Resources Council (MiHR), 2020). This applies to Inuit as well as non-Inuit as half of the management and professional Inuit employees (five of ten) currently working at the Project live outside of Nunavut, while overall, Nunavut Inuit represent 82% of the Project Inuit workforce.

The Inuit workforce from LSA communities has strong potential to grow as Project activities and labour demands increase, and as the Project's efforts to achieve and surpass MIEGs increase. However, while the Mary River project requires a range of technical and non-technical skill sets, the Project's labour demand is anticipated to continue to exceed LSA Inuit labour supply over the entire life of the Project (Impact Economics, 2018).

Residual effect	Creation of Jobs in the LSA
Summary	Baffinland predicted the Project would have a positive effect on wage employment in the LSA by introducing new job opportunities and assisting local residents to access these jobs. During the Early Revenue Phase (ERP) operations, the Project was predicted to generate a total labour demand of approximately 0.9 million hours per year. Note: the demand predicted for the ERP is based on a 3 million tonnes per year operation, while the current operation is 6 million tonnes per year.
Existing management / mitigation	• Designation of all LSA communities as points of-hire • Provisions within the Mary River IIBA (i.e. priority Inuit hiring)
Monitoring results	The Project generated 4,145,326 hours of labour in 2021, much greater than the 900,000 predicted for the ERP.

Residual effect	Employment of LSA Residents
Summary	Baffinland predicted the Project would have a positive effect on wage employment in the LSA by introducing new job opportunities and assisting local residents to access these jobs. More specifically, Baffinland predicted the Project would have a high magnitude effect (i.e. 5%+ change in baseline labour) on local employment. The Project was predicted to result in the employment of an estimated 300 LSA residents each year. These residents would supply approximately 342,000 hours of labour to the Project, of which 230,000 hours would be provided by North Baffin LSA residents.
Existing management / mitigation	• Management commitments and Company policies related to Inuit employment and retention, including commitments made in the IIBA • Designation of all LSA communities as points of-hire • Training-to-employment programs such as Baffinland's Apprenticeship Program, Morrisburg HEO Training Program, Inuit Internship Program, and Work Ready Program • Hiring of Inuit Recruiters • Creation of a supportive work environment (e.g. EFAP, Cultural Advisors, Human Resource Advisors – Inuit Relations, introduction of Inuit Success Assurance team, on-site cultural initiatives) • Contractor employment initiatives (e.g. Contrator Inuit Content Plans (CICP))
Monitoring results	In 2021, the Project continued to generate substantial wage employment for LSA residents. The generation of 274,493 employment hours for North Baffin LSA Inuit is greater than the EIS prediction of 230,000 hours, while the 103,860 hours in Iqaluit is less than the 112,000 hours predicted in the EIS. Combined, the 378,353 hours for the LSA is greater than the predicted 342,000 hours.

1.2 Mary River employment by gender

Female participation in the Canadian mining industry is typically low compared to overall labour force participation, representing between 12% and 19% of the Canadian mining workforce over the last five years (MIHR, 2021). Indigenous women are also less likely than non-Indigenous women to be employed in Canada (Arriagada, 2016).

Figure 5 and Figure 6 outline the number of Inuit and non-Inuit FTEs by gender from 2013 to 2021.

Figure 5. Baffinland and contractor Inuit FTEs by gender

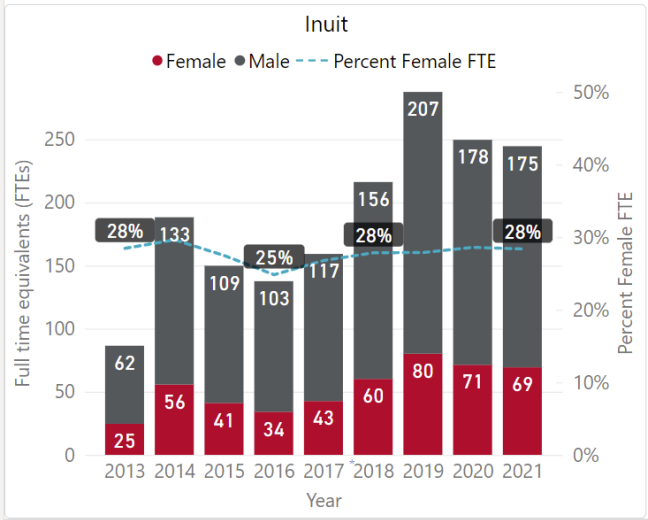
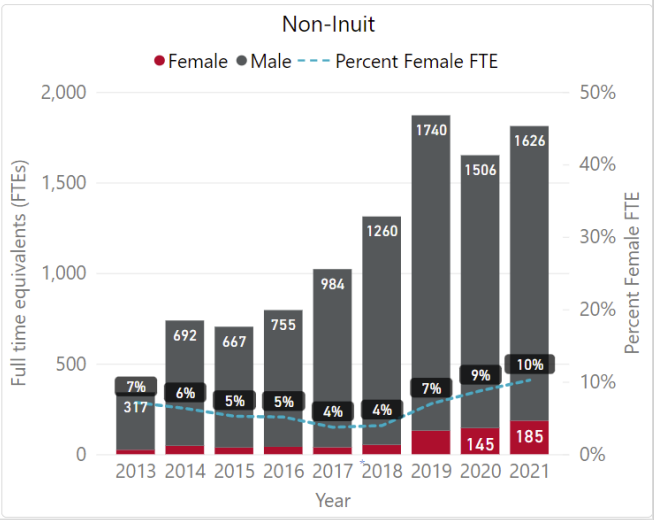


Figure 6. Baffinland and contractor non-Inuit FTEs by gender



Source: (Baffinland, 2021) | Note: values may not add up due to rounding

Table 4 provides additional detail on FTEs and hours worked by gender and ethnicity from 2019 to 2021.

Table 4. Baffinland and contractor FTEs and hours worked by gender and ethnicity (2019 – 2021)

	2019			2020			2021		
	Hours Worked	**FTE**	**% of 2019 Total**	**Hours Worked**	**FTE**	**% of 2020 Total**	**Hours Worked**	**FTE**	**% of 2021 Total**
Inuit									
Male	418,190	207	9.6%	359,447	178	9.4%	353,242	175	8.5%
Female	161,635	80	3.7%	143,911	71	3.8%	139,889	69	3.4%
Non-Inuit									
Male	3,508,642	1,740	80.6%	3,035,971	1506	79.3%	3,278,734	1626	79.1%
Female	262,844	130	6.1%	291,505	145	7.6%	373,462	185	9.0%
All ethnicities									
Male	3,926,832	1,948	90.2%	3,395,418	1684	88.6%	3,631,975	1802	87.6%
Female	424,479	211	9.8%	435,416	216	11.4%	513,351	255	12.4%
Total	**4,351,683**	**2,159**	**100.0%**	**3,830,834**	**1900**	**100%**	**4,145,326**	**2056**	**100%**

Source: (Baffinland, 2021) | Note: values may not add up due to rounding

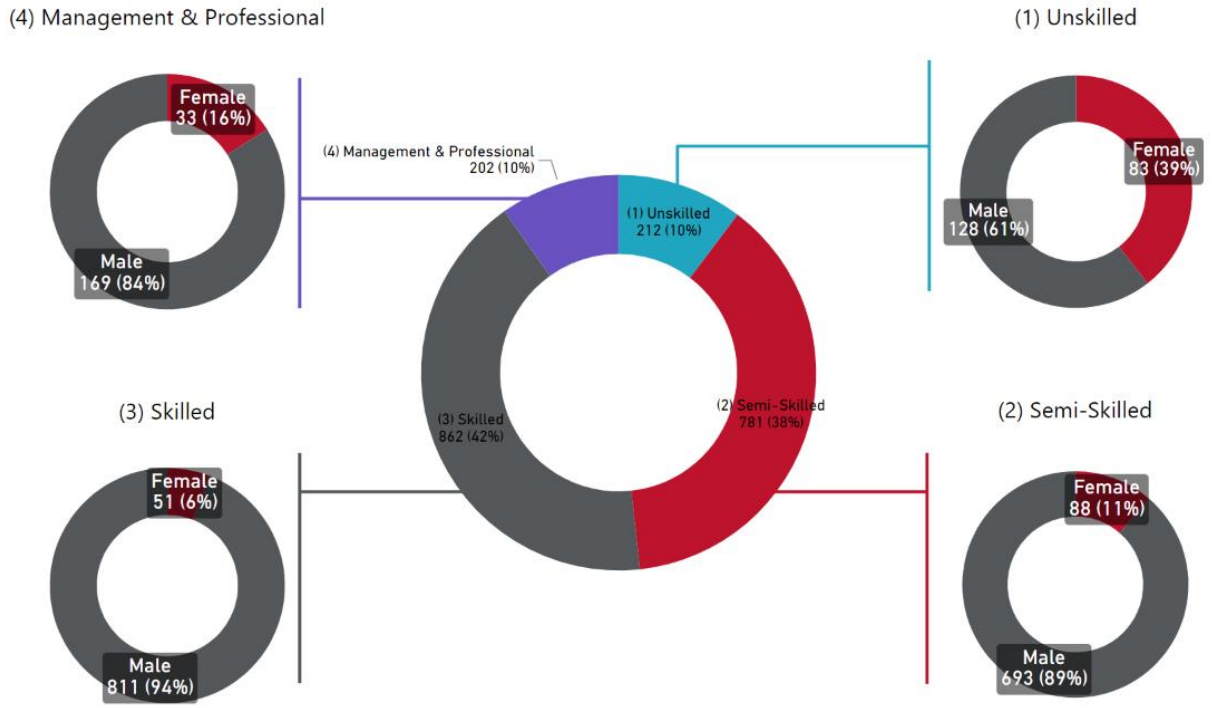
In 2021, there were a total of 255 female FTEs, representing 12% of the total workforce, up by 39 FTEs (11%) in 2020. This is part of a longer trend of increased female FTEs, which has more than doubled since 2018 (112 FTEs). This trend is attributed to an increase in non-Inuit female workers, who made up 9% of the total workforce in 2021, compared to 6% in 2019.

The number of Inuit female Baffinland employees, and contractors has decreased slightly since 2019. However, Inuit female workers as a proportion of the total workforce has remained relatively consistent, representing around 3-4% of the total workforce, and 28% of the total Inuit workforce, over the last 3 years. In 2020-2021, the QIA reported that 40% of trainees in Q-STEP's Heavy Equipment Operator program were female, and 41% of trainees in Q-STEP's Work Readiness program were women, suggesting women may be experiencing barriers either within or beyond the pre-employment training step (Qikiqtani Inuit Association, 2020-2021).

According to the 2020 Qikiqtani Labour Market analysis, though women in relevant occupations represented almost half of the Qikiqtani labour force in relevant occupations in 2019, they represent only 14% of the unemployed labour, suggesting a tight labour supply (Mining Industry Human Resources Council (MiHR), 2020). Though there is opportunity to increase female employment at Mary River, the study suggests that the emphasis should be on attracting women into occupations that are relevant to mining, especially as women are relatively absent from production occupations, which is Baffinland's most in-demand occupational category.

Figure 7 shows the breakdown of Inuit and non-Inuit Baffinland employee and contractor FTEs in 2021, by skill level and gender.

Figure 7. Baffinland and contractor employment (FTEs) by skill level and gender (2021)



Source: (Baffinland, 2021)

In 2021, female proportional representation was highest at the unskilled level, with 83 FTEs (39%) compared to 128 male FTEs, and the management and professional level, with 33 FTEs (16%) compared to 169 male FTEs. Within semi-skilled and skilled levels, females represented just 11% of semi-skilled FTEs and 6% of skilled FTEs.

Though Baffinland female employees and contractor female employees make up a similar proportion of the total workforce (3.5% and 3.4%, respectively), there is a notable difference in the type of work done by female Inuit workers employed by Baffinland and those employed by contractors. The majority (67%) of female Inuit employed directly by Baffinland are in semi-skilled positions, with an additional 21% in skilled positions. Comparatively, over 75% contractor female Inuit are in unskilled positions. Though female Inuit employed by contractors in the semi-skilled level is still lower than Baffinland's, semi-skilled contractor female Inuit FTEs has increased since 2020, from 2 FTEs to 6 FTEs.

Table 5: Female Inuit FTEs by skill level and as a percentage of the total Project workforce (2021)

Skill Level	**Baffinland**		**Contractor**		**Total**	
	Female Inuit FTEs	Female Inuit as a % of total FTEs (Inuit and non-Inuit)	Female Inuit FTEs	Female Inuit as a % of total FTEs (Inuit and non-Inuit)	Female Inuit FTEs	Female Inuit as a % of total FTEs (Inuit and non-Inuit)
Management	1	0.1%	0	0%	1	0.0%
Professional	1	0.1%	0	0%	1	0.1%
Skilled	8	0.7%	1	0.1%	8	0.4%
Semi-Skilled	26	2.2%	6	0.7%	32	1.5%
Unskilled	3	0.3%	23	2.6%	27	1.3%
Total	**39**	**3.4%**	**30**	**3.3%**	**69**	**3.4%**

Source: (Baffinland, 2021) | Note: values may not add up due to rounding

Access to adequate childcare is frequently cited as an issue for some individuals in Nunavut and can act as a barrier to employment for women in general, and particularly in relation to rotational work (Pauktuutit, Czyzewski, Tester, Aaruaq,

& Blangy, 2014; Paukuutit). Comments on the lack of childcare in LSA communities have been made previously by Project stakeholders and can be found in previous SEMRs (Aglu Consulting; Stratos Inc.).

To further increase Inuit female employment and retention at the Project, Baffinland collaboratively developed goals, priorities, and measures with the QIA in the Inuit Human Resources Strategy and through the 2018 renegotiation of the IIBA. Article 7.17 of the IIBA, for instance, requires Baffinland to implement human resource policies that ensure equal access to employment for Inuit men and women, and Article 11.5 highlights affirmative steps to take for attracting female employees.

One initiative started in 2020 was an on-site **Inuit Women Advisory Committee**, with membership from all communities and all contractors. The Committee will provide advice and suggestions on effective methods of reducing barriers for Inuit and female employees. The Committee did not meet in 2021 due to COVID-19 restrictions, however, will be re-engaged in 2022.

The growth in total female FTEs working at the Project, as well as the growth in the proportional representation of the non-Inuit female workforce, indicates that the Project has had some success in attracting more women into Project employment.

1.3 Employee turnover

Employee turnover and departure data ('turnover' includes resignation, layoff, termination, end of contract, and retirement) provides an indication of employment stability, which is valuable to the individual, the LSA and Baffinland. Comparatively speaking, the mining industry is broadly recognised as having a high turnover rate of 10%, with half of the turnover representing terminations and layoffs, and the remainder comprised of voluntary turnover and retirement (MIHR, 2019). However, remote mining operations such as Mary River are known to experience even higher turnover. High rates of employee turnover are not unique to Baffinland and have been an issue for other Nunavut-based organizations including the Government of Nunavut and other mining operations.

Figure 8 and Figure 9 present Baffinland employee turnover rate and departures since 2015. Employee turnover rates for 2013-2015 are not provided due to differences in how employee numbers and departures were previously calculated by Baffinland. Turnover rate is calculated by dividing the total number of departures in a calendar year by the average headcount over the same period.

Figure 8. Baffinland employee turnover rate (Inuit and non-Inuit, headcount)

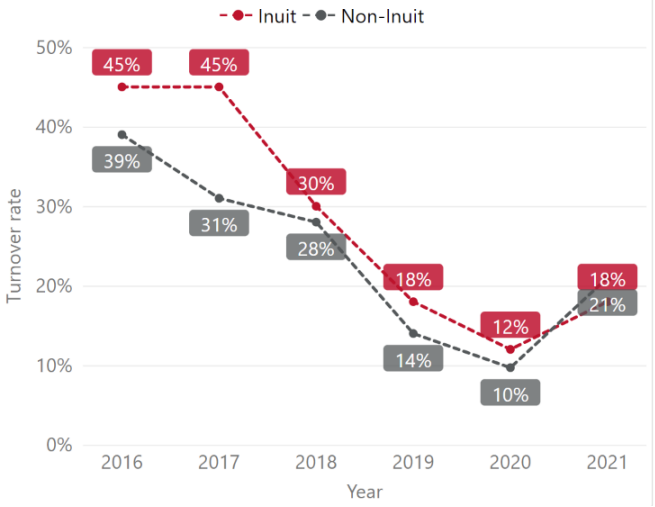
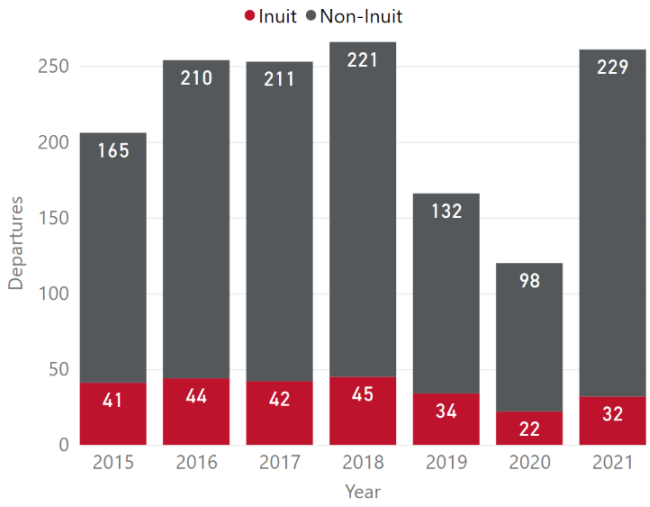


Figure 9. Baffinland employee departures (Inuit and non-Inuit, headcount)



Source: (Baffinland, 2021)

The turnover rate for both Inuit and non-Inuit has shown a steady decline in the past three to four years. In 2020, Inuit and non-Inuit turnover rates reached 12% and 10% respectively, which can be at least partly attributed to Inuit employees being placed on standby and remaining off site for much of 2020 due to COVID-19.

In 2021, however, turnover rates for both Inuit and non-Inuit increased to 18% and 21% respectively, representing a 6% increase for Inuit and an 11% increase for non-Inuit compared to 2020. Reasons Inuit employees cited for resigning in 2021 included accepting another position and/or a position closer to home, family issues, childcare issues, and health issues. Resignations related to COVID, including concerns related to COVID-19 outbreaks and requirement to be vaccinated, also occurred. Most (72%) of Inuit employee resignations occurred between July to December, during the period of time Inuit employees were in the process of returning, or had already returned, to work. With respect to employee dismissal or involuntary terminations, common reasons for Inuit turnover included performance issues. Baffinland continues to monitor employee turnover causes and outcomes and has committed to reducing turnover and increasing Inuit employment as the Project advances.

It is difficult to draw conclusions on from the turnover data in a 2020 and 2021, given the range of COVID-19-related factors that could have directly or indirectly led to employee voluntary resignations for both Inuit and non-Inuit (see **Impact of COVID-19 on the Workforce** in Section 1.1). Prior to 2020, the improved turnover was attributed to potential drivers such competitive compensation, as well as Baffinland IIBA initiatives and the Inuit Human Resources Strategy, that included:

- instituting a mid-probationary review program to evaluate new employee performance and identify potential issues;
- consideration of alternative rotational schedules better aligned with familial and community activities;
- implementing ground transportation to airports in all communities according to rotational schedules;
- placing greater emphasis upon cultural awareness training and cultural activities;
- providing formalized support systems for Inuit employees;
- implementing effective employee concern and workplace conditions review processes; and,
- the introduction of the Inuit Success Assurance team.

In 2018, Baffinland began tracking the rehiring of Inuit at the Project. A rehire is an employee who departed the Project workforce voluntarily or involuntarily and was rehired as an employee of Baffinland. This data does not include rehiring that may have been carried out by contractors. In 2021, 12 Inuit were rehired by Baffinland (compared to 18 in 2019 and 22 in 2018). For someone to be rehired there must be a position open. The smaller numbers of rehires in 2020 (0) and

2021 (12) is attributed to COVID-19, as Nunavummiut employees were not able to work at the Project sites until mid-way through 2021.

2 · Education and Training

Education and skills attainment among youth and adults through investments and employment

FEIS Predictions

"Positive residual effects on life skills amongst youth and adults are anticipated to arise from the Project through access to industrial work in a context that is supported through pre-employment preparation and on-the-job training."

"The Project will have significant beneficial residual effects on education and skills across the LSA. Some potential that individuals may drop out of school or forego further education in order to pursue work at the Project is recognized. However, the overall effect of the Project will be to increase the value of education and thereby the "opportunity cost" of dropping out of school."

Key Findings

- The Project supported school-based initiatives in 2021 through its ongoing donations including laptop donations (61 in 2021), as well as specific IIBA commitments annual scholarship fund (5 recipients in 2021), and contributions to school lunch programs.
- Graduation rates steadily declined in the Qikiqtani region from 2009 to 2014 but have risen quickly since then. School attendance rates in the North Baffin LSA region have not changed considerably over time or compared to the rest of Qikiqtani. Many factors affect school attendance and graduation rates, and the data does not suggest a significant effect of the Project.
- In 2021, the average hours of training for Inuit workers has rebounded significantly, to 135 hours per Inuit FTE – 12% lower than in 2019, but over double what was seen in 2020. The increase in average hours of training for Inuit workers in 2021 compared to 2020 is due to the transition of some training programs to be delivered in the communities, resuming Work Ready training, as well as Nunavummiut returning to work in July 2021.
- Nine Inuit were promoted in 2021, an increase from five promotions in 2020. Career Path discussions with 87 Inuit employees indicated that 55% of employees were interested in advancement, either through post-secondary education or within the company. Barriers to advancement identified by employees included financial constraints and understanding available opportunities. Potential solutions included Baffinland providing assistance to employees through guidance to potential funding, resume building, and information on options and opportunities.
- In general, Inuit represent a progressively smaller proportion of the workforce at higher skill level positions, with 4-5% of skilled, management and professional positions filled by Inuit. Inuit represented 38% of workers in unskilled positions, compared to 45% in 2020, likely due contractors hiring non-Nunavummiut when COVID-19 travel restrictions were in place during the first half of the year. At other skill levels, Inuit representation stayed relatively consistent compared to 2020.

2.1 Investments in school-based initiatives

Table 6 provides an overview of school-based initiatives supported by Baffinland from 2017 to 2021.

Table 6. Investments in school-based initiatives (2017 – 2021)

Program	Description	2017	2018	2019**	2020	2021
Laptop donations	Laptops donated to secondary school graduates	63 laptops	38 laptops	54 laptops	60 laptops	61 laptops

	in the North Baffin LSA communities					
Annual scholarship fund	Per Article 8.8 of the IIBA, Baffinland continues to contribute to an annual scholarship fund ($5,000 per recipient)	(5 recipients) *	$50,000 (5 recipients) *	$35,000 (7 recipients)	$25,000 (5 recipients)	$25,000 (5 recipients)
School Lunch Program	Per Article 7.21 of the IIBA, School Lunch program in the North Baffin LSA	-	*-----$300,000 / year budgeted-----*			$193,343 (3 communities)
School Breakfast Program	Caribou meat donation for the school breakfast program in the Hamlet of Arctic Bay				In-kind	
Nunavut Arctic College donations	Donations to Nunavut Arctic College Programs and graduations		$25,000	$5,000	-	

Source: (Baffinland, 2021) | *2017 scholarships funds provided in 2018 due to administrative oversight ** in 2019 laptops were also donated to the communities of Grise Fiord and Resolute Bay

The Project supported school-based initiatives in 2021 through its ongoing donations program, as well as specific IIBA commitments. These initiatives seek to support educational success and encourage youth to stay in school.

In October 2021, Baffinland sponsored and organized its first youth forum, "Towards a Bright Future for Youth in North Baffin". The forum, which took place in Pond Inlet, provided a venue to discuss aspirations and challenges faced in the daily lives of youth in the region. Elders were invited to speak at the event to share perspective and sivuniksamut inuusiqattiarniq ammalu parnangniq ("looking forward to the future and to have a good life and prepare"). Baffinland intends to sponsor additional youth forums in 2022. Additionally, Baffinland has been working with Mining Matters to explore delivering Mining Matters sessions in all affected communities. Furthermore, Baffinland has engaged with Skills Canada Nunavut in an effort to both support the program and engage with students.

Secondary school graduates in the North Baffin LSA communities have received donated laptops from Baffinland since 2007 as part of a broader incentive program to encourage and motivate youth to complete their high school education and pursue post-secondary education. In 2021, a total of 61 laptops were provided to graduates in the five North Baffin LSA communities.

Baffinland continued contributing to an annual scholarship fund for Nunavut Inuit (with priority given to applications from the North Baffin LSA communities). Five scholarships totalling $25,000 were awarded to LSA residents in 2021. Since 2014, Baffinland has cumulatively awarded $220,000 in scholarships to 44 recipients.

$300,000 is made available for the North Baffin LSA School Lunch Program annually. In 2021, over $190,000 was distributed as part of this program to schools in three communities. Baffinland continued to solicit proposals throughout the year from all LSA communities but did not receive proposals from many communities. The COVID-19 pandemic may have limited the ability of some communities to submit proposals due to other priorities.

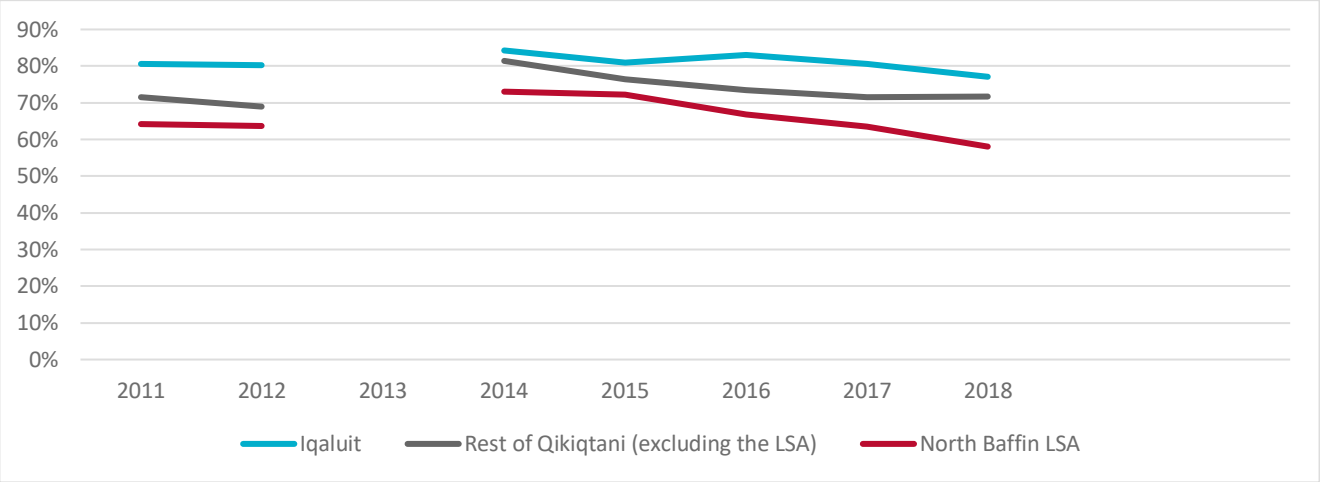
2.2 Secondary school success

Graduating from high school has a large impact on an individual's future employment prospects. The 2020 Qikiqtani Labour Market Analysis reported that adults with at least a high school diploma had a significantly higher labour force participation rate (73%) that those without (50%) (Mining Industry Human Resources Council (MiHR), 2020). Attendance is a strong predictor of future graduation rates.

Estimated school attendance rates for all Qikiqtani schools (including all grades K-12) are provided in Figure 10, based on various Government of Nunavut data sets. North Baffin LSA attendance rates are consistently lower than Iqaluit or the rest of the Qikiqtani and have trended slightly down since 2014. With the higher levels of Project employment in the

North Baffin LSA compared to the rest of Qikiqtani, one may expect a positive effect on attendance rates as the project employment has positive effects on the community and as students and their families see and experience the employment opportunities that come with a high diploma. However, it is also recognized that a wide range of factors affect school attendance beyond family income and employment prospects. In general, attendance rates move in the same direction in all areas of Qikiqtani, and the three areas maintain their rate relative to each other over time. At this time, and based on the available data (2017-2018 school year data is the last available), one can not discern a positive or negative effect of the Project on school attendance in the North Baffin LSA or the Region.

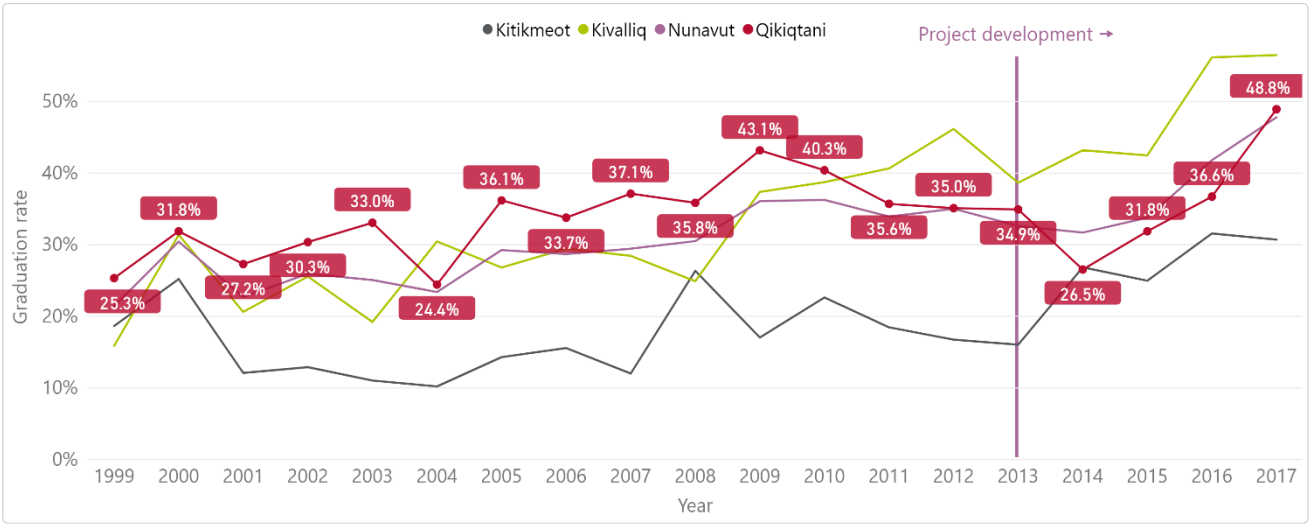
Figure 10. Estimated Qikiqtani School Attendance Rates



Source: GN Dept of Education Annual Reports, 2010-2012, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018. Based on average school attendance rates per region. No disaggregated attendance results were available for 2013

The latest high school graduation data available are from 2017. Figure 11 shows three trends in graduation rates in the 21st century in Nunavut. Initially there was a gradual increase in both Qikiqtani Region and Nunavut until around 2009, followed by a six-year, 17% decrease in Qikiqtani graduation rates. It is unclear what caused this decline in graduation rates from around 2009 to 2014. Since the low point in 2014, the Qikiqtani graduation rate has risen rapidly, up to nearly 50% in 2017.

Figure 11. Secondary school graduation rate by region



Source: (Nunavut Bureau of Statistics (NBS), 2019d)

Table 7 shows the number of secondary school graduates for the North Baffin LSA and Iqaluit for three periods of time. The average number of graduates declines in both the North Baffin LSA and Iqaluit during the post-development period.

Table 7. Number of Secondary School Graduates (averages for selected periods)

Period	North Baffin LSA		Iqaluit	
	Average graduates	Change from previous period	Average graduates	Change from previous period
2003 - 2007	34	-	32	-
Pre-Development Period (2008 – 2012)	45	+11	42	+10
Post-Development Period (2013 – 2017)	43	-2	42	0

Source: (Nunavut Bureau of Statistics (NBS), 2018)

At present, it is difficult to determine whether Baffinland is having any direct effects on graduation rates in the Region due to the many factors that influence graduation rates and lack of a comparable. While Qikiqtani saw a 14% increase in graduation rates following Project development, this is similar to the increases in the other Regions. Kitikmeot also experienced a similar decline in graduation rates from 2009-2013. The fact that graduation rate trends in different Regions tend to follow similar paths would indicate that Territory-wide factors are having the greatest effect.

Encouraging educational attainment in the North Baffin LSA

Baffinland's Inuit Human Resources Strategy (IHRS) includes goals and initiatives to increase Inuit employment at the Project over time, including providing ongoing incentives for youth to complete high school. Some of the commitments contained in the IHRS include:

- Maintain the existing Baffinland scholarship and laptop donation programs, and review scholarship award criteria to encourage student participation in programs with high employment opportunities in the mining sector;
- Work with secondary and post-secondary educational institutions through participation in school fairs, youth forums and similar events, and conduct site field trips and visits to encourage consideration of careers in mining;
- Provide career information to guidance counsellors in the secondary school system;
- Review/develop polices and procedures for summer internship, mentoring, and co-operative education work and study programs;
- Work with educational institutions to understand and address barriers to greater youth involvement; and
- Monitor and report on the results of IHRS initiatives through quarterly and annual IIBA implementation reports, and the Project's socio-economic monitoring report.

A 2021 study exploring the determinants of secondary school and post-secondary education success for Nunavut students found that a multi-faceted support system consisting of teachers, family members, and the community as a whole is important to secondary school success (Sallaffie, 2021). The study also indicated that financial support from government programs was not sufficient and that this was a barrier to completing post-secondary programs. Baffinland's initiatives to encourage educational attainment include ones that involve the larger community (e.g. youth forums) and that augment financial support for students (e.g. laptop donations, scholarships).

The EIS predicted the Project would provide incentives related to school attendance and success in the LSA, including the potential for employment with the Project, access to scholarships, and laptop donations. As a significant source of employment in Qikiqtani, Baffinland may be having a positive direct or indirect effect on youth's perception of future employment potential and subsequent willingness to stay in school. Baffinland employment may also contribute to role-modelling behaviour in communities.

If the Project is having an effect on school attendance and graduation rates, it would likely be most obvious in the families of employees, however community level data on this does not currently exist.

Residual effect	Incentives Related to School Attendance and Success
Summary	The EIS predicted the Project would have a positive effect on education and skills development across the LSA by providing incentives related to school attendance and success. While there is some potential that individuals may drop out of school or forego further education to work at the Project, the overall effect of the Project will be to increase the value of education and thereby the 'opportunity cost' of dropping out of school.
Existing mitigation	• The establishment of a minimum age (i.e. 18) for Baffinland employment • Priority hiring for Inuit • Investments in school-based initiatives (e.g. laptop donations, scholarships, school lunch programs) • Inuit Internship Program • Summer student employment • Measures included in the IIBA to enhance Inuit employment, training, and skills development at the Project.
Monitoring results	Through the provision of jobs and training opportunities and through contributions to food programs, scholarships, and educational tools (laptops), Baffinland continues to offer incentives and supports for students. In the 2020 Inuit Employee Survey, only one person reported having dropped out of an academic program to start work with Baffinland. While higher educational attainment generally increases opportunities to obtain jobs at higher skill levels (i.e. skilled, professional, management), Baffinland provides extensive training and upskilling opportunities. Based on available government attendance and graduation data the effect of the Project on these indicators is unclear.

2.3 Recruitment and career support

Baffinland and QIA finalized the IHRS in 2017, required through provisions under the IIBA (Article 7.11, 2013). The IHRS includes goals and initiatives to increase Inuit employment at the Project over time. The IHRS contains eight strategic directions that will assist Baffinland with meeting its Inuit employment objectives:

- strengthen stakeholder collaboration,
- engage and develop Inuit employees (current and potential),
- workforce readiness,
- Inuit recruitment and hiring,
- gender balance,
- students and youth,
- Inuit employee retention and advancement, and
- continuing improvement.

In terms of recruitment, in addition to Baffinland Community Liaison Officers (BCLOs), Baffinland put in place an Iqaluit-based Inuit recruitment specialist in 2019. Jobs are posted in communities and online, employment and training information sessions are held in LSA communities to communicate and promote opportunities, and pre-employment medicals are delivered in communities. Recruitment efforts also included resume-sharing between Baffinland and contractors.

In 2019 Baffinland introduced the **Inuit Success Assurance Team**. This team delivers Work Ready training on-site and in the North Baffin communities and works with operations leaders and Inuit employees to enhance career success,

retention and advancement. They also support the delivery of the Adult Basic Education Program and Management and Advanced Skills Training Program. The team offers communications in both English and Inuktitut. Activities in 2021 included:

- one-on-one contact and discussions and follow up with all Inuit employees;
- contractor engagement to replicate Baffinland's approach to Inuit employee engagement and career progression;
- career guidance and progression mentorship with students and interns; and,
- engaging students and interns who are often exploring career possibilities and are seeking guidance and mentorship.

Unfortunately, some members of the Inuit Success Assurance Team were impacted by travel restrictions as a result of COVID-19 during the first half of 2021. Two members of the team living in Southern Canada were not impacted by travel restrictions and have continued to complete rotations at site, working to support various departments and business initiatives. Additionally, two Inuit Success Team members working from Iqaluit are supporting Q-Step training and community visits. Table 8 below provides additional recruitment initiatives and resources in place at Baffinland in 2021.

Table 8: List of additional recruitment initiatives and resources

Initiative	Description	2021 update
Employment and Training Information Sessions	Supports development of basic employment skills relevant to employment with Baffinland and other employers and industries. As per Article 8.12 of the IIBA.	Due to travel restrictions created by COVID-19, in June 2021, Baffinland and QIA conducted Employment and Training radio shows in each of the five impacted communities to provide information on employment and training, with an opportunity for a question-and-answer period during the show. In-person Employment and Training sessions are tentatively planned for early 2022.
Inuit Recruitment Specialist	A recruitment specialist was put in place in 2019. Based in Iqaluit, they communicate with applicants to support recruitment efforts. In November 2021,	As of November 2021, the recruitment specialist position in Iqaluit was vacant. An additional Inuit recruitment intern, based in Pond Inlet, was hired in October 2021.
Baffinland Community Liaison Officer (BCLO)	There is one BCLO in every LSA community. BCLOs assist with recruitment initiatives, and often are a source for community members to access computers and technology when required.	

2.4 Workforce training

Table 9 presents the number of Inuit participants over time in four programs offered by Baffinland.

Table 9. Inuit involvement in advancement programs (2015 – 2021)

Program	2015	2016	2017	2018	2019	2020	2021
Work Ready Program graduates (community-based)	-	-	-	59	99	54	62

On-Site Work Ready Program Graduates	-	-	-	-	16	10[6]	-
Pre-trades program graduates / entrance exams passed	-	-	-	9	8	-	10/7
Active apprenticeships	4	1	1	9	16	16	12
Summer students hired	-	-	-	4	7	-	2
Inuit internship program participants	-	-	-	-	8	8	2

Source: (Baffinland, 2021) | Note: *2020 On-Site Work Ready Program Graduates has been corrected since it was originally reported in the 2020 SEMR.

During 2020, many of the above programs experienced impacts due to COVID-19. During 2020 and 2021, the Baffinland and QIA Q-STEP teams were able to successfully transition training programs to be able to be delivered within the community. A summary of the status of program delivery in 2020 and 2021 is as follows:

- The decrease in the community-based Work Ready Program graduates seen in 2020 was due to COVID-19. In 2021, the 40-hour program was offered both in-person and virtually, with a total of 14 sessions delivered in 2021 across the LSA communities and Ottawa.
- The On-Site Work Ready Program did not operate in 2021. This program is planned to resume in 2022.
- In 2021, the Pre-Trades Training was provided in the communities. The training is offered in partnership with QIA and Nunavut Arctic College.
- The summer student program did not run in 2020. In 2021, Baffinland was able to hire 2 summer students as shipping monitors.
- The decrease in the Inuit internship program participants was due to COVID-19 travel restrictions, as short-listed candidates were based in Nunavut and interested in on-site positions.

Figure 12 below shows the total number of training hours completed by Baffinland and contractor workers, broken down by Inuit and non-Inuit. Figure 13 shows the average number of training hours per FTE. The increase seen in training in 2018 and 2019 likely reflects the commitments made by Baffinland to Inuit training through the IIBA, including the Inuit Human Resources Strategy and Q-STEP.

In 2020, the average hours of training for Inuit workers dropped significantly, from approximately 155 in 2018-2019 down to 58 in 2020[7], due to the cancellation and disruption of many training programs because of the COVID-19 pandemic. The average number of training hours for non-Inuit, who make up most of the non-Nunavut based workforce, increased from less than 30 in 2018-2019 up to 55 in 2020, likely due to the need to provide additional training to new contractors brought in to address the labour gap due to Nunavummiut being unable to work on site. In 2021, the average hours of training for Inuit workers has rebounded significantly, to 135 hours per Inuit FTE – 12% lower than in 2019, but over two times what was seen in 2020. The increase in average hours of training for Inuit workers in 2021 compared to 2020 is due to the transition of some training programs to be delivered in the communities, resuming Work Ready training, as well as Nunavummiut returning to work in July 2021.

[6] 2020 On-Site Work Ready Program Graduates has been corrected since it was originally reported in the 2020 SEMR

[7] 2020 Inuit training data shown in Figures 12 ad 13 have been corrected since the publication of the 2020 Socio-Economic Monitoring Report. Previously reported data did not include some training that was delivered in the communities, such as Work Ready training.

Figure 12. Baffinland and contractor training hours by Inuit status (2013 – 2021)

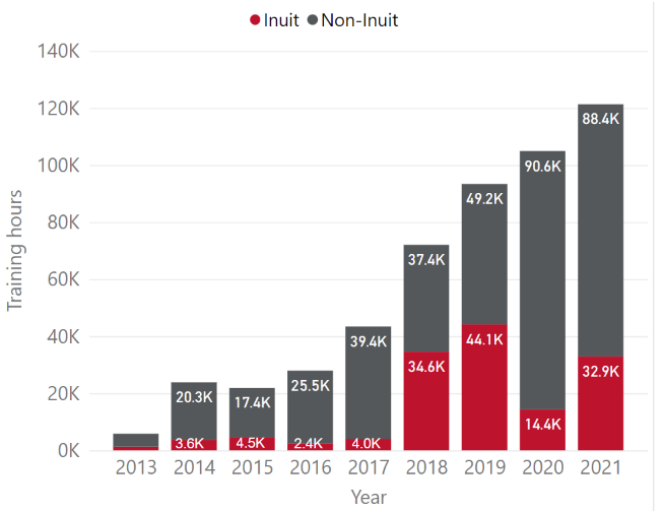
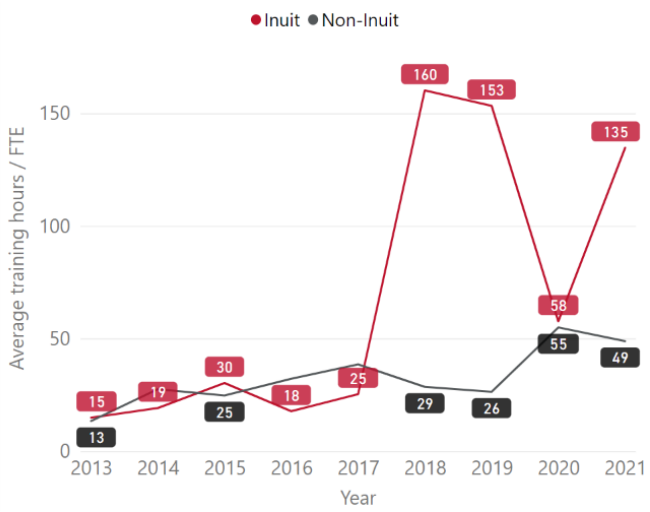


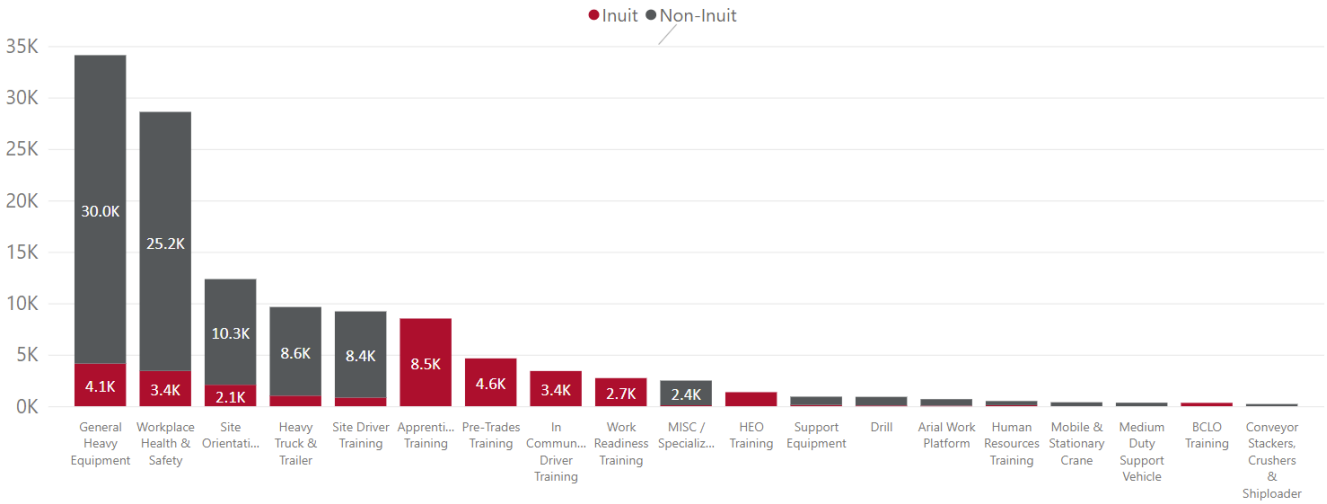
Figure 13. Baffinland and contractor average training hours / FTE by Inuit status (2013 – 2021)



Source: (Baffinland, 2021) | Note: 2020 training data has been corrected since publication of 2020 Socio-Economic Monitoring Report

Figure 14 shows the types and hours of training provided to Inuit and non-Inuit employees and contractors, which includes pre-employment, mandatory and job-specific training.

Figure 14: Types and hours of training provided (2021)



Source: (Baffinland, 2021) | note: 1k signifies 1,000 hours

Note that the driver training (Class 3, 5, and 7) was offered to community members as well as employees and potential employees.

Table 10: List of Training Initiatives

Name of initiative	Description	2021 results
Workplace Literacy	Two representatives of the Nunavut Literacy Council were on site for a week in January 2020 in the first of three site visits to complete a workplace literacy needs study. Representatives met with key departmental management and created an advisory committee. A second visit was planned for March 2020 but was postponed due to COVID-19. The visit will be rescheduled, and the assessment will continue as planned.	Workplace literacy needs study initiated but project put on hold due to COVID-19.

Name of initiative	Description	2021 results
Adult Basic Education	Baffinland has engaged Nunavut Arctic College on Adult Basic Education, and the Pathway to Adult Secondary School Diploma (PASS) program. Nunavut Arctic College will work with Baffinland to make targeted Adult Basic Education available to a minimum of 5 participants per community per rotation. This training will be designed to meet the needs identified by the participants and could include preparing participants to progress to the PASS program. The training is a combined 31 weeks of training, in the community and distance-learning.	Baffinland has been advertising Adult Basic Education and the Pathway to Adult Secondary School programs since mid-December 2020, through 2021. At the end of 2021, Baffinland received interest and registered 4 PASS candidates.
Pathway to Adult Secondary School Diploma (PASS) program	The Pathway to Adult Secondary School Diploma Program is designed for participants that want to achieve their high school diploma. Nunavut Arctic College will work with Baffinland to make this available to all employees as well as community members. The training is tailored to each invidual and their aspirations and can be short (i.e. one semester) or longer (i.e. multiple years), depending on the candidate.	
Work Ready Program (community-based)	Five-day training program in LSA communities and Ottawa, with the following areas: Self Awareness, Introduction to Mining, Essential Skills for the Workplace, Money Management, and Preparing for Fly-In, Fly-Out. The program was first developed in 2017 in partnership with the Mining Industry Human Resources Council (MIHR), and revised based on participant feedback in 2019. In 2020, this program incorporated the pilot program Tuttarvik 101, and an online format was rolled out, in addition to in-person training.	62 graduates in 2021, up from 54 in 2020. In 2021, improvements were made to the program, including more focus on essential job skills (e.g. resume writing and interview skills), and enhanced inclusion and emphasis on traditional knowledge and skills.
On-site Work Readiness Program	In 2019 Baffinland expanded the Work Readiness Program to include an on-site component of training. The program provides participants from LSA communities opportunity to spend seven days at site, including job shadowing five entry level positions at the mine with both Baffinland and contractors. Participants then express their interest in any of the roles, and where possible, interviews were conducted. This program was postponed in 2020 due to COVID-19 restrictions.	No participants in 2021, compared to 10 in 2020. On-site Work Readiness has been on hold since Q3 2020 due to COVID-19.
Q-STEP	Baffinland and the Qikiqtani Inuit Association (QIA) as well as the government of Nunavut, Kakivak Association and the Government of Canada have partnered in the $19 million Qikiqtani Skills and Training for Employment Partnership (Q-STEP) training program, the objective of which is to provide Inuit with skills and qualifications to meet the employment needs of the Mary River Project as well as other employment opportunities in the region. Training under the Q-STEP program includes work readiness programs as well as targeted training programs directed at apprenticeships, skills development, and formal certification in heavy equipment operation. The Qikiqtani Skills and Training for Employment Partnership has proven to be the most successful employment and training program currently offered at Baffinland.	The Q-STEP Charter from Employment and Service Development Canada was scheduled to end on March 31st, 2021. However, due to COVID-19, access to the remaining funding of the program was extended until March 31st, 2022. The Q-STEP teams at Baffinland and QIA have been able to secure additional funding to supplement existing training budget for the 2022 year, and are seeking third party funding to ensure that this successful training program can continue into the future.
Heavy Equipment Operator (HEO) training	Baffinland, the QIA and Employment and Service Development Canada continued to support the Q-STEP Heavy Equipment Operator Program in Morrisburg, Ontario.	Normal annual intake to the training program is 36 trainees. The Heavy Equipment Operator (HEO) training was put on hold in 2020 due to COVID-19 restrictions. The program briefly

Name of initiative	Description	2021 results
	The Heavy Equipment Operator (HEO) program, which takes place over the course of 6 weeks, provides the essentials of safety, equipment characteristics, operating techniques, transportation and pre-operational inspections that apply to heavy equipment. Candidates are trained on haul trucks, loaders, and skid steers. Graduate Trainees are offered employment as trainees.	resumed when travel restrictions were lifted in September, a total of 6 trainees graduating in 2021. Due to resurgence of COVID-19 cases, the training was placed on hold again in late December 2021.
Driver Training	Starting end of 2020, the Baffinland and QIA Q-STEP team developed a contract with the Nunavut Municipal Training Organization (MTO) to deliver driver training in all five impacted communities. Certified driver training is offered for Class 7 (Nunavut Learner's Permit), Class 5 (restricted Nunavut Driver's License), and Class 3 (Heavy Truck with Air Brake). Class 5 and Class 3 training includes time in the vehicles to build knowledge and skills.	Training was offered in all five impacted communities in 2021, with 117 total participants.
Pre-Trades Program	Baffinland started a Pre-Trades Program in partnership with QIA and Nunavut Arctic College to support the Apprenticeship Program and prepare trades assistants for the Trades Entrance Exam by gaining a foundation in the physical sciences and improving their English and Math skills. Candidates who have successfully completed their six-month term and subsequent Trades Entrance Exam are offered full-time, permanent apprenticeship positions with Baffinland.	This program, which was originally offered on site, was offered in the communities of Pond Inlet, Arctic Bay and Iqaluit in 2021. Of the 16 participants, 10 graduates the pre-trades program, going on to challenge the Trades Entrance Exam. 7 participants passed their Trades Entrance exam in 2021.
Apprenticeship	Participants of the Apprenticeship Program, initially launched in 2017, join Baffinland as trades assistants for six months and participate in job shadowing activities to learn about the trade and Baffinland's operations.	12 active apprenticeships in 2021, a decrease in 4 apprentices compared to 2020.
Summer students	Baffinland makes summer employment opportunities available to Inuit students as per IIBA Article 7.19.	2 summer students were hired as shipping monitors in 2021
Internships	Per IIBA Article 7.20, Baffinland developed and operated an Inuit Internship Program related to the disciplines of: Finance, Information Technology, Procurement, Organizational Effectiveness, Sustainable Development, and Human Resources. This program will operate for a minimum of ten years and will offer a minimum of four internship positions per year.	2 internships in 2021, a decrease of 6 compared to 2020.
Exploration Training	Two training programs held by the Exploration team for their Inuit employees. These training programs included the Nunavut Prospector Program and the Geophysical Survey Assistant Training.	These training programs totaled 32 training hours for Inuit employees in 2021.
Pond Inlet heavy equipment simulator program	Nuna East applied and was approved for funding under the IIBA Education and Training Fund (ETF) to deploy CAT equipment simulators to Pond Inlet to offer simulator training. Once underway, the simulator training program will allow Nuna East to prepare Inuit directly for in-machine training at the Mary River site, including as direct Baffinland employees if opportunities arise.	The simulators were shipped on the 2019 sealift, however implementation progress has been impacted by COVID-19 restrictions.
Pre-Employment Security Services Training Program	QIL submitted a proposal for the Pre-Employment Security Services Training Program to Baffinland and QIA Employment Committee for their consideration under the IIBA Education and Training Fund (ETF). This program teaches the responsibilities and obligations one will typically encounter in various security roles. It has been designed in a way to reflect territorial	This program has been approved. However, its implementation is on hold – QIL has been unable to launch the program due to COVID-19.

Name of initiative	Description	2021 results
	operations while taking into consideration potential cultural barriers that one may experience while providing services in the north.	

Source: (Baffinland, 2021)

Other training programs include:

- orientation,
- equipment operation knowledge,
- on the job training,
- safety training,
- Worker's Safety and Compensation Commission (WSCC) certification, and
- leadership training and coaching.

Q-STEP and transitioning training to be delivered within the communities

Baffinland and QIA secured funding through Employment and Social Development Canada's (ESDC) Skills and Partnership Fund for the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) training program. Q-STEP is a four-year initiative undertaken by QIA in close partnership with Baffinland to provide Inuit with skills and qualifications to meet Project-related employment needs as well as other employment opportunities in the region. The program includes community-based and site-based work readiness training, apprenticeship training, skills development, supervisor training, and formal certification in heavy equipment operation. The total value of the program is $19 million, with the Government of Canada providing $7.9 million, Baffinland $9.4 million of in-kind support, and Kakivak Association up to $1.6 million of in-kind support. The Government of Nunavut also provides operational support to Q-STEP.

In 2020 and 2021, the Q-STEP teams dedicated considerable effort to deliver two trainings, normally offered on site, within the communities:

- Pre-Trades Training: at the end of 2020, negotiations were completed with vendors, advertising was launched, and applications for the college assessments began. The training, which is being offered by Nunavut Arctic College, will prepare participants to write the trades entrance exams and qualify them to become apprentices.
- Driver's Training: normally offered on site without formal certification (i.e. employees are only licensed to drive on site), Class 3, 5 and 7 training was offered in all the five communities. The training, which is contracted through the Nunavut Municipal Training Organization (MTO), provides valid drivers' licenses, meaning that training is more transferable than that which was provided on site. This training is also not restricted to employees and contractors and is offered to interested community members.

It is likely that the training initiatives delivered by Baffinland, both pre-employment and during employment, have resulted in a greater amount of formal training received by the broader LSA labour force. Baffinland and contractor Inuit employees also receive 'informal' training and skills development opportunities, through working with co-workers, job shadowing, and the process of everyday work experience.

While there are a number of training opportunities available, there is evidence that additional training is desired from Inuit employees, as recorded through responses to the Inuit Employee Survey in 2020. As noted in Table 10, Baffinland is undertaking work to increase, improve, and expand training in many of these areas. It is also expected that the Inuit Mobility Strategy, which include Career Path discussions with all Inuit employees, will support refinements to Baffinland's training programs inline with employee needs.

Table 11: Suggested additional trainings from Inuit Employee Survey (2020)

Education or Training Program	Number of Responses
Financial management	30
Literacy and numeracy	8
Training to prepare for a different job at the mine	47
Traditional skills	21
Other	22

Source: (Baffinland (survey), 2020)

Residual effect	Improved Life Skills Among Young Adults
Summary	The EIS predicted positive effects on life skills development among young adults in the LSA would arise from the Project. This would occur primarily through access to industrial work supported by pre-employment preparation and on-the-job training.
Existing mitigation	• Pre-employment training (e.g. community-based Work Ready Program, on-site Work Ready Program) • Educational programming (e.g. adult basic education, PASS, Pre-Trades program) • On-the-job formal and informal training (e.g. Apprenticeship program, job shadowing) • Creation of a supportive work environment • A no drugs/no alcohol policy on site • Inuit Internship Program • Summer student employment • Community Counsellor Program, access to on-site Cultural Advisors, and has increased its delivery of Inuit cultural programming on site
Monitoring results	Life skills are developed through training and employment, both of which have been made more accessible in significantly larger quantities since the development of the Mine. Work Ready and Pre-employment training programs both include content on general life skills (basic financial literacy, personal and career reflection, and planning) and have been delivered to adults, including young adults, in the LSA. 2021 data include 62 graduates from the Work Ready Program, 245 Inuit FTEs, and 32,974 hours of training completed by Inuit employees. Since Project development, there have been 497 graduates of Baffinland pre-employment training programs, 2,211,927 hours have been worked by LSA residents, and 141,989[8] hours of training have been provided to Inuit employees. Beyond the training participation and employment numbers, there is some evidence that life skills are being developed through training programs and employment. • In 2021, 8 Inuit graduates of the Work Readiness Program gained employment at the Mine. • There has been a total of 68 promotions of Inuit employees since 2014. • Turnover has dropped from 45% to 18% in the past five years. Taken together, these data indicate that training and other supports for employment and advancement are having a positive effect through increased hiring, retention and promotion of Inuit. Young adults are among those who have participated and benefitted from training, but an age-based breakdown is not currently available. This will be required to reach a more definitive conclusion about the predicted residual effect.

[8] The cumulative hours of training provided to Inuit was reported in error as 150,000 hours in the 2020 report.

Residual effect	Opportunities to Gain Skills
Summary	The EIS predicted the Project would have a positive effect on education and skills development by providing opportunities for training and skills acquisition among LSA residents.
Existing mitigation	• Provision of various training programs • Upgrading and career development opportunities • Career counselling to employees • Measures included in the IIBA to enhance Inuit employment, training, and skills development at the Project • Commitment to contribute $10 million toward the Baffinland Inuit Training Centre
Monitoring results	In 2021, Baffinland continued providing training and skills development opportunities to Inuit. This included 32,974 hours of training for Inuit in dozens of training programs. 12 Inuit apprentices were also employed by Baffinland and 2 participants in the Inuit internship program. A total of over 140,000 hours of training have been provided to Inuit since Project development. The extensive training initiatives delivered by Baffinland have likely resulted in a greater amount of training received by the broader LSA workforce compared to what they might have undertaken in its absence. The tangible results of that training are evident through the increasing number of LSA Inuit employed with the mine and the promotions of Inuit employees.

2.5 Employee education and pre-Mary River employment status

Baffinland regularly administers a voluntary Inuit Employee Survey that informs the Socio-Economic Monitoring Report, including this section. The most recent survey was administered by Baffinland in September/October 2020. This section relies on data from the survey and is therefore largely consistent with the 2020 Socio-Economic Monitoring Report.

Inuit Employee Survey

In September and October 2020, the Inuit Employee survey was administered at Mary River and within the communities. The following describes the methodology used in administering the survey:

- On site, a six-week administration period was used in order to accommodate Inuit employee shift changes associated with a 28-day rotation implemented due to COVID-19 precautions.
- In the community, survey administration mostly occurred over a two-week period from September 8-22, 2020 and was led by a team of Baffinland Community Liaison Officers (BCLOs) and Northern Affairs staff.
- Both site- and community-based survey locations were utilized in order to address challenges associated with accessing employees during COVID-19.
- At the time of survey administration, all Nunavut-resident employees had been placed on paid administrative leave in their home communities. However, non-Nunavut resident employees and employees of contractors (both Inuit and non-Inuit) were still permitted to work at the Project via fly-in/fly-out rotations. Multiple survey locations were thus required to engage the largest number of Inuit Project employees possible.
- Various health and safety protocols were utilized by Baffinland during in-community survey administration to manage transmission risks associated with COVID-19 (e.g. use of local survey administrators only, physical distancing, mask wearing, hand washing and enhanced cleaning measures, and options for contactless survey drop-off).

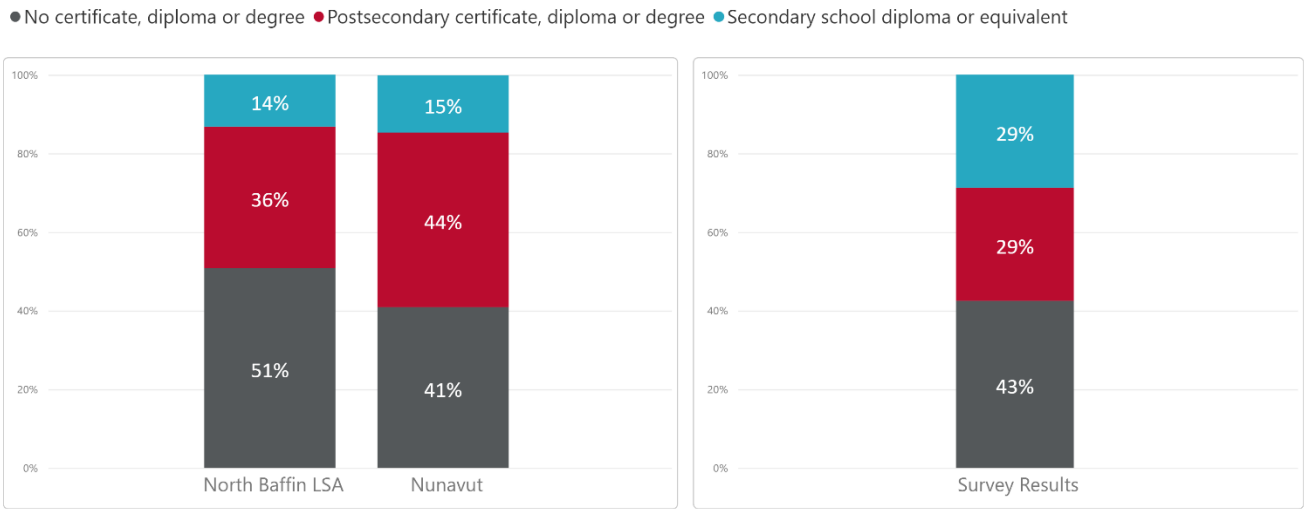
The 2020 Inuit Employee survey resulted in 82 surveys completed, with a 32.5% response rate.

Baffinland intended to administer the Inuit Employee Survey following Inuit employees' return to work end of July 2021 and worked with Socio-Economic Monitoring Working Group (MRSEMWG) on survey question updates in the fall of 2021. However, due to a number of factors including the onset of the Omicron variant in December, Baffinland was not able to administer the Inuit Employee in 2021.

Education Level of Baffinland Inuit Employees

Figure 15 presents survey results relating to the highest level of education obtained by Baffinland and contractor Inuit employee survey respondents, as well as the 2016 census results of the highest level of education obtained by Nunavut and North Baffin LSA residents.

Figure 15: Educational attainment in the North Baffin LSA, Nunavut (2016) and the Inuit workforce (2020)



Sources: (Statistics Canada, 2017) (left two bars) | (Baffinland (survey), 2020) (rightmost bar)

Comparing Project Inuit workers with the broader North Baffin LSA and Nunavut populations yields the following observations:

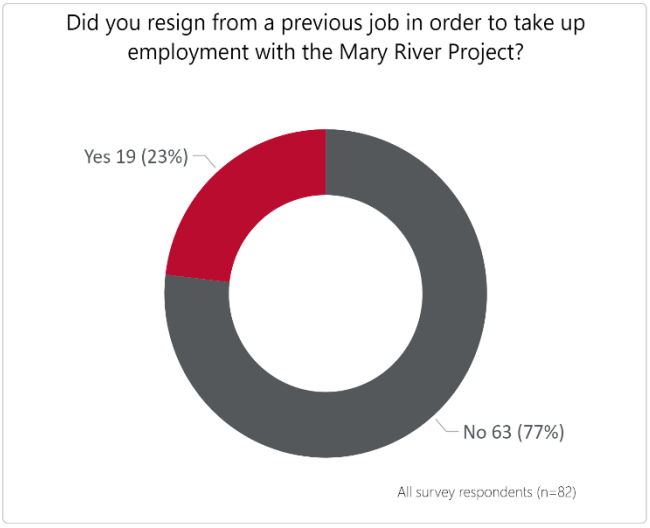
- A smaller proportion of Baffinland Inuit employees have post-secondary education compared to Nunavut and the North Baffin LSA.
- A greater proportion of Baffinland Inuit workers tend to have a secondary school diploma.
- The proportion of Inuit employees that have not completed any formal education is the same as the Nunavut population but lower than the North Baffin LSA.

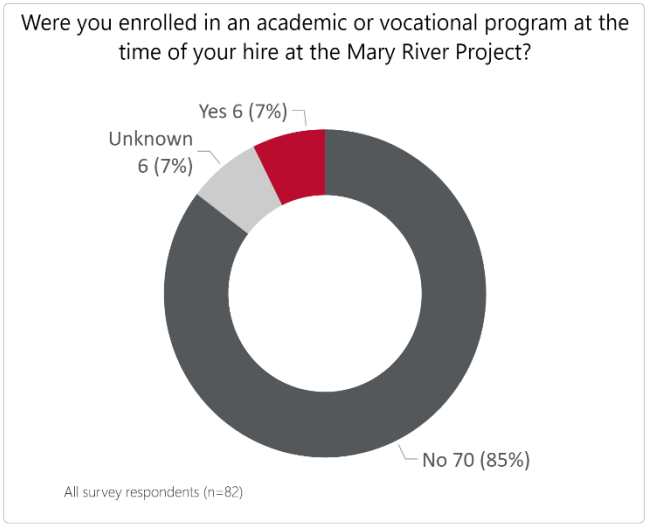
These results do not represent the entire Inuit workforce, as the Survey did not include all Inuit employees. However, the results align with the skill levels of Baffinland Inuit workers (see Section 2.7). Taken together, these results confirm that the Project has a larger proportion of Inuit working in semi-skilled roles (e.g. secondary school graduates) and significantly lower numbers of workers with post-secondary education compared to the North Baffin LSA and Nunavut populations.

Pre-Employment Activities of Baffinland Inuit Employees

Figure 16 summarizes survey results relating to the employment and academic status of Baffinland and contractor Inuit employees prior to their employment at Mary River. 23% of Inuit employees reported having resigned from a previous job to join Baffinland.

Figure 16. Inuit employee academic and employment status pre-Mary River employment





Of the 19 employees who answered yes, respondents noted a previous employment status of casual (2); part-time (3); full-time (13) and unknown (1).

Of the 6 employees who answered yes, only one of them suspended or discontinued their education because they were hired to work at Mary River.

Source: (Baffinland (survey), 2020)

Inuit working at Baffinland generally did not quit their schooling for the job, with only one respondent reporting leaving an academic program in 2020. Past years have had similar results. In 2017, 2018 and 2019, 0%, 3% and 0% of survey respondents report suspending their education as a result of being hired to work at the Project.

There is some evidence that Baffinland's hiring is pulling from Qikiqtani organizations: some of the management / professional or skilled-level workers that resigned from hamlet and government organizations included a community outreach worker, medical coordinator, project coordinator, and a program officer.

However, these results would need to be balanced with the number of Inuit who leave jobs at Baffinland to rejoin other Nunavut organizations, potentially including territorial, regional or hamlet government or services. Without tracking the

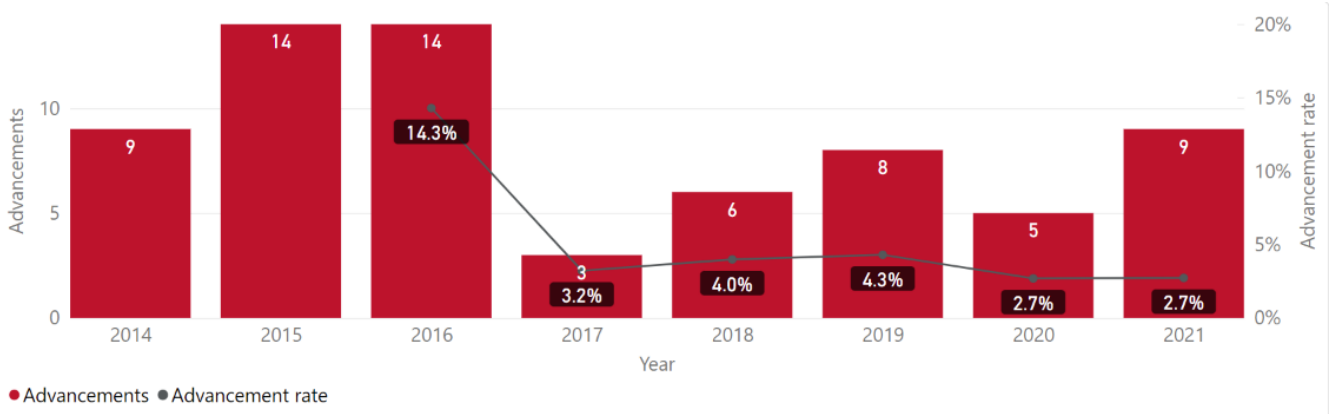
flow of employees in both directions – data which is not currently available – it is not possible to determine the nature of the Project's effect on the Inuit turnover at other Nunavut organizations.

2.6 Employee advancement

The Project was predicted to have a positive effect on the ability of local residents to progress in their jobs and career choices. Career advancement requires an actively supportive environment, career planning and skills development. Advancements or promotions also depend on available openings.

Figure 17 presents Baffinland Inuit employee promotions by year, including the number promotions and promotion rate (% of total number of Inuit employees). There have been 68 promotions of Inuit employees since 2014.

Figure 17. Baffinland Inuit employee advancements: number and rate (% of Baffinland Inuit employees receiving a promotion)



Source: (Baffinland, 2021)

Following a relatively high number and rate of promotions from 2014 to 2016 (>14% in 2016), the promotion rate in the last years five has ranged from 2.7% to 4.3% based on 3 to 9 promotions per year. It is necessary to wait for normal operating conditions to resume before assessing further trends.

In 2019 Baffinland struck the **Career Path Working Group** with QIA, tasked with creating career path plans for each Inuit employee. In 2021, the Inuit Success Assurance team conducted 87 career path discussions with Inuit employees. During these conversations they discussed the employee's current role, how things were going and what other opportunities might interest the employee. During these discussions, the following information was gathered regarding Inuit employees' interests in advancement:

- 15% of employees expressed interest in post-secondary education, 40% wanted to pursue advancement within the company, and the remainder were happy with their current position.
- For those who expressed interest in post-secondary education, there was interest in finance, computer administration, and Red Seal certification.
- Barriers to advancement identified included financial constraints and living costs, as well as understanding what is available, and the path to pursue promotion.
- Potential solutions to barriers included Baffinland providing assistance in accessing potential funding sources, assistance with resume building, and guidance on options and opportunities.

The Inuit Assurance Team plans to continue career path discussions in 2022 to reach all Inuit employees.

Residual effect	New Career Paths
Summary	The EIS predicted the Project would have a positive effect on the ability of LSA residents to progress in their jobs and careers. This effect would occur because of new career paths introduced to the region, from entry-level through step-by-step advancement to higher-level jobs.
Existing mitigation	• Management commitments and Company policies related to Inuit employment and retention, including commitments made in the IIBA • Training-to-employment programs such as Baffinland's Apprenticeship Program, Morrisburg HEO Training Program, Inuit Internship Program, and Work Ready Program • Career support and advancement initiatives, including career path development plans for every Inuk employee and career paths for each Baffinland department • A 'Lines of Progression Policy' and Career Path Working Group • Creation of a supportive work environment (e.g. EFAP, Cultural Advisors, Human Resource Advisors – Inuit Relations, introduction of Inuit Success Assurance team, on-site cultural initiatives)
Monitoring results	In general, the Project introduces new jobs and associated career paths to the region and currently Inuit employees occupy positions in all four skill level categories, though fewer proportionally in higher skill categories. The 68 promotions of Inuit workers since 2014 (including 9 in 2021) represent a positive effect of the Project with respect to career progress. Considering the expansion of the overall North Baffin LSA workforce as a result of the Project and the limited number of other career opportunities in the Region, it is assumed this extent of career advancement would not have occurred in the absence of the Project. 32 Inuit workers departed the Project in 2021 for multiple reasons. The specific impacts on their career paths (e.g. employment elsewhere building on Baffinland experience, unemployment) are unknown and would need to be compared to alternatives in the region.

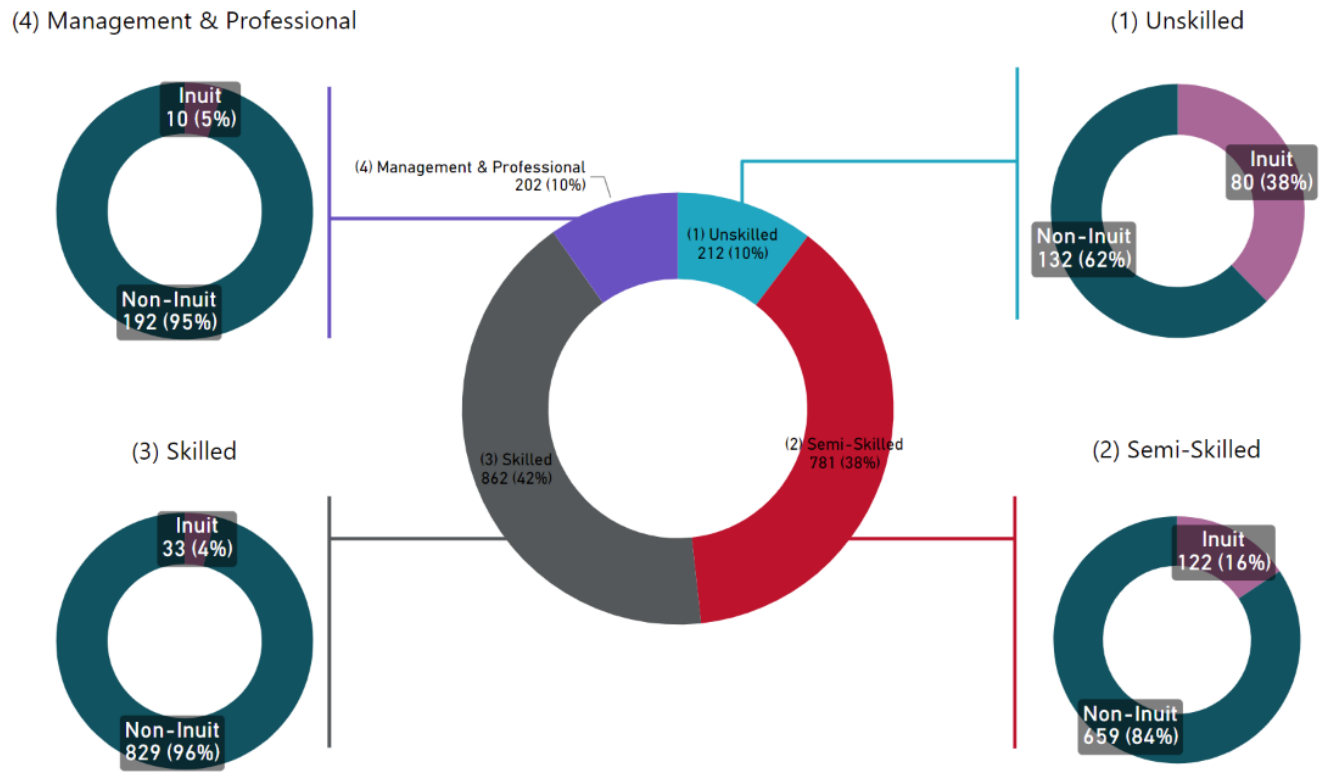
2.7 Inuit employment by skill level

Tracking the percentage of Inuit employed at four main skill level categories over time provides an indication of the success of Baffinland's efforts to build the capacity and advance Inuit through the workforce.

Figure 18 below shows the overall distribution in 2021 of Baffinland and contractor FTEs across the four skill levels (central circle figure) as well as the proportion of Inuit and non-Inuit within each skill level (surrounding circle figures). The skill levels are based on the National Occupational Classification (NOC) system, which defines five main skill levels (Government of Canada, n.d.):

- Skill Type 0 (management jobs) and Skill Level A (professional jobs): for the purposes of this report, Skill Type 0 and Skill Level A are combined and referred to as 'Management & Professional'. While professional jobs typically call for a university degree or equivalent, management jobs may be based on the responsibilities of the role itself
- Skill Level B (technical jobs or skilled trades), referred to within this report as 'Skilled'. People occupying jobs at this skill level typically have a college diploma or equivalent or are training as an apprentice.
- Skill Level C (intermediate jobs): referred to in this report as 'Semi-Skilled'. These jobs typically require a high school diploma or equivalent, and/or job-specific training
- Skill Level D (labour jobs), referred to in this report as 'Unskilled'. These jobs usually do not require any formal education and require only on-the-job training.

Figure 18. Baffinland and contractor Inuit employment (FTEs) by skill level (2021)



Source: (Baffinland, 2021)

Inuit are most represented at the Skill Level D (unskilled) and Skill Level C (semi-skilled), with 202 FTEs combined or 82% of the Inuit workforce.

In general, as skill levels increase, Inuit represent a smaller proportion of the overall workforce. In 2021, Inuit represented 38% of FTEs at the unskilled level, with 80 Inuit FTEs. At the semi-skilled level, Inuit represented 16% of the workforce, with 122 FTEs. Comparatively, Inuit represent just 4% of the workforce at the skilled level, and 5% of the workforce at the management and professional level.

According to the most recent Labour Market Analysis, as of 2019 Baffinland's share of the labour force was 10%. Under Baffinland employment projections, the labour market is expected to tighten over the next three years (Mining Industry Human Resources Council (MiHR), 2020).

Labour Market Analysis

An updated Qikiqtani Labour Market Analysis (QLMA) was released in 2020. The purpose of the QLMA is to "to provide an objective and independent analysis of the availability of Inuit labour for the Mary River Mine project and to identify the labour market challenges and opportunities that may affect that availability". The 2020 QLMA included a skills and capabilities analysis, to further understand labour force skill level distribution.

When examining the labour force – those who are employed, unemployed, and those who are 'hidden' (potential labour market participants who did not report to be looking for work) – the QLMA came to the following key findings:

- There is a tightness in the labour market for Skill Level C (semi-skilled) labour. While these types of jobs are most in demand at Mary River, there are fewer with this skill level in the labour force compared to other skill levels.
- Occupations classified as *Production Occupations* are most in demand at Mary River. Over half of the unemployed labour force is categorized as in this category. However, beyond the unemployed, there is a tight labour market and demand exceeds supply.
- Skill Level B (skilled) represents a larger share of the overall labour force, though a large proportion of people in this skill category are already employed. However, 65% of those in the 20- to 24-year-old age category are found in this skill level, suggesting that Baffinland may benefit if able to retain their employees in these occupations.
- There is a skills mismatch between what is available in the labour force, and what is in-demand at Mary River, suggesting a need for mining stakeholders and worforce planners to support aligning labour supply skill-sets with those that are most in-demand at Mary River.

The QLMA can help us understand Baffinland's current Inuit employment levels, notwithstanding the role of other factors, and can help inform decisions about Inuit employment goals, training, and recruitment strategies.

3 · Contracting and Business Opportunities

The contribution of the Project to the economy of Nunavut and its communities through payroll and contract expenditures

FEIS Prediction

"The Project will have a significant positive effect on the level of opportunities available for local businesses to pursue. These opportunities will be available over the relatively long-time horizon of the Project, and many will be available on a continuous basis. These are considered to be important attributes of the Project's impact on business opportunities as they should support the developmental context seen in the LSA."

Key Findings

- $21,595,612 million in wages were paid to Baffinland and contractor Inuit employees in 2021, up 3.5% from 2020. The average pay for Baffinland and contractor Inuit FTEs in 2021increased 5% from last year, to $88,145.
- In 2021, the total value of Inuit firm contract commitments increased to $220M, from $91M in 2020, involving 25 individual firms. The percentage of total contracting that was committed to Inuit firms also increased in 2021 to 57%, from 44% in 2020.
- In 2021, a total of 186 active Inuit Firms were registered in the LSA, an increase of 4 Inuit Firms from 2020. Of the 186, 29% (54) of these firms were based in the North Baffin LSA communities and 71% (132) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 86%, while the number of active Inuit Firms registered in Iqaluit has increased by 57%.

3.1 Inuit employee payroll

Payroll expenditures to LSA employees are a leading indicator of positive effects on household income. The figures below provide an overview of payroll for Baffinland and contractor employees:

- Figure 19 shows Inuit payroll by year;
- Figure 21 shows 2021 Inuit payroll by community; and
- Figure 20 shows 2021 Inuit and non-Inuit payroll.

As shown in Figure 19, Baffinland and contractor Inuit employee income totalled $21,595,612 million in 2021. Of this, over $12 million went to Inuit employees based in the North Baffin LSA and $4.5 million to Inuit employees in Iqaluit. It is reasonable to expect that some of this new income is available for residents to spend on consumer goods and services, but it is recognized that employees and their families will save or spend in different ways, with local business (e.g., food stores) or with external businesses (e.g., online shopping). The substantial increase in Inuit payroll in 2019 is due to both additional Inuit employment as well as the inclusion of contractor payroll due to improved contractor reporting requirements.

Figure 21 shows Inuit worker payroll by LSA community in 2021. The difference in payroll between communities is due to the number of employees from each community and the income earned by each individual.

The $15,292,407 paid to Inuit employees (not counting contractor Inuit pay) shown in Figure 20, represents approximately 10.7% of the direct employee payroll, down from 11.6% in 2020. This is due to Nunavut Inuit workers being put on standby pay for part of 2021 due to the COVID-19 pandemic.

Figure 19. Baffinland and contractor Inuit payroll (2017 - 2021)*

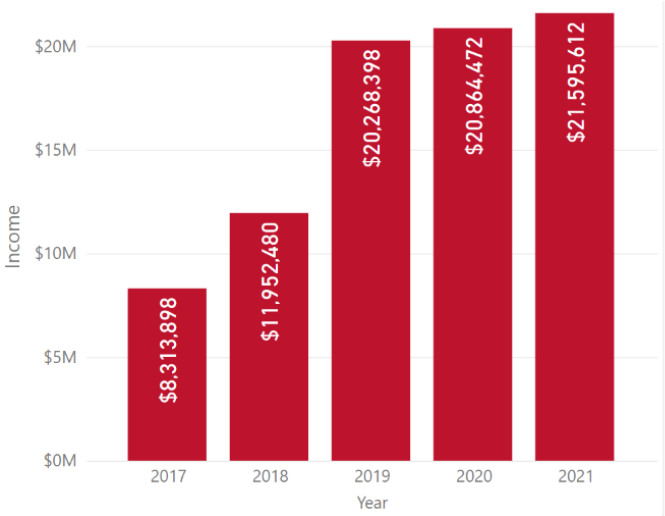
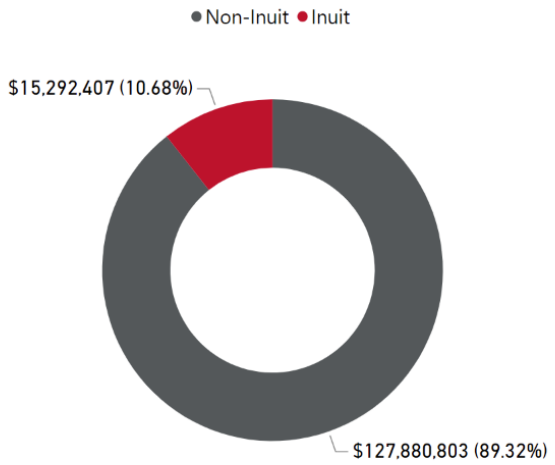
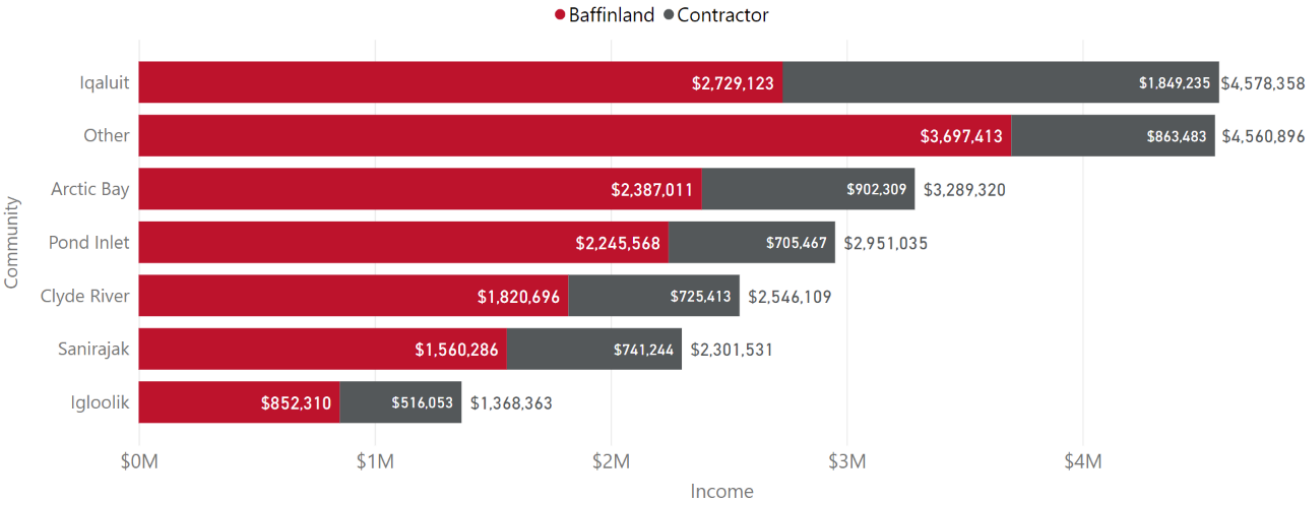


Figure 20. Baffinland payroll, Inuit and non-Inuit (2021)**



Source: (Baffinland, 2021) | *Note that the 2019 increase is in part due to the inclusion of contractor income, which was not included in previous years | ** In the 2019 SEMR this was reported in error as the proportion of Baffinland and contractor payroll

Figure 21. Baffinland and contractor Inuit payroll by community (2021)

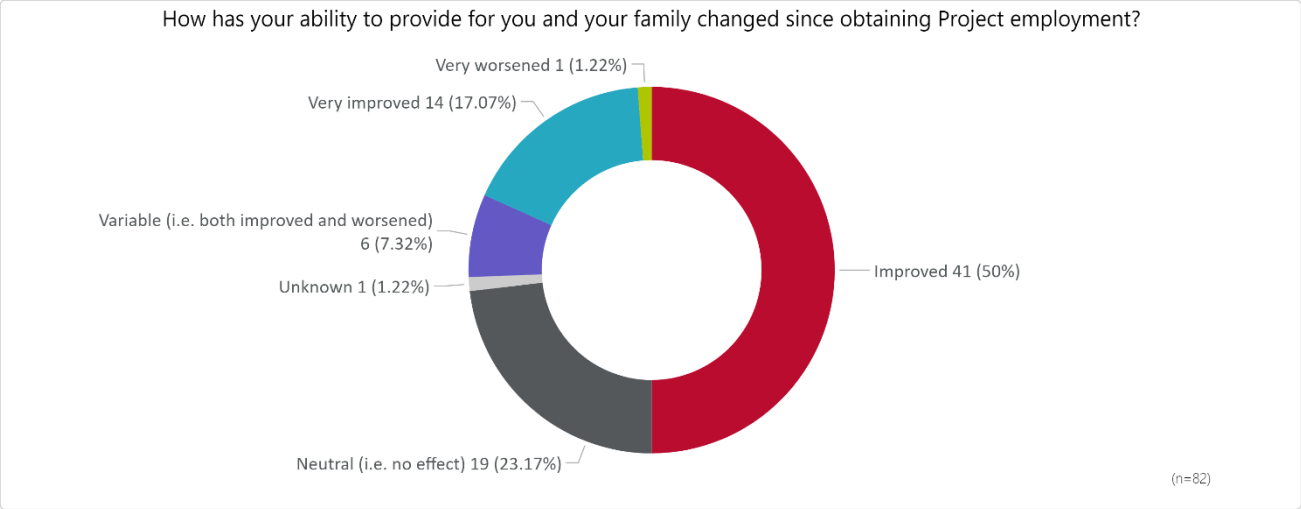


Source: (Baffinland, 2021)

The average pay for Baffinland and contractor Inuit FTEs in 2021 was $88,145. This is calculated by dividing the total Inuit payroll by the total number of Inuit FTEs.

When considering if Project employment has had a positive impact on the income of employees, it is necessary to consider what employees were earning prior to working at the Project, whether they would be able to earn similar wages outside of the Project, and whether the Project has given them a better chance to advance to higher-wage positions. On some of those factors there appear to be positive indications. Since 2014, 68 Inuit have received promotions since 2014. Many of these represent promotions from unskilled positions to semi-skilled positions. It is likely that the opportunities for these promotions and associated increases in pay would not have existed in the general Qikiqtani labour market. Based on the results of the 2020 Inuit Employee Survey, there is also strong positive feedback from Project Inuit employees on their ability to provide for themselves and their families since obtaining employment. 17% of Inuit report that their ability to provide has been “very improved” and 50% say their ability has “improved”.

Figure 22: Perceptions on change in employees' ability to provide for themselves and their families since obtaining employment



Source: (Baffinland (survey), 2020)

Residual effect	Expanded Markets for Consumer Goods and Services
Summary	The EIS predicted the Project would expand the market for consumer (i.e. non-Project related) goods and services across the LSA. This would result in a positive effect.
Existing mitigation	Company commitments related to Inuit employment and contracting (e.g. in the IIBA), which support the development of an expanded market for consumer goods and services in the LSA due to increased purchasing power of LSA residents from Baffinland employment, contractor employment, and induced indirect employment.
Monitoring results	The Project continued to expand the market for consumer goods and services across the LSA in 2021. $17 million was spent on LSA Inuit Baffinland and contractor employee payrolls in 2021. In addition, the $220 million in contracting to Inuit Firms would have created demand in business-to-business goods and services. These contributions to the Nunavut economy represent a positive effect, providing LSA residents with greater capacity to purchase local goods and services. Increased spending may also stimulate business growth (e.g. existing businesses may expand to meet increased consumer demand or new businesses may emerge, wealth generated through employment may increase an individual's ability to start a new business). However, it is recognized that many goods and services are purchased from businesses outside of the LSA and the territory, and that it may take time for local businesses to be created, and to respond and grow.

3.2 Contract expenditures to Inuit Firms

Figure 23 shows the value of contracting with Inuit Firms[9] since 2015. Figure 24 shows the proportion of 2021 contracting going to Inuit and non-Inuit firms. Since Project development, a total of $1.52 billion worth of contracts has been awarded to Inuit Firms. In 2021, total contract expenditure to Inuit firms increased to over $220M, from $91M in 2020, and

[9] As noted by (NTI, 2021), 'Inuit Firm' means an entity which complies with the legal requirements to carry on business in the Nunavut Settlement Area, and which is a limited company with at least 51% of the company's voting shares beneficially owned by Inuit, or a cooperative controlled by Inuit, or an Inuk sole proprietorship or partnership.

involved 25 individual firms. The percentage of total contracting that was paid to Inuit firms also increased in 2021, to 57% compared to 44% in 2020.

Figure 23. Contract expenditures to Inuit firms

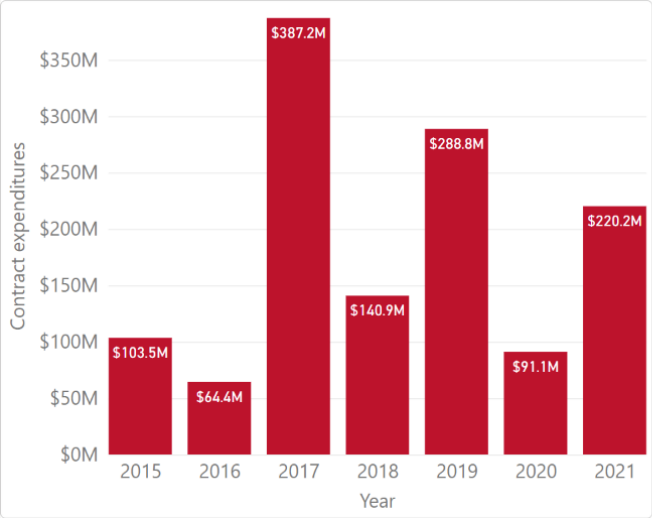
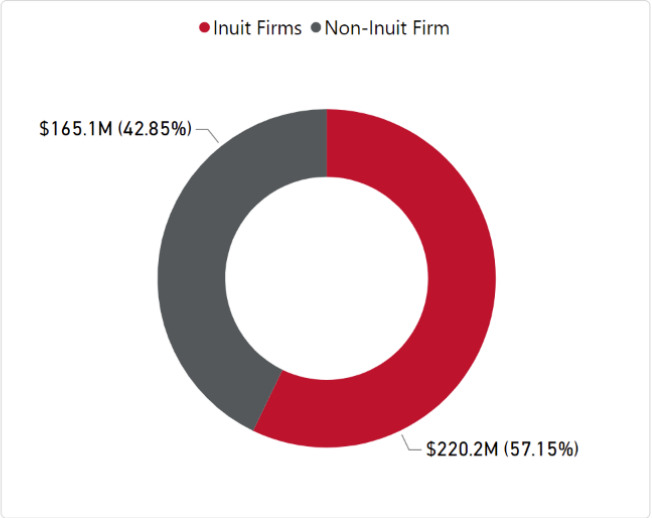


Figure 24: Contract expenditures to Inuit and Non-Inuit firms



Source: (Baffinland, 2021)

The value of overall and Inuit contracting changes greatly from year to year due to the nature of mine development with large projects being carried out for one to two years at a time. In 2020, Baffinland undertook efforts to reduce 'non-essential' contract work on site to minimize the number of contractors travelling to/from site. This was done to minimize the risk of COVID-19 being transmitted to the site The demobilization of non-essential contract work in 2020 impacted total contract expenditures. Due to an increase in contract acitivity at Mary River, total contract values paid to Inuit firms increased substantially in 2021.

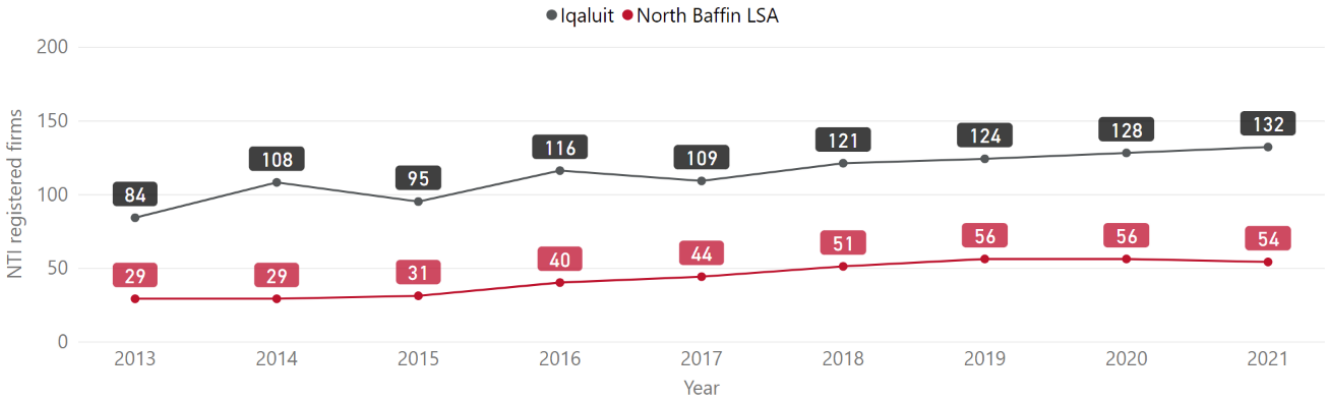
Table 12: List of initiatives to promote Inuit Firm participation

Name of initiative	Description	2021 results
Contractor Information Sessions (CIS)	To support Inuit Firms in accessing contracting opportunities at the Project, Baffinland will publish a virtual introductory presentation that will be made accessible for Inuit Firms on how to participate in Baffinland's bidding process. Inuit Firms will then have an option of scheduling one-on-one discussions with Baffinland, QIA, and/or Kakivak to obtain more information regarding potential contracting opportunities, business development opportunities and funding, and to seek clarification on any questions they may have, including how to increase chances of contract award.	Baffinland has finalized materials and will launch the initiative in 2022.
Business Capacity and Start-Up Fund	Since 2013, as required by the IIBA, Baffinland contributes $250,000 - $275,000 annually to the Business Capacity and Start-up Fund, which is administered by QIA's subsidiary Kakivak Association, and is designed to support Inuit business start-up and capacity development.	In 2021, Baffinland contributed $275,000 to the fund. To date, Baffinland has contributed $1.575M to the fund.
IIBA Procurement and Contracting Policies	As part of the IIBA, Baffinland implements policies and processes to maximize contracting and subcontracting opportunities for qualified Inuit Firms for the Mary River Project. This includes, but is not limited to, establishing a prequalification list, allowing direct negotiation processes with Inuit Firms, applying Inuit criteria in the bid evaluation, and following the regional contracting benfits process for contracts less than $1M whereby Baffinland solicits proposals only from pre-qualified Inuit Firms.	In 2021, Baffinland paid $220.2M in contracts to Inuit Firms.

3.3 Registered Inuit firms

Nunavut Tunngavik Inc. (NTI) maintains an Inuit Firm Registry database for Nunavut. This database provides the name of each registered Inuit Firm, describes each firm's area of business operations, and location where the firm is based. The number of registered Inuit Firms in the LSA since 2013 are presented in Figure 25.

Figure 25. Registered Inuit firms in Iqaluit and the North Baffin LSA



Source: (NTI, 2021)

In 2021, a total of 186 active Inuit Firms were registered in the LSA, an increase of 4 Inuit Firms from 2020. Of the 186, 29% (54) of these firms were based in the North Baffin LSA communities and 71% (132) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 27, while the number of active Inuit Firms registered in Iqaluit has increased by 48. Growth in the number of firms is generally a positive change as it suggests more business diversity, more Inuit business owners, and more capacity to respond to contract opportunities aimed at Inuit firms. The growth in the number of firms in both Iqaluit and the North Baffin LSA is consistent with the Project's ongoing and significant contract commitments to Inuit firms, Inuit Content Requirements, and other initiatives to create opportunities for Inuit firms. However, it is recognized that the growth in the number of firms is driven by a range of factors, including opportunities created by other sectors (e.g. government contracts, especially in Iqaluit). Furthermore, this data does not show the growth in individual firms, which is another indication of positive effects for Inuit firms quite aside from the number of firms.

Residual effect	Expanded Markets for Business Services to the Project
Summary	The EIS predicted the Project would have a positive effect on creating market opportunities for businesses in the LSA and RSA to supply goods and services to the Project.
Existing mitigation	Implementation of several Inuit contracting policies, and the development of the IPCS. These have been designed to give Inuit firms preferential treatment and assistance in the contract bidding process. Baffinland's IIBA with the QIA includes several provisions related to Inuit contracting. In addition, a Business Capacity and Start-Up Fund has been created to assist Inuit Firms. Baffinland contributes $275,000 annually to the fund, which assists with locating start-up capital and financing, management development, ongoing business management, financial management, contracts and procurement, and human resources management. This fund is managed by the QIA.
Monitoring results	Since Project development, a total of $1.52 billion worth of contracts have been paid to Inuit Firms. $220 million in contracts was paid to Inuit Firms in 2021. This contracting data confirms the Project has had a positive effect on creating market opportunities for businesses in the LSA and RSA to supply goods and services to the Project.

4 · Population and Migration

The makeup and movement of peoples from, to and within Nunavut and its communities

FEIS Prediction

"Residual effects arising from in-migration and out-migration are expected to arise due to the Project. At the anticipated levels, however, these effects are not expected to be sufficient to cause adverse effects on demographic stability of the affected communities. Therefore, these residual effects are assessed to be not significant."

Key Findings

- The average annual population growth rates over the post-development period were 2.2% for North Baffin LSA communities, 2% for Iqaluit 2%, and 1.4% for Nunavut – all higher than the Canadian average growth rate of 1.1%. As the average annual population growth rates in LSA community populations for the pre-development and post-development periods are similar, the rate of growth does not appear to have been affected by the Project.
- Twenty-four workers have migrated out of the North Baffin LSA since 2015.

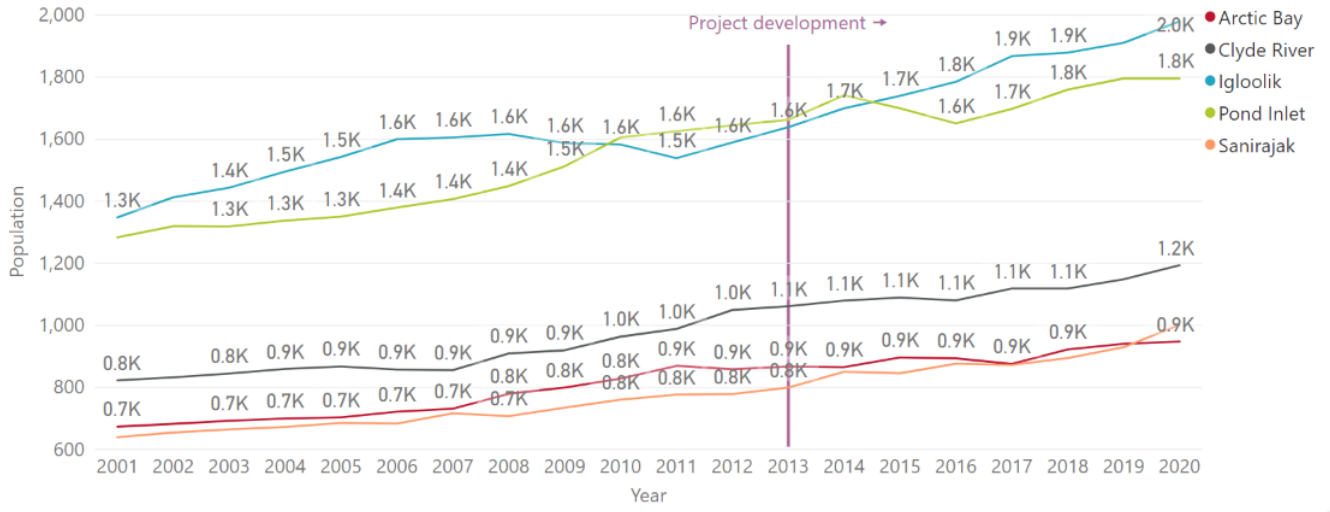
4.1 Population and migration

The North Baffin LSA communities, Iqaluit, and Nunavut have all shown positive population growth since Project development. During the six years comprising 2013 to 2018, the North Baffin LSA communities grew from a population of 5,941 to 6,716 (or 13.0%). Over the same time, Iqaluit's population increased 10.9% from a population of 7,429 to 8,242, while Nunavut's overall population increased 8.4% from 35,414 to 38,396 (Figure 26 highlights the most recent LSA community populations).

The average annual growth rates over the post-development period was 2.2% for the North Baffin LSA communities, 2.0% for Iqaluit, and 1.4% for Nunavut. These rates are all higher than the Canadian average growth rate of 1.1% (Statistics Canada). However, Figure 26 shows that the average annual population growth rates in LSA community populations for the pre-development and post-development periods are similar. Furthermore, population growth was occurring throughout Nunavut prior to Project development and continues to occur at high rates across the territory. As such, it is unlikely that the Project has been a major influence on these trends.

Data from the most recent national census in 2016 show the overall population of Qikiqtani was 18,990, with forecasted growth of roughly 7% to 20,355 by 2021. Steady growth has also occurred in the North Baffin LSA, as illustrated in Figure 26, without an apparent significant change in the rate of growth post-Project development.

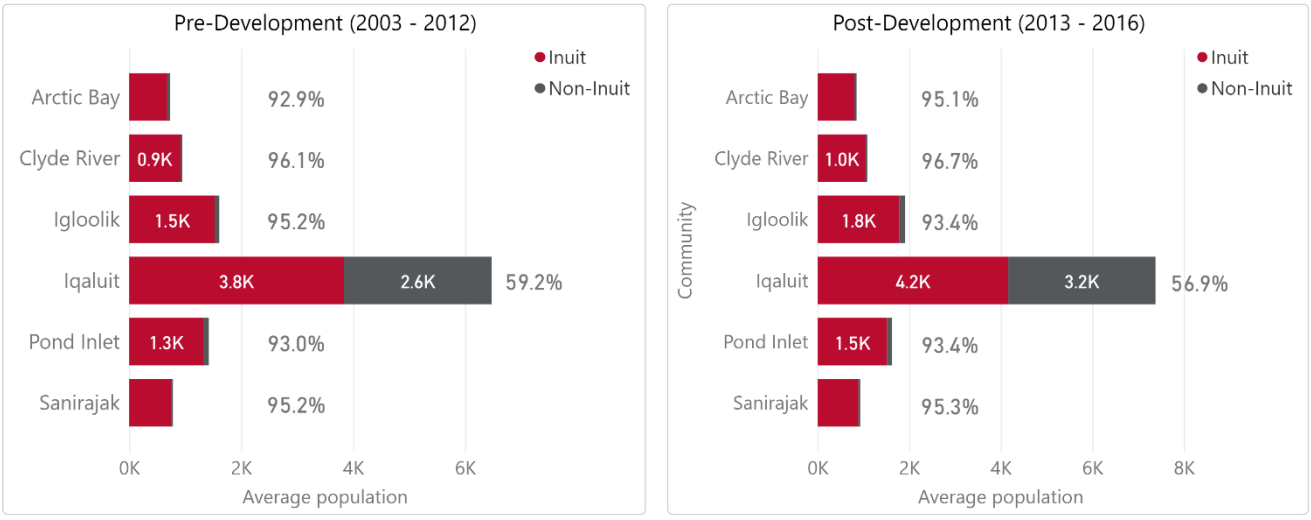
Figure 26 North Baffin community populations, pre- and post-development



Source: (Nunavut Bureau of Statistics (NBS), 2021)

Figure 27 compares the average Inuit and non-Inuit population in LSA communities pre- and post-development and shows the average Inuit percentage of the population for that time period. Aside from a shift from Arctic Bay to Igloolik, which may be attributable to a minor migration or data counting error in 2017, the most notable change is an increase in the proportion non-Inuit in Iqaluit. As of 2021, there was only one non-Inuit Project employee based in Iqaluit; therefore, it is unlikely that Baffinland has been a driver of non-Inuit in-migration to the capital.

Figure 27. Average Inuit and non-Inuit LSA community population, pre- and post-development



Source: (Nunavut Bureau of Statistics (NBS), 2016)

4.2 Project-induced migration

Both in-migration and out-migration can have potential negative demographic impacts. In-migration, especially when it is unanticipated or unplanned for, can lead to undue stress on communities, such as pressure on infrastructure, services, and housing. Out-migration could have a negative demographic effect, when considering the “brain drain” of losing trained workers and the departure of accompanying family members. While the 195 Inuit working at Mary River and based in North Baffin represent a small fraction of the overall Inuit population of the Region, it is possible that even low

levels of out-migration (to other regions of Nunavut, or to other provinces or territories) over time could eventually have a negative demographic impact.

In combination with the population data in section 4.1, migration data for Baffinland and contractor employees provides insight into migration trends in the North Baffin LSA.

Monitoring Migration

Within this report, migration is described three ways:

- **In-migration:** The number of employees who moved into the North Baffin LSA
- **Out-migration:** The number of employees who moved out of the North Baffin LSA
- **Net migration:** The number of employees who moved into the North Baffin LSA minus the number who moved out of the North Baffin LSA

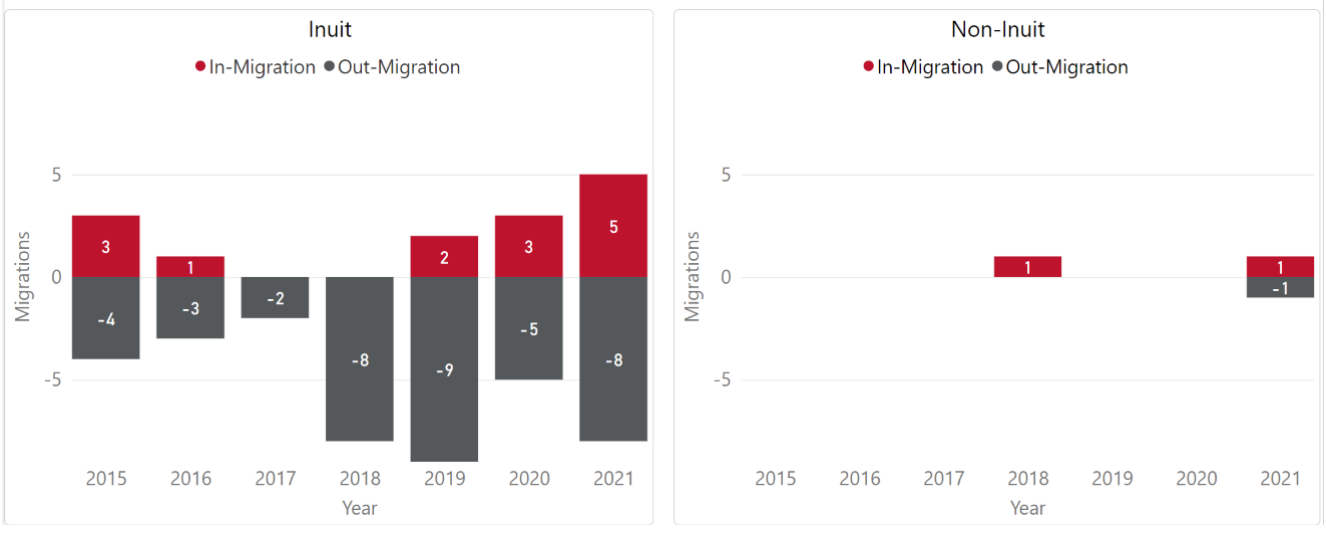
Prior to 2021, data was provided by Baffinland Community Liaison Officers (BCLOs) who were asked to report on the number of Baffinland and contractor employees they knew who had moved into or out of each of their community during the previous year. Inuit or non-Inuit status were also recorded as well as the locations where those individuals had moved to and from, if known. Family members that may have migrated with employees were not accounted for. When the origin/destination community of a migrant was unknown, it was conservatively assumed they were migrating to/from outside the North Baffin LSA.

Starting 2021, data for migration of Baffinland employees was collected by Baffinland's Human Resources department, who track change of address requests. BCLO data is still used to track contractor migration, and for comparative purposes.

Figure 28 below shows the migration of North Baffin LSA Baffinland and contractor employees. While only a small number of Project workers move in or out of the North Baffin LSA every year, 40 workers (cumulatively) have out-migrated since 2015, with several having moved to Iqaluit. Comparatively, 16 workers have in-migrated during the same time frame. This amounts to a net of 24 workers who have out-migrated from the North Baffin LSA since 2015.

Based on 2020 Inuit Employee Survey results, declared migration intentions for 2021 would have aligned with the past several years of movement: of the nine respondents who expressed an intention to move in the next year, one intended to move to Alberta or British Columbia, and eight did not provide details.

Figure 28. Known LSA migration of Baffinland and contractor employees (Inuit and non-Inuit) *

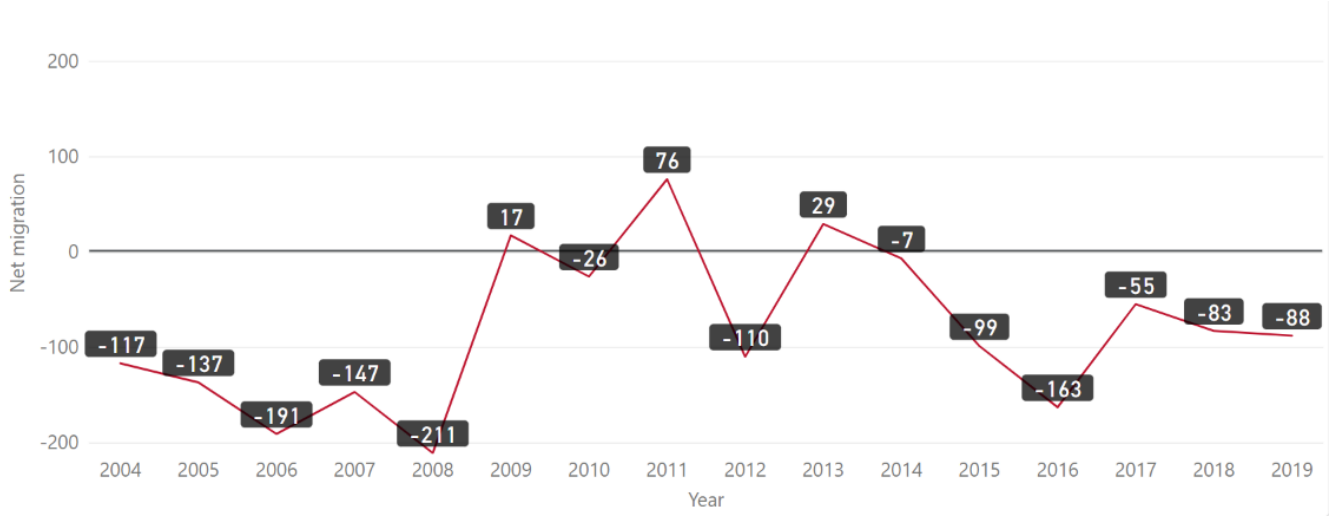


Source: (Baffinland, 2021) | ***Note:** See text box 'Monitoring Migration'. Migration data collected prior to 2015 is not presented due to concerns with accuracy.

Nunavut migration has been variable with a substantial out-migration trend from 2004 through 2008, and another out-migration trend from 2012 through 2018 (Nunavut Bureau of Statistics (NBS), 2020). Compared to the pre-development period average, fewer people overall migrated out of Nunavut in the post-development period. While a decreasing post-development trend has occurred, net migration estimates for the territory are not specific enough to determine Project-related influences. Data on births and deaths indicate that there are on average four live births for every death in Nunavut (Nunavut Bureau of Statistics, 2020) (Nunavut Bureau of Statistics (NBS), 2021). The ratio of birth-to-death strongly suggests that the population is increasing through natural growth, both in the LSA and in Nunavut.

Figure 29, below, shows that Nunavut net migration has been negative for the past number of years. In other words, more people are moving out of Nunavut than moving into Nunavut.

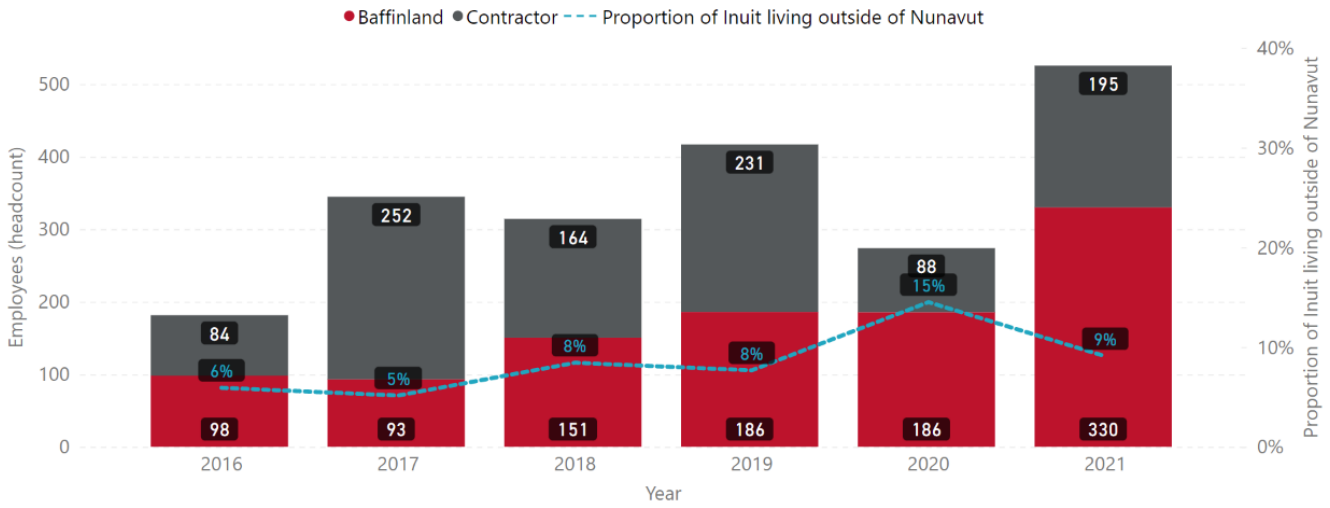
Figure 29. Annual Nunavut net-migration (2004 – 2019)



Source: (Nunavut Bureau of Statistics (NBS), 2020)

Figure 30, below, shows the percentage of Inuit workers living outside Nunavut. The increase in the proportion of Inuit workers living outside of Nunavut in 2020 and 2021 may be due to the COVID-19 pandemic and Government of Nunavut controls on travel, as Baffinland and contractors could only engage new employees (including Inuit) for on-site work who are based outside of Nunavut.

Figure 30. Inuit employees (headcount) and proportion residing outside of Nunavut



Source: (Baffinland, 2021) | **Note:** Based on headcount data

Residual effect	In-Migration of Non-Inuit Baffinland Employees to the North Baffin LSA
Summary	The EIS predicted some in-migration of non-Inuit employees hired to work at the Project in the North Baffin LSA (i.e. <5% change in the non- Inuit baseline population). In 2012 (the year before Project construction commenced), 5% of the North Baffin non-Inuit population would have equaled approximately 28 individuals.
Existing mitigation	Designation of Iqaluit as a "point of hire" and an additional southern location as a transportation hub, with no-cost transportation provided to Project employees from these locations to the mine site
Monitoring results	Baffinland data, including Human Resources data and Baffinland Community Liaison Officer (BCLO) survey, indicates a net of one non-Inuit employee/contractor having in-migrated to the North Baffin LSA since 2015. This is not a significant effect.

Residual effect	Out-Migration of Inuit Residents from the North Baffin LSA
Summary	The EIS predicted some out-migration of Inuit residents from the North Baffin LSA could occur (i.e. 1% to <5% of the total population). In 2012 (the year before Project construction commenced), 5% of the total North Baffin LSA population would have equaled approximately 306 individuals.
Existing mitigation	Designation of all North Baffin LSA communities as 'points of hire', with no-cost transportation provided to Project employees from these points of hire to the mine site.
Monitoring results	Baffinland data, including Human Resources data and BCLO survey, indicates a net negative migration (i.e., out-migration) of 24 Inuit workers from the North Baffin LSA since 2015, accounting for 0.4% of 2012 North Baffin LSA population. This is significantly lower than the lower end of the out-migration estimate from the EIS. While a small number of Project workers have moved out of the North Baffin LSA, the effect has been smaller than predicted. It is also impossible to determine whether out-migration from the North Baffin LSA might have been any different if the Project was not there.

5 · Human Health and Wellbeing

The wellbeing and health of communities and individuals within the North Baffin LSA

FEIS Predictions

"Positive residual effects of the Project on human health and well-being are anticipated to significantly improve the well-being of most children of parents working at the Project. The potential that some children may experience an overall decline in well-being is acknowledged, and is assessed to be not significant, based on low magnitude and infrequent occurrence."

"During an early period of transition, the potential for negative residual effects on substance abuse to be experienced is acknowledged but assessed to be not significant due to its short duration and moderate magnitude. Over the medium term and extending beyond Project termination, an overall positive residual effect on substance abuse is anticipated. This is assessed to be not significant based on the moderate magnitude and a moderate level of uncertainty related to its occurrence."

"Negative residual effects arising from the absence of workers from the community are recognized to occur, although not at a high enough magnitude for significant effects on community social stability and are therefore assessed to be not significant."

Key Findings

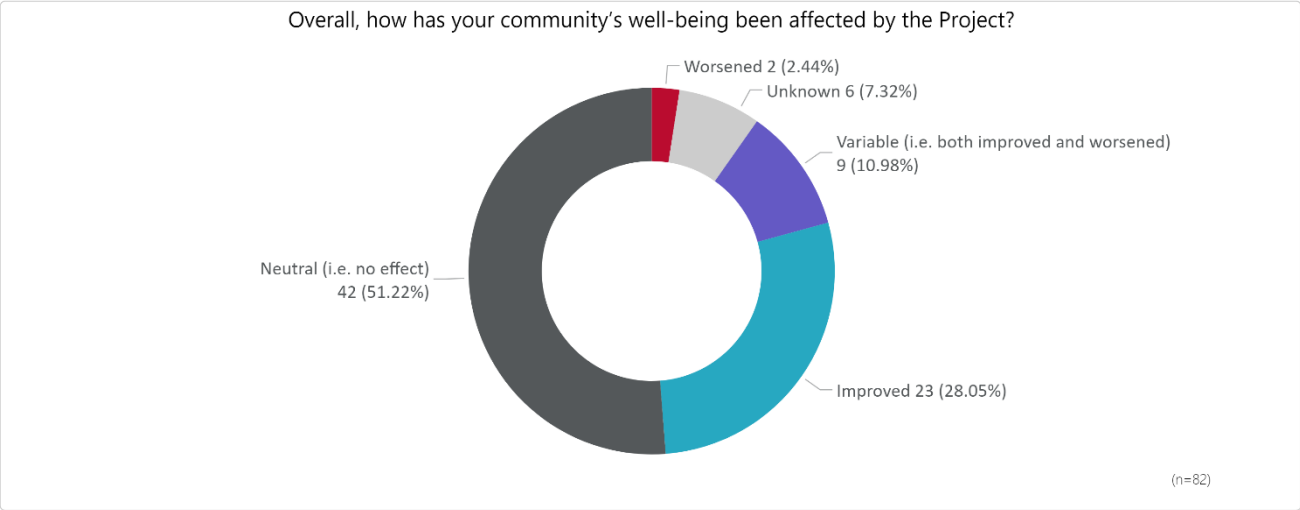
- Most respondents (67%) to the 2020 Inuit Employee Survey (Project Inuit employees) provided positive feedback on their ability to provide for themselves and their families since obtaining employment: 17% stated that their ability to provide has been *very improve*d and 50% stated their ability has *improved*.
- Self-reported worker and family health has also improved: 6% of Survey respondents said that well-being had been 'very improved' and 44% that it had 'improved' since starting work at the Project. Less than 4% of respondents reported a negative impact on wellbeing.
- The portions of the population (i.e. tax filers) with employment income and receiving social assistance in the North Baffin LSA have largely stayed the same during the post-development period. Considering the significant population growth during that time, this indicates that the job market has grown in line with population growth. Trends are similar across Nunavut so Project effects are difficult to discern or may not be significant.
- Data on criminal violations in the North Baffin LSA, in Iqaluit, and in Nunavut during the pre-development period and post-development periods do not clearly indicate a positive or negative effect from the project. Often given the multiple factors affecting crime and the reporting of violations, additional information and data may be required to better discern the effects of the project on these indicators.
    - Impaired driving violations have increased in the North Baffin LSA during the post-development period. The trend is not significantly different than the trend in all of Nunavut when comparing the different periods. Though trends for the North Baffin LSA are not available for recent reporting years, the number of violations in Nunavut has increased substantially in 2019 and 2020.
    - Both Iqaluit and Nunavut have seen rapid decreases in drug violations during the post-development period, while North Baffin LSA has only seen a slight decrease.
    - The average number of youths charged has declined in the LSA since Project development. However, decreasing trends in the LSA were also evident in the pre-development period, and a comparable trend has been observed across Nunavut.
    - Crime rates have increased in the North Baffin LSA while dropping in Iqaluit and Nunavut during the post-development period. However, North Baffin LSA crime rates are much lower than the other areas: Iqaluit's rate is nearly three times as high, while Nunavut's is over 50% higher.

5.1 Employee and community health and wellbeing

The health and wellbeing of North Baffin Inuit working at the project, their families, and of others in their communities is based on many factors and their interactions. Measuring the impacts of the Project on health and wellbeing is therefore challenging. This section presents a variety of indicators for discussion, including the perspectives of Inuit employees who responded to wellbeing-related questions in the Inuit Employee Survey, and available community-level data that are proxy indicators of health and wellbeing (i.e. indirect indicators of health and well-being). The most recent survey was administered by Baffinland in September/October 2020. This section relies on data from the survey and is therefore consistent with the 2020 Socio-Economic Monitoring Report.

In the 2020 Inuit Employee Survey, most respondents stated that that the Project has had a *neutral* (49%) or *positive* (32%) impact on their communities' well-being, with several respondents noting the positive financial and career effects. To determine broader community-level perceptions of the Project's impact on well-being, a community survey would need to be conducted. Baffinland is looking into the feasibility of carrying out a community survey in 2022, in alignment with other commitments related to the socio-economic environment, should Phase 2 be approved.

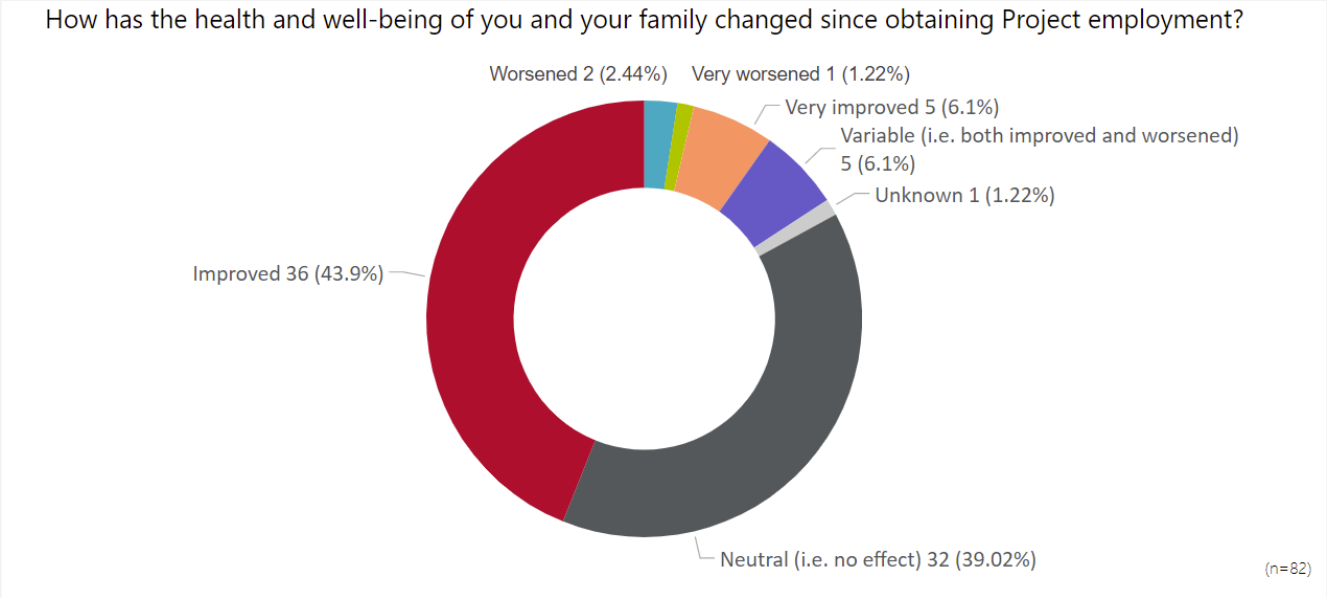
Figure 31: Perceived impact of project on community (2020)



Source: (Baffinland (survey), 2020)

Beyond payroll, Baffinland does not have access to data on Inuit workers' families' wellbeing, making it difficult to draw conclusions on Project impacts on family wellbeing. However, there are positive indications from the Survey, where 6% of respondents said that worker and family wellbeing had been *very improved* and 44% that it had *improved* since starting work at the Project. Less than 4% of respondents reported a negative impact on wellbeing.

Figure 32: Perceived impact of project on health and well-being



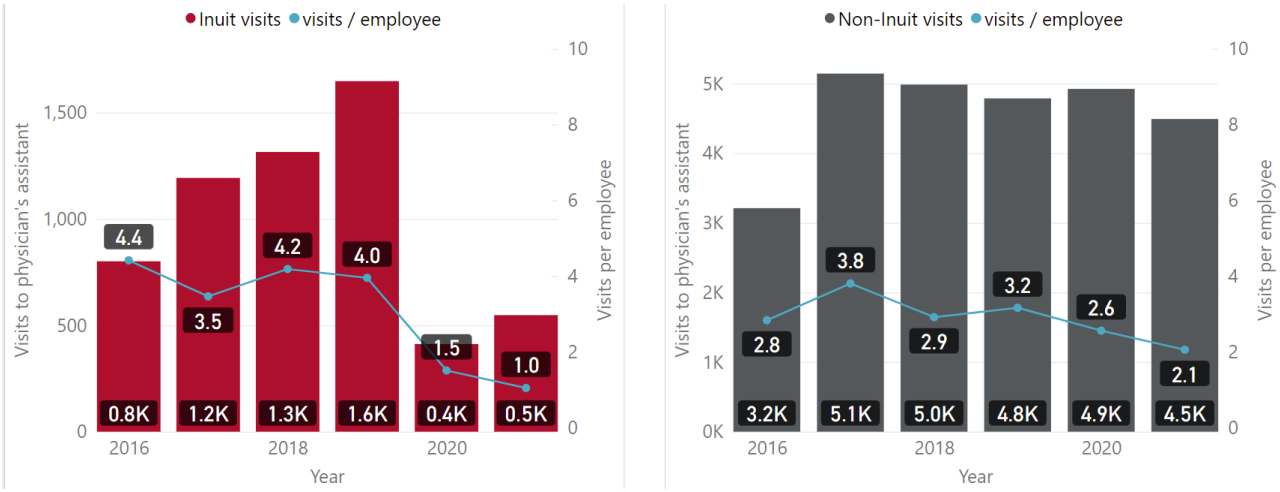
Source: (Baffinland (survey), 2020)

Inuit Employee Mental and Physical Health

Figure 33 displays the number of recorded visits to the Project site physician's assistant since 2013. The number of visits per Inuit employee does not show a significant trend (there is a predictable and similar drop in 2020 and 2021 with most Inuit employees off site due to COVID-19). A trip to the physician's assistant could be an indicator of either positive (e.g. provision of health services that may have been less available in the community), negative (e.g. onset of Project-related negative health condition), or neutral effects (e.g. provision of health services that would have otherwise been accessed in the community). It is possible that increased Inuit worker visits to the Project physician's assistant may reduce demands placed on community health. Improving access to health care would be a positive impact, but it would be difficult to quantify the extent.

Without data on the prevalence (proportion of people) and incidence (number of new cases) of specific indicators of Inuit health status such as non-communicable and communicable diseases and mental health, and any changes over time compared to the general comparable population, it is impossible to draw quantitative conclusions on Project effects on Inuit worker health.

Figure 33. Visits to Project site physician's assistants by Inuit status



Source: (Baffinland, 2021)

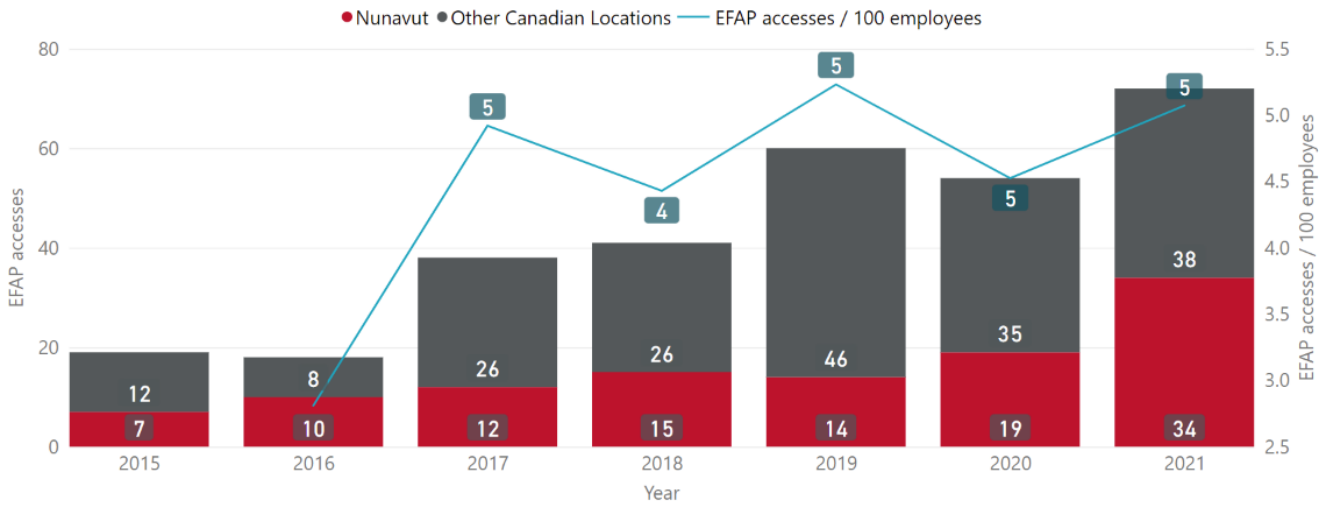
Baffinland's Employee and Family Assistance Plan

Members of the SEMWG previously requested that data on the number of times Baffinland's EFAP is accessed be included in Baffinland's socio-economic monitoring program. Baffinland implemented its Employee and Family Assistance Plan (EFAP) in 2015 to provide its employees with access to a network of certified professionals who deliver personal, mental, and financial wellness programs. The program (administered by Homewood Health Solutions) is free, confidential, and covers a broad range of wellness subjects including but not limited to depression, addiction, family, work-life balance, etc. The program can be accessed both over the phone and online with the phone service being offered in both English and Inuktitut.

Figure 34 shows the total number of times that Baffinland's Employee and Family Assistance Plan was accessed – both from Nunavut and elsewhere – since the start of the program in 2015. EFAP usage has been relatively consistent since 2017 at approximately 5 accesses per 100 employees. The majority of counselling was conducted over the phone or through video. 60% of the 63 counseling cases in 2021 were classified as "psychological" support, with other issues including marital, work, family, addiction, and trauma. On-site Cultural Advisors are also available for all of Baffinland's Inuit employees.

The usage of EFAP by Nunavut-based employee increased substantially in 2021, from an average of 15 cases between 2017 and 2020, to 34 in 2021. A similar trend was not seen in those residing outside of Nunavut. It is possible that increased promotion of the program for Baffinland's Inuit employees, coupled with the ongoing impacts of the COVID-19 pandemic, influenced increased use of the service during 2021. Similar to the number of visits to the site's physician assistant, increased EFAP usage does not necessarily indicate negative effects.

Figure 34. Number of times Baffinland's Employee and Family Assistance Plan (EFAP) was accessed



Source: (Baffinland, 2021)

At the 2019 Annual Project Review Forum, it was recommended that Baffinland undertake a review of its corrective action policy (particularly regarding intoxication), and work to enhance awareness of the EFAP and the Community Counsellor Program (alcohol and addictions). Baffinland is investigating support for related substance abuse/alcohol and addictions through a medical practitioner as well as the establishment of alcohol and narcotic anonymous programs at Project sites. Baffinland has not been able to progress such work due to Nunavut-based employees being demobilized from site due to COVID-19. Baffinland aims to make progress on these programs once COVID-19 restrictions are lifted.This topic will continue to be monitored for emerging trends.

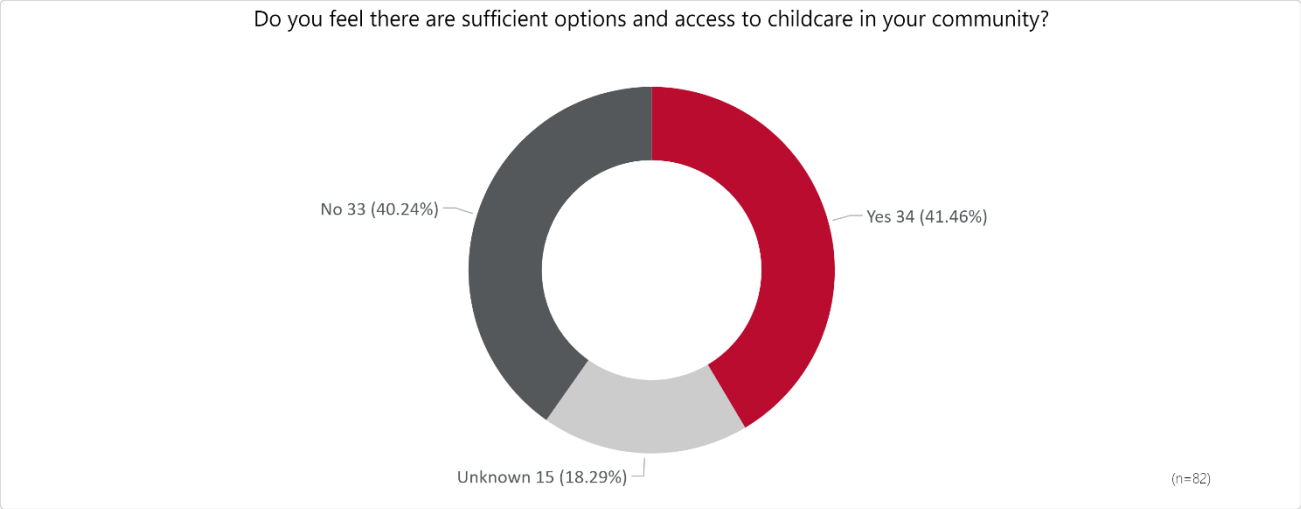
Per Article 11.7 of the IIBA, a Community Counsellor Program has been established by Baffinland in the North Baffin LSA communities. In June 2019, Baffinland commenced funding a 3-year agreement with the Ilisaqsivik Society to hire qualified Inuit counsellors to work within Arctic Bay, Clyde River, Igloolik, Sanirajak, and Pond Inlet. This partnership enables Ilisaqsivik to increase the availability of culturally and linguistically relevant counselling services in Nunavut and also to increase the number of trained Inuit counsellors who are able to provide counselling services in Inuktitut. With the restrictions due to COVID-19, the Ilisaqsivik Society adjusted their programming to include virtual services, as well as incommunity services where public health advice allowed. In 2021, three full-time counsellors operated in Clyde River, Igloolik and Pond Inlet, with Arcitc Bay and Sanirajak having remote support.

The Community Counsellors Program usage has remained relatively consistent since its launch in June 2019, with over 250 individual clients served in 2019 and 2020. Between April 1, 2021 and September 9, 2021, the program had 145 individual clients served.

Child Care

An increase in childcare can have a positive impact on women's participation in the labour force (Rogers, 2016). As of 2020, 44% of survey respondents stated that there was not sufficient access to childcare in their communities. 66% of Survey respondents had children under 14 in the household.

Figure 35: Perceptions on access to childcare



Source: (Baffinland (survey), 2020)

In the 2020 Qikiqtani Labour Market Analysis, which included an Inuit Labour Force Barriers Analysis, a key barrier identified was related to a weak social infrastructure, including lack of affordable childcare and housing (Mining Industry Human Resources Council (MiHR), 2020). During Baffinland's community engagement in 2021, some community members had questions or concerns related to childcare and childcare support, and 2021 Inuit turnover exit interviews included reasons related to childcare.

Inuit Employee Housing Status

A majority of Inuit workers live in public housing, with only a fraction owning their own home. As shown in Table 13, the 2020 Inuit Employee Survey suggests an increase in the number of Inuit employee who are considering purchasing a home (from 31% in 2018 to 44% in 2020). The level of interest home ownership in both survey years is significant, but the difference between years is close to the margin of error for this sample size.

Table 13: Inuit Employee Survey responses on housing[10]

Percentage of respondents that…	2018	2020
Live in public housing	61%	55%
Own their own home	4%	6%
Are considering purchasing a home	31%	44%

Source: (Baffinland (survey), 2020)

A 2021 study undertaken by the Nunavut Housing Corporation to explore public understanding of rent-scales used in public housing, and possible disincentives to work showed that the rent-scale is generally not well understood, by both tenants and Local Housing Authority (LHA) staff (NVision Insight Group Inc., 2021). Among other recommendations, the report suggested that rent-scale training and education for tenants and LHA staff, as well as a public communications strategy, could combat misinformation and perceptions of penalization for working.

Home ownership can have positive financial and social effects, but there are significant barriers that are well-illustrated by the written Survey responses from the 36 Inuit workers who wanted to buy a home. 67% said they did not know how

[10] Due to a survey administration error, no data was collected on housing status in 2019.

to go about buying a home. Many respondents had financial concerns: nearly 70% said they did not have enough saved for a down payment, nearly 20% said that mortgage payments would be too high, and nearly 30% believe that maintenance costs would be prohibitive. Finally, nearly 40% said there were no homes for sale in their community.

There is potential for Baffinland to play a role in helping Inuit workers better understand the implications of employment on public housing rent, as well as the process and costs in purchasing a home. Depending on the nature of other barriers to home ownership, other options for support could be considered.

5.2 Income and social assistance

Employment income indicators are useful for tracking household financial performance in the LSA communities.

Figure 36 below shows the proportion of tax filers with employment income in Iqaluit, the North Baffin LSA and Nunavut, while Figure 37 shows the median employment income of residents in Iqaluit, the North Baffin LSA and Nunavut. 2017 is the most recent year data on the proportion of tax filers with employment income were available.

Compared to pre-development period averages, there has been a decrease in the proportion of tax filers with employment income by 4% in the North Baffin LSA, 1% in Iqaluit, and 4% in Nunavut in the post-development period. However, the significant downward trend from the pre-development period was halted: starting in 2014, the proportion has stayed essentially the same. This may be an indication of a potential positive effect from the Project. The downward trend in the pre-development period was likely due to a growing population with a fixed job market (resulting in a lower percentage of the population with a job). Maintaining a steady rate of people with employment income as the population grows indicates that the job market has grown in line with the population. As with educational results, however, there are likely many factors that influence employment income, even at the North Baffin LSA level. For example, there was an increase in tax filers in North Baffin LSA in 2016, while Inuit employment at the Project actually dropped that year; and, the trends have been similar, if not more positive in Iqaluit and across Nunavut. It is difficult to draw conclusions on any significant effects of the Project.

There continues to be a gradual but steady growth median employment income, to which the Project likely contributes (Figure 37). The EIS predicted that the Project could improve household income in the LSA over time. These indicators will continue to be monitored for emerging trends.

Figure 36. Proportion of tax filers with employment income (2006 – 2017)

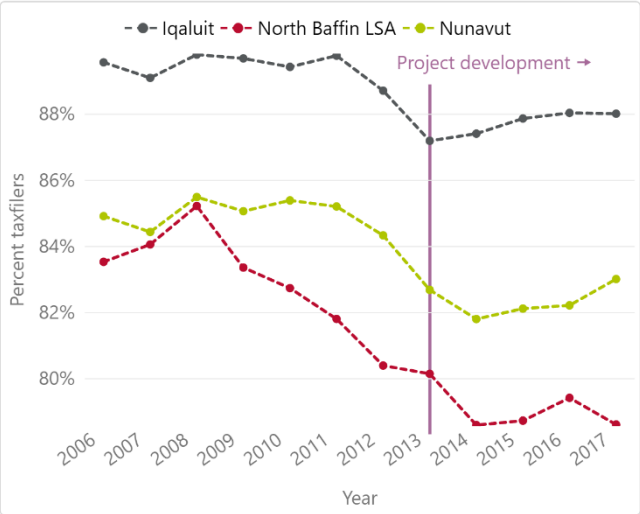
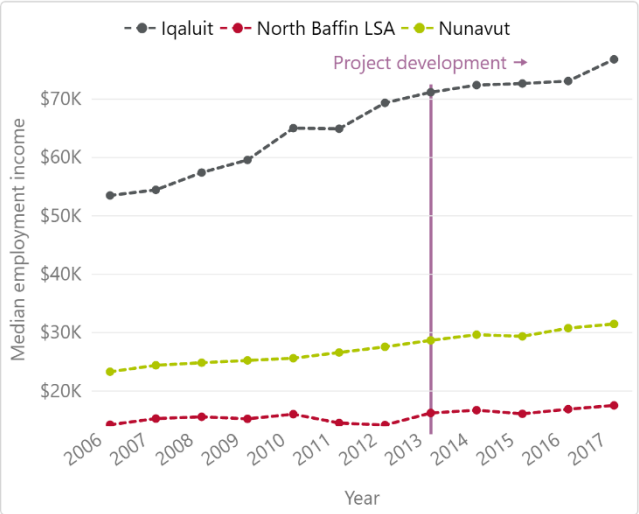


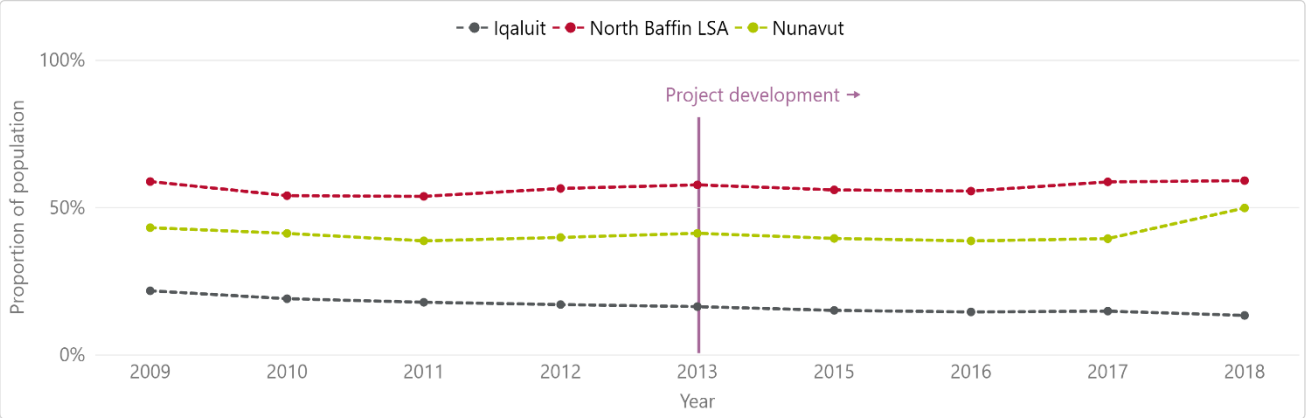
Figure 37. Median employment income (2006 – 2017)



Source: (Nunavut Bureau of Statistics (NBS), 2019)

Figure 38 displays the proportion of the population in Iqaluit, the North Baffin LSA, and Nunavut receiving social assistance. 2018 was the most recent year data for which the percentage of social assistance recipients were available (Nunavut Bureau of Statistics (NBS), 2019e) (no data are available for 2014). The percentage of the population receiving social assistance can provide insights into household financial performance. To date social assistance levels in the North Baffin LSA have been higher than in Nunavut overall, and levels in Iqaluit have been lower. This has not changed with Project development. The data does not indicate a significant difference between pre-development and post-development social assistant levels in the North Baffin LSA (55.7% vs. 57.4%). Aside from the Nunavut social assistance level increasing significantly in 2018 (from 39% to 50%), the pre and post-development trends in social assistance levels in all three areas have remained the same (relatively constant in Nunavut and North Baffin LSA, gradually decline in Iqaluit).

Figure 38. Proportion of population receiving social assistance (2009 – 2018)



Source: (Nunavut Bureau of Statistics (NBS), 2019e)

As with educational and regional income effects, it is difficult to draw conclusions on the Project's impact on social assistance due to the many factors at play. It is noted that the population grew in North Baffin LSA communities by 13% from 2013-2018, while the percentage of the population on social assistance grew by only 1.7%. The relatively small growth in social assistance levels during a period suggests that the labour market has grown as well. The Project has likely had a positive effect of preventing social assistance levels from growing more during this time.

Residual effect	Household Income and Food Security
Summary	The EIS predicted the Project would have a positive effect on increased household income and food security (particularly as they apply to well-being of children) in the LSA.
Existing mitigation	• Meaningful employment and incomes • Work readiness training • Financial literacy training • Assistance provided to hunters accessing the Project Area • Contributions to the INPK Fund which provides up to $1.1 million/year for community wellness-focused projects in the North Baffin LSA • School Lunch Programs • Baffinland Sponsorship and Donation Fund • Other contributions and initiatives related to food security in the LSA (as described in Section 10.2)
Monitoring results	67% of Inuit Employee Survey respondents reported an improved or very improved ability to provide for themselves and their families. $12 million was paid to 144 FTEs in the North Baffin LSA, with an average salary of nearly $87,000 in 2021. Considering the large number and high proportion of semi-skilled and unskilled positions compared to the rest of the Qikiqtani workforce, it is clear that the Project has significantly expanded the labour market, particularly for those skill levels. An improved ability to provide for their families is apparently having a positive impact, as 50% of Survey respondents reported improved or very improved health and wellness in their families (39% reported a neutral impact). Finally, while there have not been highly significant results on the portion of households receiving social assistance, there are positive indications: the rate of families on welfare has not increased nearly as fast as the population growth rate. This supports the finding that the job market has expanded more rapidly than the population.

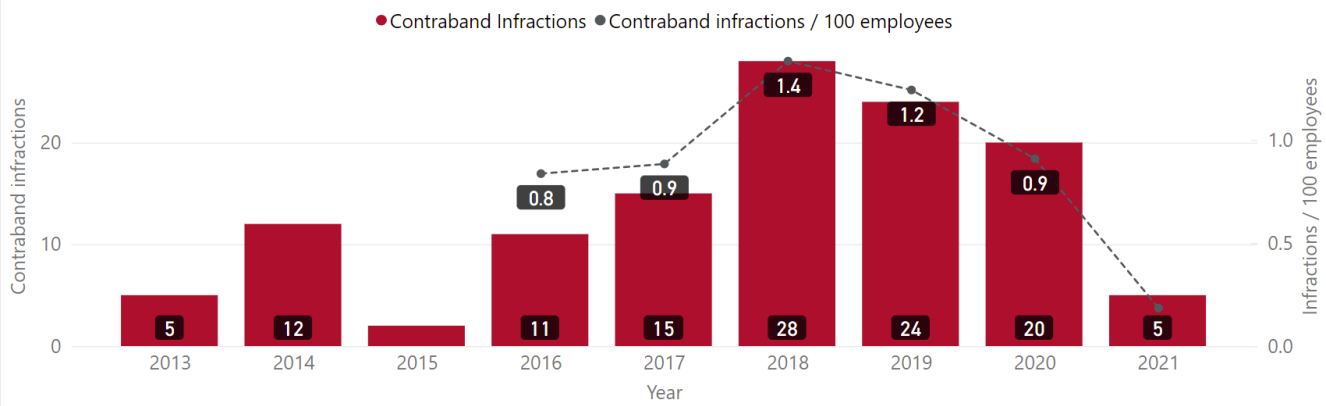
5.3 Infractions and criminal violations

Drug and Alcohol Contraband Infractions

All contraband infractions at the Project are of concern and are taken seriously. The infractions that have occurred to date appear to represent a small number of individuals from the Project workforce. All individuals who do not comply with Baffinland's no drugs/no alcohol policy are immediately removed from site and disciplinary action (up to and including termination) is commenced. This management response supports Baffinland's goal of 'Safety First, Always,' while also preventing further transport of contraband substances through Project sites.

The number of drug and alcohol related contraband infractions at the Project is a useful indicator for the presence of illicit substances. Figure 39 depicts the number of drug and alcohol related contraband infractions at Project sites, including confiscated drugs, alcohol, or related paraphernalia. In 2021, 5 drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees – a decrease of 15 infractions from 2020. This topic will continue to be monitored for emerging trends.

Figure 39. Drug and alcohol related contraband infractions at Project sites



Source: (Baffinland, 2021)

From 2017 to 2019, there were two noteworthy developments in the LSA related to drugs and alcohol. The first is the 2017 opening of the the territory's first beer and wine store in Iqaluit, which was done as part of the Government of Nunavut's decision to try a 'harm reduction approach' in addressing alcohol behaviours, by making low-alcohol content beverages more accessible (Government of Nunavut, Department of Finance, 2020). The second is the legalisation of cannabis in Canada and subsequently Nunavut in mid-2018 (Government of Nunavut, Department of Finance, n.d.), which also increased access to legal cannabis. Nunavut's first retail cannabis location opened in 2021.

While contraband infractions increased between 2017 and 2020, improved screening and security procedures were also implemented in 2019. Contraband infractions also decreased in 2021. Without more disaggregated data, it not possible to measure the effects the Project has in increasing the availability of alcohol and illegal drugs in the North Baffin LSA, though the QSEMC has suggested continuing to monitor impacts related to the aforementioned developments (Qiktiqtaaluk Socio-Economic Monitoring Committee Meeting, 2019).

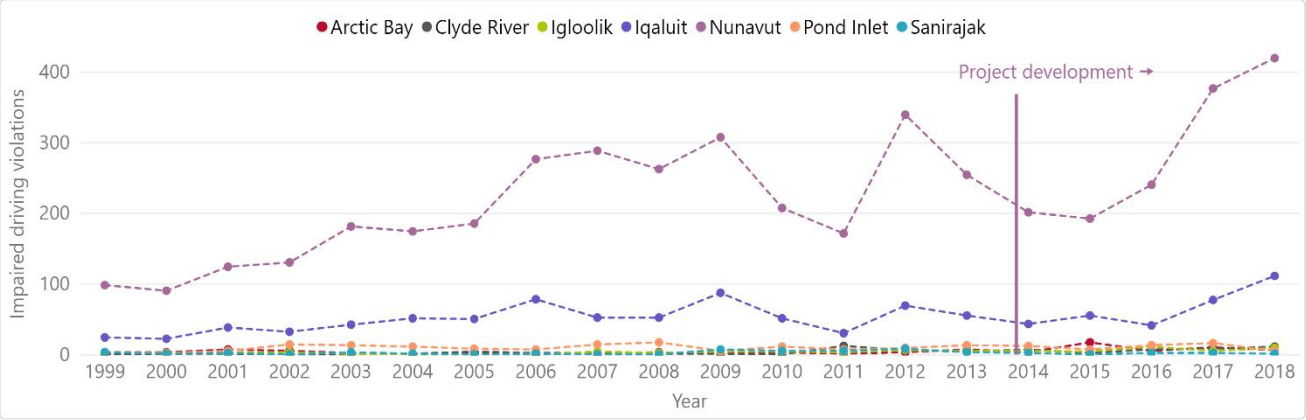
Residual effect	Transport of Substances Through Project Site
Summary	The EIS predicted the Project could increase availability of substances such as alcohol and illegal drugs in the North Baffin LSA due to their possible transportation through Project sites, resulting in a negative effect.
Existing mitigation	• Zero tolerance policy for alcohol/ drugs on site • Baggage searches for all Baffinland and contractor employees arriving at site • Increased screening and security procedures implemented in 2019
Monitoring results	Relevant mitigation measures continue to be in place. There was a decrease in contraband infractions in 2021.

Impaired Driving Violations

The number of impaired driving violations in the LSA may provide insight into whether rates of alcohol abuse are changing. Impaired driving violations within Nunavut communities from the year with the most recent data, 2018, are shown in Figure 40 (total numbers) and Table 14 (number per 1,000 people). Impaired driving violations per 1,000 people have steadily increased, from an average of three from 2001-2007 to five during post-development. Nunavut also increased from 2001-2007 to the pre-development period, while staying flat in post-development. Iqaluit has seen a significant decrease in the post-development period, although the chart shows that both Iqaluit and Nunavut are seeing strong upward trends through 2018. While 2018 is the latest year for which data is available by community, Nunavut-wide data shows the upward trend increasing in 2019 and 2020, with 702 and 736 impaired driving violations, respectively (Nunavut Bureau of Statistics (NBS), 2021), an increase of number of violations by more than three-fold since 2014.

The Project may have negative effects on alcohol related violations such as impaired driving, as increased disposable income along with other possible factors such as personal, family and workplace stress and the rotation schedule may lead to more drinking and driving. In a 2021 community engagement session, one community member expressed concern about increased disposable income leading to alcohol use (Baffinland, 2021). However, the trend in the North Baffin LSA is not significantly different than in Nunavut when comparing the different periods, and the North Baffin LSA is not showing the same upward trend from 2015-2018 seen in Iqaluit and Nunavut. As with many of the broader socio-economic indicators, it is difficult to discern the effects of the Project from other regional and territorial factors and trends, especially for more recent years where number of violations by community is not available. In general, the rate of impaired driving violations in the North Baffin LSA for the years where data is available (2013-2018) remains much lower than the Nunavut average and three times lower than Iqaluit's rate.

Figure 40. Impaired driving violations within Nunavut and communities



Source: (Nunavut Bureau of Statistics (NBS), 2018d)

Table 14: Average annual impaired driving violations per 1,000 people

	North Baffin LSA	Iqaluit	Nunavut
2001-2007	3	23	7
Pre-development (2008-2012)	4	24	8
Post-development (2013-2018)	5	17	8

Source: (Nunavut Bureau of Statistics (NBS), 2018d)

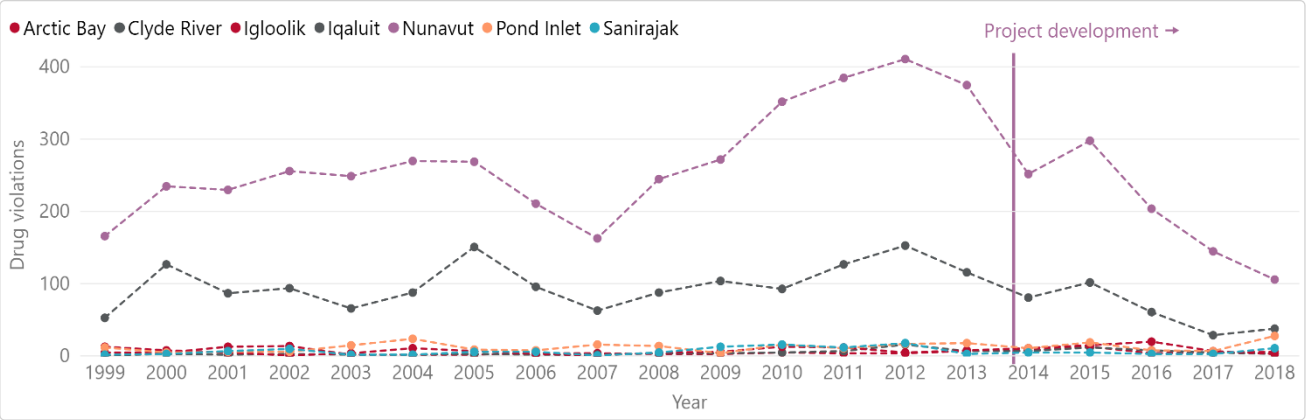
Drug Violations

Figure 41 (total drug violations) and Table 15 (average annual drug violations per 1,000 people) shows the number of drug violations processed by local law enforcement within Nunavut and the communities. The number of drug violations in the LSA may provide insight into whether rates of drug abuse are changing, recognizing that violation rates also reflect the level of enforcement. 2018 was the most recent year data on the number of drug violations were available (Nunavut Bureau of Statistics (NBS), 2018d).

All three areas (North Baffin LSA, Iqaluit, Nunavut) have followed the same pattern when looking at the three time periods – increase from 2001-2007 to the pre-development, and then a decrease during the post-development period. Both Iqaluit and Nunavut have seen rapid decreases in drug violations during the post-development period, while North Baffin LSA has only seen a slight decrease.

The data do not currently suggest negative Project effects, as the average number of drug violations has declined in the LSA since Project development and the trends are generally similar across all areas.

Figure 41. Drug violations processed by local law enforcement within Nunavut and communities



Source: (Nunavut Bureau of Statistics (NBS), 2018d)

Table 15: Average annual drug violations per 1,000 people

	North Baffin LSA	Iqaluit	Nunavut
2001-2007	5	15	8
Pre-development (2008-2012)	7	16	10
Post-development (2013-2018)	6	9	6

Source: (Nunavut Bureau of Statistics (NBS), 2018d)

The average number of drug violations discussed in this report, including in Figure 41, will include those related to possession, trafficking, production and/or distribution of cannabis until the Nunavut Cannabis Act was passed on June 13, 2018.

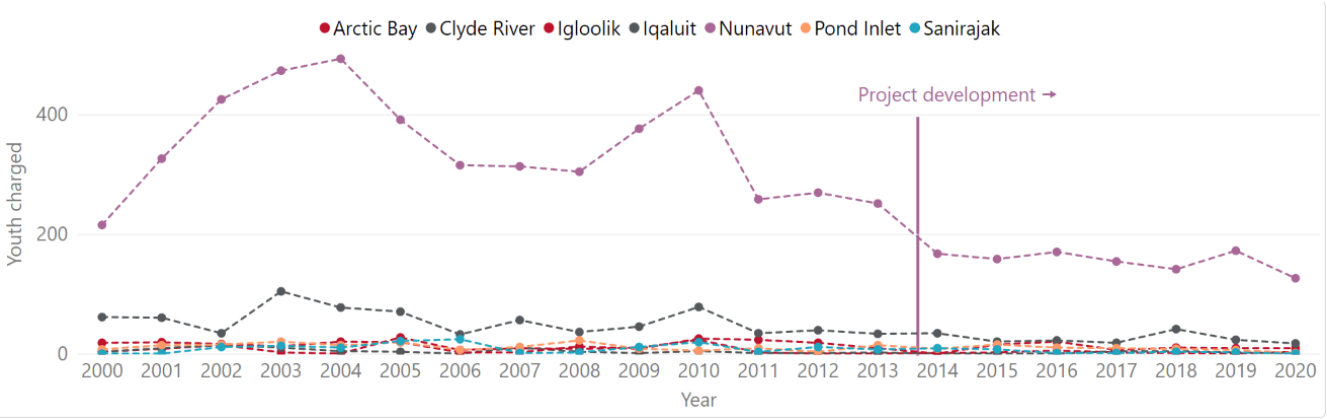
Residual effect	Affordability of Substances Attitudes Toward Substances and Addictions
Summary	The EIS predicted increased income from employment at the Project could increase the ability of LSA residents to afford substances such as alcohol and illegal drugs. However, the EIS also predicted the Project could improve attitudes toward substances and addictions in the LSA (i.e. by providing positive incentives for individuals to reduce substance abuse). The overall effect of the Project on substance abuse was expected to be determined by the balance between these two effects. The EIS predicted a negative outcome may be noticeable during a transitional period of adaptation. Over the medium-term and extending beyond Project termination, an overall positive effect was anticipated.
Existing mitigation	• Zero tolerance policy for alcohol/ drugs on site Baggage searches for all Baffinland and contractor employees arriving at site • Counselling and support resources (e.g. EFAP for permanent employees and their dependents, on-site Cultural Advisors, Community Counsellor Program in the North Baffin LSA) • Contributions to the INPK Fund which provides up to $1.1 million/year for community wellness-focused projects in the North Baffin LSA • Increased screening and security procedures implemented in 2019
Monitoring results	While the average number of impaired driving violations has slowly increased in the North Baffin LSA (even after controlling for population growth) through the pre-development and post-development period, it is still far lower than Iqaluit's and lower than Nunavut's. While it's possible the Project may be a contributing factor, current trends could also be a continuation of pre-development trends or the result of other factors. Drug violations, on the other hand, have shown a downward turn during the post-development period in the North Baffin LSA after an increase in the pre-development period. These trends mirror Iqaluit and Nunavut-wide trends, which are seeing promising, steep declines in the past few years. Due to the rise during the pre-development period and the alignment with territory-wide trends, it is difficult to say if the Project is having a significant impact on drug use, though a negative effect is currently not apparent.

Youth Arrests

Figure 42 shows the number of youths charged by local law enforcement within Nunavut and the communities. The number and rate of youths being charged may be an indirect indicator of youth well-being and parenting in the LSA communities, recognizing that it is also a reflection of the level of enforcement. There has been a dramatic drop in youth arrests over the past two decades, in all three geographic areas.

While the data could be indicative of a positive Project influence, decreasing trends in the LSA were also evident in the pre-development period and comparable trends are observed across Nunavut. This suggests longer-term and/or broad-scale factors may be driving these trends, rather than the Project. Youth charges can be influenced by several factors.

Figure 42. Youth charged by local law enforcement within Nunavut and communities



Source: (Statistics Canada, 2021)

Residual effect	Changes in Parenting
Summary	The EIS predicted the Project would have a positive effect on parenting (particularly as it applies to well-being of children) in the LSA communities (e.g. due to increased parental confidence and financial independence gained through employment, and improved mental well-being from having a job and income). The EIS also predicted the Project could have some negative effects on parenting.
Existing mitigation	• A predictable rotational schedule • Meaningful employment and incomes • Work readiness training • Counselling and support resources (e.g. EFAP for permanent employees and their dependents, on-site Cultural Advisors, Community Counsellor Program in the North Baffin) • Contributions to the INPK Fund which provides up to $1.1 million/year for community wellness-focused projects in the North Baffin LSA • Baffinland Sponsorship and Donation Fund
Monitoring results	There are several indicators that can be used as proxies for improved parenting, including school attendance and graduation rates, and youth charges (or arrests). As discussed in Section 2.2, there does not appear to have been significant Project influence on either attendance or graduation, although graduation rates in Qikiqtani have risen significantly in the post-development period. Youth charges have declined in the post-development period. However, similar to graduation rates, these trends are consistent with a Nunavut-wide trend, so it is difficult to determine a distinct Project-related impact.

Crime Rate

The crime rate within Nunavut and the communities is represented in Figure 43 and Table 16 (violations per 1,000 people)[11]. 2017 was the most recent year crime rate data were available (Nunavut Bureau of Statistics (NBS), 2018c).

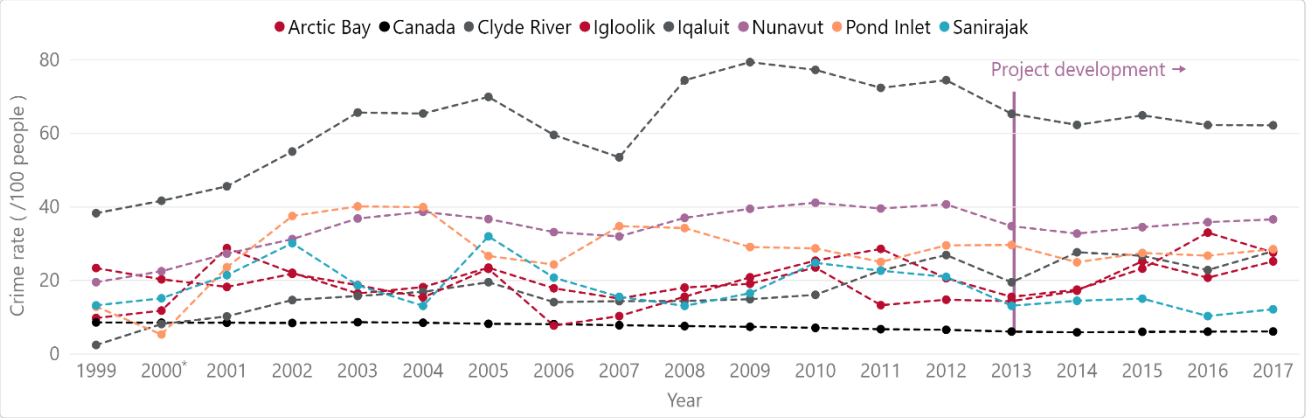
[11] Project Certificate Term and Condition No. 154 states other indicators should be monitored "as deemed appropriate". Members of the SEMWG previously requested that community crime rate data be included in Baffinland's socio-economic monitoring program.

North Baffin LSA crime rates are much lower than the Iqaluit's rate, which is nearly three times higher, and generally lower than the Nunavut average. This has been the case pre- and post-development.

Crime rates in the North Baffin LSA rose steadily through the pre-development and post-development period, for a total of a 6% increase per person through those two periods. Iqaluit's crime rate rose by 7% from the baseline to the post-development period, while Nunavut's rose by 3%. However, both Iqaluit and Nunavut saw a significant decrease from the pre-development to the post-development period, while the North Baffin LSA's continued to rise slightly (<2%) but perhaps not significantly.

While it is possible the Project may be a contributing factor to the lack of a decline in the crime rate in the North Baffin LSA post-development (in comparison to decreases elsewhere), a significant negative effect is difficult to discern from other factors. It is noted that community crime rates in several North Baffin LSA communities show annual fluctuations and changing trends within the pre- and post-development periods.

Figure 43. Crime rate within Nunavut and communities



Source: (Nunavut Bureau of Statistics (NBS), 2018c) | *Data for crime was not available in June 2000 for Clyde River, or in June or December 2000 for Pond Inlet. Data from 1999 was copied over for these months and, as such, 2000 should not be compared to other years.

Table 16: Average annual crime rate (violations per 1,000 people)

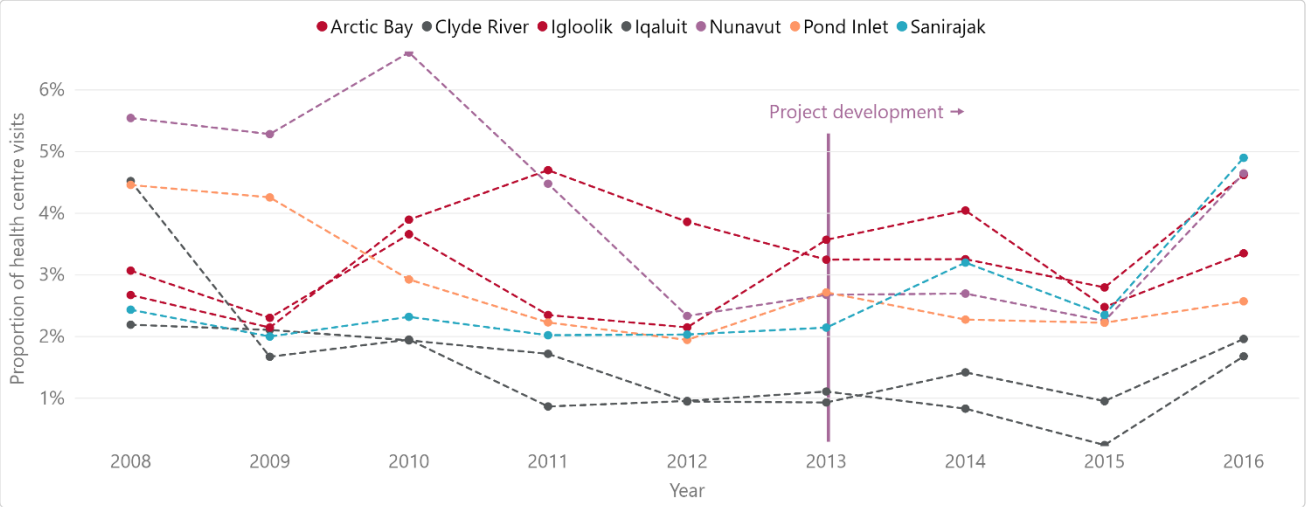
	North Baffin LSA	Iqaluit	Nunavut
2001-2007	217	593	336
Pre-development (2008-2012)	225	754	395
Post-development (2013-2017)	229	633	348

Source: (Nunavut Bureau of Statistics (NBS), 2018c)

5.4 Public health

Figure 44 displays the proportion of health centre visits related to the diagnosis or treatment of infectious diseases in the communities within the North Baffin LSA and Iqaluit. Within the diagnostic grouping termed "infectious diseases" the most common visitation categories are viral infection, tuberculosis of the lung, genital yeast infections, viral warts, and candida stomatitis.

Figure 44. Proportion of public health centre visits related to infectious disease



Source: (Nunavut Bureau of Statistics (NBS), 2018b)

Community Health Centre Visits Related to Infectious Disease

Community health centre visit data can help identify health issues occurring in a community. Information on how the Project may affect rates of sexually transmitted infections and other communicable diseases in the LSA has been specifically requested in the Project Certificate. As such, indicator data on the percentage of health centre visits by the diagnostic group 'infectious diseases' is tracked through Baffinland's monitoring program. 2016 was the most recent year data on the percentage of health centre visits related to infectious diseases were available. Compared to pre-development period averages, there has been a slight increasing trend in health centre visits related to infectious diseases in the North Baffin LSA (from 2.6% to 2.7%) and decreasing trends in Iqaluit (from 2.0% to 1.0%) and Nunavut (from 4.8% to 3.1%) in the post-development period.

The Project continues to provide all workers with regular access to a physician's assistant, with whom they can confidentially address health-related issues (including those unrelated to the workplace).

Residual effect	Absence from the Community During Work Rotations
Summary	The EIS predicted the absence of workers from communities during their work rotations may lead to some negative effects on community processes (e.g. local coaching, politics, and social organizations) in the LSA. However, it was also predicted that organizations and activities would be able to adapt and carry on their functions in light of these effects.
Existing mitigation	• A two week in/two week out rotation that allows employees to spend considerable time in their home communities • Contributions to the INPK Fund which provides up to $1.1 million/year for community wellness-focused projects in the North Baffin LSA • Pre-employment training that reviews strategies for successful rotational work with prospective employees, so they can come better prepared to deal with challenges that may arise • Consideration of alternative rotation schedules that are better aligned with familial and community activities
Monitoring results	The potential for some negative effects on community processes to arise as a result of workers being absent during their work rotations is acknowledged. However, the Project's overall effect remains unclear. This is because appropriate community-level indicator data are currently unavailable for this topic. Relevant mitigation is in place and there is no direct evidence to suggest mitigation measures need to be modified at this time. This topic will continue to be monitored for emerging trends through the QSEMC process and community engagement conducted for the Project.

6 · Community Infrastructure & Public Services

The use of community and Project site infrastructure and impacts on community development

FEIS Prediction

"The Project may lead to some residual adverse effects on the ability of hamlets to recruit and retain workers as the level of competition for these workers increases through Project hiring. However, these effects are not considered to be significant, based on their short-term duration as Project-initiated training leads to improved levels of skill and experience in the labour force. As training and experience increases, this labour force capacity development effect will lead to significant positive outcomes on hamlet abilities to recruit workers."

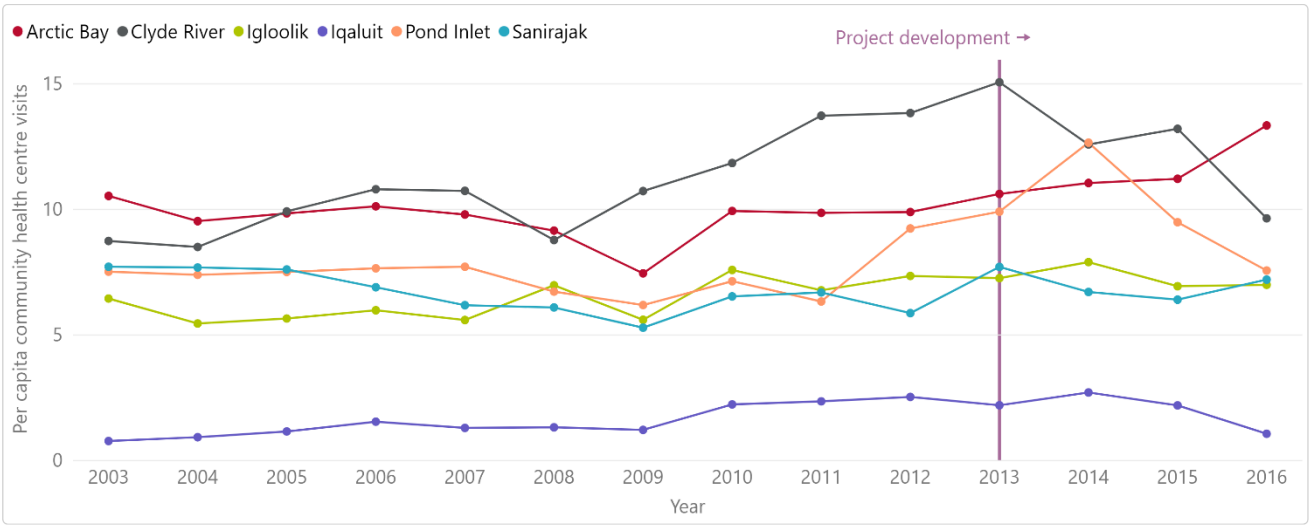
Key Findings

- It is doubtful that the Project has had a significant effect on the number of clinic visits in the North Baffin LSA communities. While clinic visits increased in the pre-development and post-development periods, they also increased in Iqaluit.
- Baffinland's utilization of community infrastructure in 2021, particularly airports, increased slightly compared to 2020, though remained significantly lower than pre-pandemic years.

6.1 Use of community health centres

Health centre visit per capita is used an indicator of the project's potential effects on community public services. Figure 45 below displays per capita health centre visits by community within the LSA. The most recent data is for 2016 (Nunavut Bureau of Statistics (NBS)).

Figure 45. Per capita health centre visits by community (2003 – 2016)



Source: (Nunavut Bureau of Statistics (NBS), 2018b)

Table 17 displays average per capita health centre visits for the pre- and post-development periods for both the North Baffin LSA and Iqaluit.

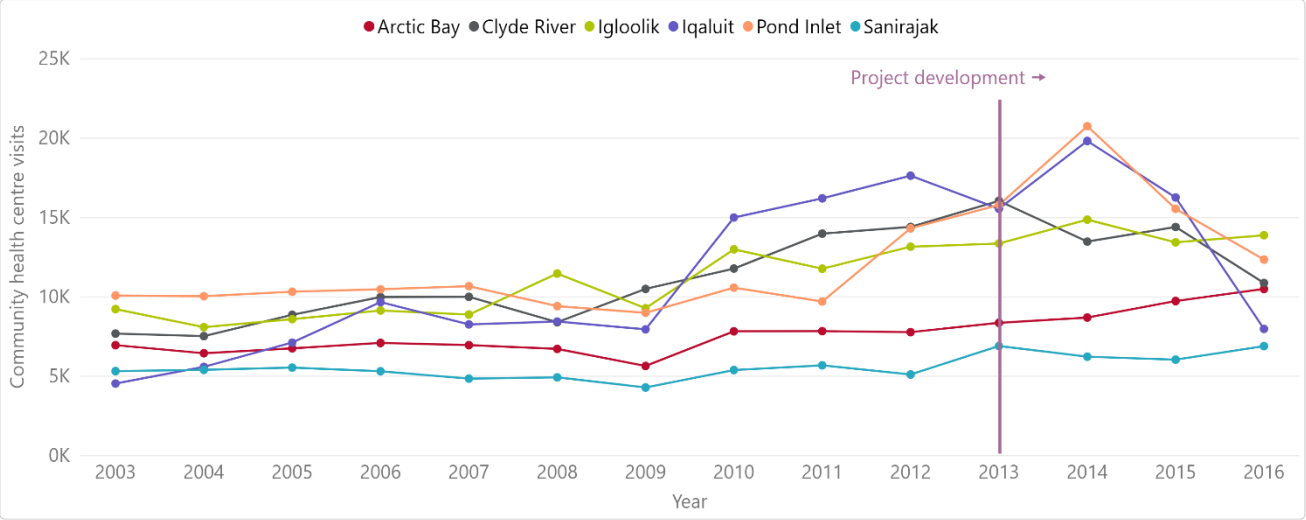
Table 17: Health centre visits per capita in the North Baffin LSA and Iqaluit averaged over selected time periods

Period	North Baffin LSA		Iqaluit	
	Average	Change from previous period	Average	Change from previous period
2003 - 2007	8.0	-	1.1	-
2008 – 2012 (pre-development period)	8.2	+0.2	1.9	+0.8
2013 – 2016 (post-development period)	9.7	+1.4	2.0	+0.1

Source: (Nunavut Bureau of Statistics (NBS), 2018b)

Figure 46 displays the number of health centre visits in Iqaluit and the North Baffin LSA communities.

Figure 46. Visits to community health centres by community (2003 – 2016)



Source: (Nunavut Bureau of Statistics (NBS), 2018b)

Table 18 displays average values for health centre visits in the North Baffin LSA and Iqaluit for both pre- and post-development periods.

Table 18. Average health centre visits in the North Baffin LSA and Iqaluit (select time periods)

Period	North Baffin LSA		Iqaluit	
	Average	Change from previous period	Average	Change from previous period
2003 - 2007	39,915	-	7,009	-
2008 – 2012 (pre-development period)	46,264	+6,348	13,020	+6,011
2013 – 2016 (post-development period)	59,402	+13,138	14,786	+1,856

Source: (Nunavut Bureau of Statistics (NBS), 2018b)

When comparing the average visits across communities for the pre-development (2008 – 2012) and post-development (2013 – 2016) periods, we see an increase in both per capita and total visits to community health centres. The average number of health centre visits per capita increased by 17.1% in the North Baffin LSA (from 8.2 to 9.7) and by 5% in Iqaluit (from 1.9 to 2.0) between the pre-development and the post-development period. Per capita health centre visits in North Baffin LSA communities have always been much higher than the rate in Iqaluit.

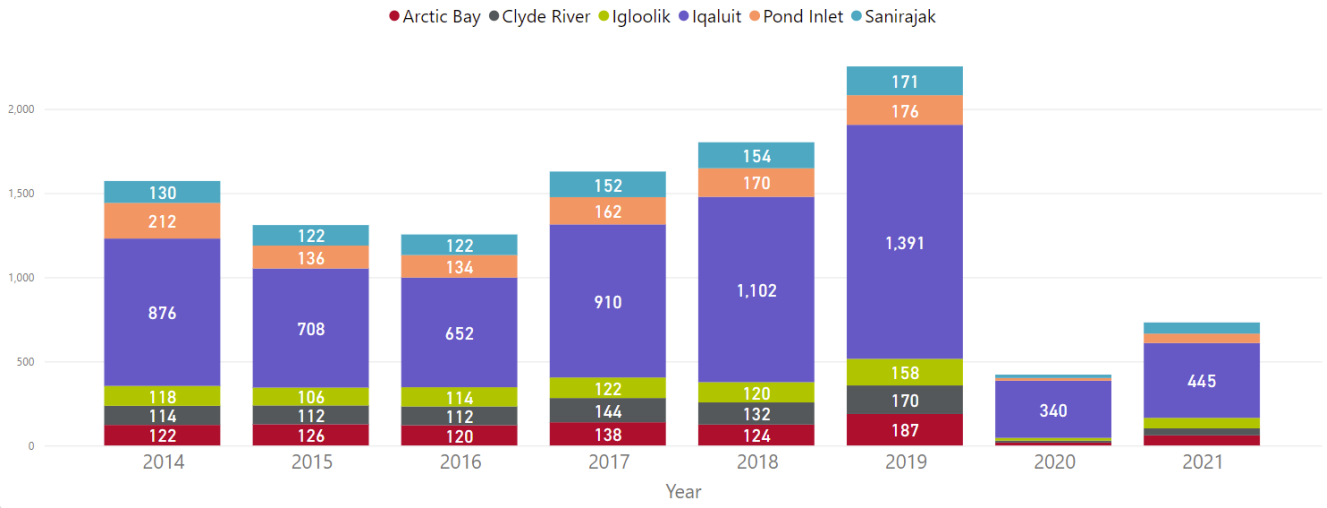
Between 2010 and 2016, within both the pre-development and the post-development period, there were significant changes in per capita health centre visits in the communities of Pond Inlet, Clyde River, and Arctic Bay. Despite these

fluctuations, per capita visits in 2016 in all North Baffin LSA communities, except Arctic Bay, were similar to historical levels (2009 and earlier). Based on this observation, and given the lack of data for more recent years (when Inuit employment grew significantly), the project is not considered to have had a significant effect on the use of public health services and infrastructure in the LSA.

6.2 Baffinland use of LSA community infrastructure

Figure 47 shows the total number of Project aircraft movements, including both fixed-wing aircraft (e.g. passenger, cargo, and 'combi' type) and rotary-wing aircraft (e.g. helicopters used for site activities), at LSA community airports each year since 2014. Aircraft movements are used an indicator of the project's potential effects on community infrastructure.

Figure 47. Project aircraft movements at Iqaluit and North Baffin LSA community airports



Source: (Baffinland, 2021)

Table 19 outlines 2021 health-related evacuations, including the number, type, and location of the evacuation. An air evacuation is a 'medevac' (air ambulance) service, whereas a charter is organized directly through Baffinland.

Table 19: Health related evacuations and charters from Baffinland project sites (2021)

Site	Evacuation type	Number
Milne Port	Air evacuation to the Iqaluit Regional Hospital	3
	Charter to the Iqaluit Regional Hospital	0
	Charter to other Nunavut health centre	5
	Charter to other out-of-territory facility	1
Mary River	Air evacuation to the Iqaluit Regional Hospital	5
	Charter to the Iqaluit Regional Hospital	3
	Charter to other Nunavut health centre	3
	Charter to other out-of-territory facility	0

Source: (Baffinland, 2021)

To support the movement of workers, freight, and other materials to and from the Project, Baffinland uses community airport infrastructure in the LSA. This is due to the remote location of the Project and lack of viable alternative transportation methods (aside from seasonal marine re-supply).

Baffinland's utilization of community infrastructure, particularly airports, dropped significantly in 2020 and 2021. In 2021, there were 731 Project aircraft movements at LSA community airports, up slightly from the 421 movements in 2020, but significantly lower than 2,253 in 2019. Project aircraft movements include movements made by fixed-wing aircrafts (e.g. passenger, cargo, and 'combi' type) and rotary-wing aircrafts (e.g. helicopters used for site activities). Travel restrictions

resulting from public health orders continued to be a contributing factor that limited Baffinland's utilization of community infrastructure in 2021, particularly airports.

Project-related aircraft movements add some incremental pressure on LSA community airport facilities. However, even in 2018, LSA community airports regularly accommodate various non-Project passenger, cargo, and other aircraft, and project-related aircraft movements at LSA community airports represented a small portion (8.4%) of this total[12].

Table 20 lists some meetings and events held in LSA communities in 2021 related to the Mary River Project. In 2021, Baffinland conducted many meetings focused on their Phase 2 project proposal.

Table 20. In-person meetings and events held in LSA communities (2021)

Month	In-person meeting or event
January	• Meeting with Hamlet of Clyde River and HTO on Phase 2 and Project Benefits • Community radio show in Clyde River on Phase 2 and Project Benefits • Meeting with Igloolik Mary River Working Group • Community radio show with Igloolik on Phase 2 and Project Benefits
February	• Meeting with QIA on Phase 2 Project Proposal • Meeting with Deputy Minister and Minister of Economic Development & Transport on Phase 2
March	• Meeting with QIA on Phase 2 Review Process • Meeting with Hamlet of Pond Inlet Phase 2 Review Process • Meeting with Office of the Premier of Nunavut Phase Phase 2 Review Process • Meeting with QIA on Phase 2 Review Process • Meeting with North Baffin MLAs Phase 2 Review Process • Meeting with Hamlet Council of Sanirajak on Phase 2 Project Proposal • Public Town Hall in Sanirajak with Hamlet Council • Sanirajak Town Hall for Baffinland employees • Meeting with Hamlet Council of Igloolik on Phase 2 Review Process • Public Town Hall with Hamlet Council of Igloolik • Meeting with Igloolik Mary River Working Group on Phase 2 Review Process • Meeting with Hamlet Council of Clyde River on Phase 2 Review Process • Public Town Hall with Hamlet of Clyde River • Clyde River Town Hall for Baffinland employees • Meeting with Hamlet of Pond Inlet on Phase 2 Review Process • Public Town Hall with Hamlet Council of Arctic Bay • Meeting with Ikajutit Hunters & Trappers on Phase 2 Review Process
April	• Meeting with Hamlet Council and HTO Grise Fiord on Phase 2 Review Process • Meeting with Hamlet Council of Pond Inlet on Phase 2 Review Process
May	• Community radio shows in Igloolik and Sanirajak on Eqe Bay Project and Project updates • Meeting with Sanirajak Hamlet Council on Eqe Bay Project
June	• Meeting with Hamlet of Grise Fiord & HTO • Community radio show in Pond Inlet on shipping • Baffinland and QIA Employment and Training Radio Shows in Pond Inlet, Arctic Bay, Clyde River, Igloolik and Sanirajak • Community radio shows in Pond Inlet, Arctic Bay, Clyde River, Igloolik and Sanirajak on Mary River Project updates
July	• Meeting with Hamlet of Pond Inlet & HTO • Pond Inlet Baffinland Employees Town Hall • Residents of Pond Inlet Town Hall • Meeting with Hamlet of Sanirajak Chief Administrative Officer • Hall Beach Hunters and Trapper Association (HBHTA)

[12] In 2018 (the most recent year for which data is available), there were a total of 26,699 aircraft movements in the LSA. This includes 7,540 aircraft movements at the North Baffin LSA airports (Statistics Canada, 2020) and 19,159 aircraft movements at the Iqaluit airport (Statistics Canada, 2020).

	• Meeting with Sanirajak Hamlet Counsellors • Public Question and Answer Session at Sanirajak Co-Cop • Meeting with Sanirajak Hamlet Council • Meeting with Hamlet of Pond Inlet Executive Council • Meeting with MLA for Tununiq • Meeting with Mayor of Pond Inlet
August	• Meeting with Mayor of Pond Inlet • Meeting with Pond Inlet Executive Council on Phase 2 • Meeting with Minister of Northern Affairs • Recruitment Tour with Residents of Clyde River • Recruitment Tour with Residents of Sanirajak • Recruitment Tour with Residents of Pond Inlet
September	• Meeting with Mayor and Hamlet Council on Phase 2 • Public Radio Show- Clyde Radio • Meeting with Mittimatalik Hunters and Trappers Organization • Meeting with new Chief Administrative Officer in Hamlet of Arctic Bay • Hamlet of Arctic Bay and Ikajutit Hunters and Trappers Organizations on Phase 2 • Meeting with Pond Inlet Search and Rescue Committee on Search and Rescue Coordination • Meeting with Hamlet of Pond Inlet Executive Council on Phase 2 • Meeting with Qikiqtani Inuit Association Community Director on Phase 2 • Meeting with Ittaqq Heritage and Health Centre • Meeting with Hamlet of Arctic Bay
October	• Youth Forum in Pond Inlet • Meetings with Hamlet of Resolute Bay (2) • Meetings with Hamlet of Grise Fiord (2) • Meeting with City of Iqaluit Mayor and Council on Phase 2 Water License Amendment • City of Iqaluit Mayor and Council on Phase 2 Review Process • Meeting with Hamlet of Clyde River on Phase 2 Review Process • Meeting with Mayor of Igloolik on Phase 2 Review Process • Meeting with Pond Inlet Hamlet Council on Phase 2 Review Process • Meeting with Pond Inlet Baffinland Inuit Employees and Mayor of Pond Inlet
November	• Technical Meeting with Nunavut Water Board, CIRNAC, DFO, ECCC on Phase 2 Review Process • Government of Nunavut- ED&T on Phase 2 Review Process • Mayor of Pond Inlet on Phase 2 Review Process • Nasivvik High School Visit • Community radio show in Pond Inlet
December	• Meeting with CLARC and community in Igloolik on Eqe Bay Project • Mayor Hamlet of Pond Inlet on Phase 2 Review Process • Mayor Hamlet of Pond Inlet on Phase 2 Review Process • Government of Nunavut- ED&T on Phase 2 Review Process • Meeting with Pond Inlet community and Mittimatalik Hunters and Trappers Organization • Meeting with Poind Inlet community on Phase 2 • Community radio show in Pond Inlet

Note: This table captures the in-person meetings or meetings held in LSA communities in 2021. Where the Phase 2 Project Proposal is referenced in the table, Phase 2 was the main subject of discussion.

Like in previous years, Baffinland has continued to use some LSA community infrastructure to support ongoing Project development. This included full-time rental of five offices for BCLOs in the North Baffin communities of Arctic Bay, Clyde River, Sanirajak, Igloolik, and Pond Inlet, and one office for Baffinland's Community Strategic Development and Northern Affairs team in Iqaluit. This also included short-term use of meeting rooms and other local services for meetings and events held in various LSA communities. Additional details on stakeholder and community meetings and events Baffinland has participated in may be found in the Company's Annual Reports to the NIRB as well as in Table 20 above. Baffinland's rental of office spaces in the LSA is generally limited to small facilities (i.e. to support individual BCLOs and Northern Affairs staff), and the use of local meeting rooms and accommodations is often intermittent and short-term in nature. The use of these spaces is a positive contribution of the Project to local economies (e.g. through payments of rental fees, catering, and purchase of related goods and services).

Residual effect	Competition for Skilled Workers
Summary	The EIS predicted the Project could negatively affect the ability of Hamlets to maintain their staff in the short-term, due to increased competition for skilled workers created because of the Project.
Existing mitigation	• Provision of ongoing skills training to local residents, combined with work experience generated by the Project. These measures are expected to increase the pool of skilled workers in the local labour force in the medium- to long-term and negate any short- term, negative Project effects.
Monitoring results	2020 Inuit Employee Survey results continue to indicate the Project may be having some negative effect by increasing the competition for workers in local communities. Results from the 2020 Inuit Employee Survey show that Inuit 23% of Inuit workers left a previous job to join Baffinland. Out of the 16 responses that listed the previous employer, 4 were Hamlets. This effect will continue to be monitored to determine if the project has a sustained negative effect on Hamlet staff retention. Direct engagement with Hamlet government could support monitoring of this effect.

Residual effect	Labour Force Capacity
Summary	The EIS predicted the Project could positively affect the ability of Hamlets to maintain their staff in the medium- to long-term, due to increased labour force capacity created because of the Project.
Existing mitigation	• Provision of ongoing skills training to local residents, combined with work experience generated by the Project. Together, these are expected to increase the overall pool of skilled workers in the local labour force from which hamlets (and other local and regional organizations) can draw upon.
Monitoring results	Currently no data is collected on whether and how Hamlets are benefitting from any labour force capacity created by the project. Reasons Inuit employees cited for resigning in 2021 included accepting positions closer to home. Therefore, it is anticipated that community-based employers, such as Hamlet governments, will continue to have opportunities to hire former Project employees.

7 · Cultural Resources

The preservation of archeological sites and other cultural resources within the North Baffin LSA

FEIS Prediction

"The Project will not result in significant adverse effects on archaeological sites. Appropriate procedures including excavation and flagging will be undertaken prior to development to limit the effect of the Project on cultural resources in the area."

Monitoring related this VSEC has been conducted through the Archaeology Status Update Report. No residual effects were identified in the EIS. The Archology Status Update Report is submitted to the Government of Nunavut annually. This report outlines archeological work completed in the previous year, any work proposed in the coming year, and any changes to the status of identified archeological sites. No work related to archeological sites was conducted in 2021. No status changes to any identified sites in 2021.

8 · Resource and Land Use

Land use and harvesting activities at Project sites, including issues resulting in wildlife compensation claims

FEIS Prediction

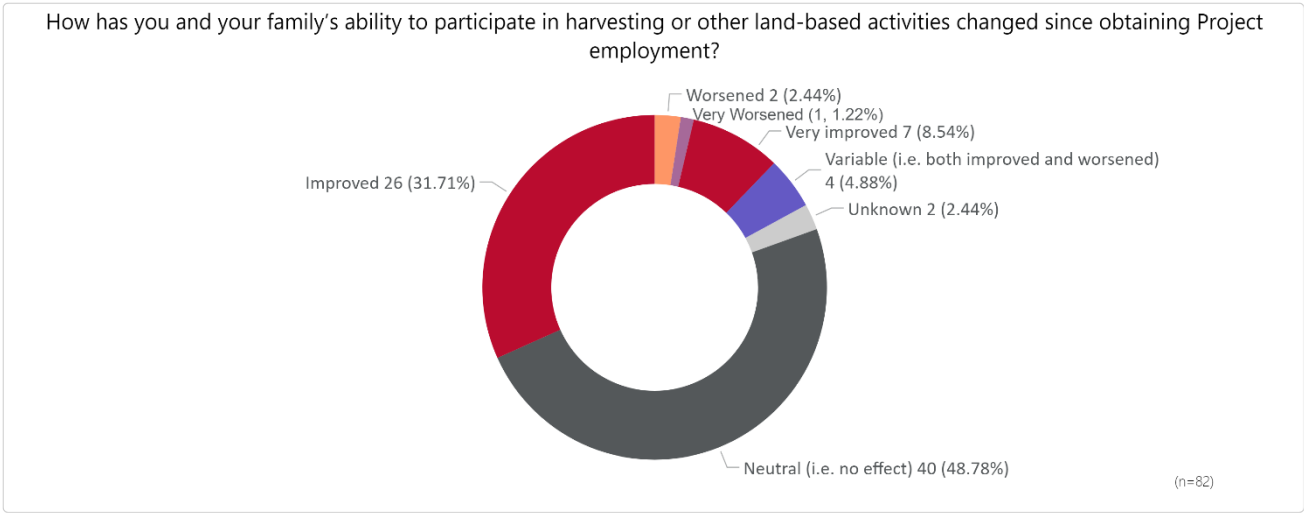
"The Project will not have a significant effect on harvesting within the land use study area as a result of Project development. Although potential exists for wildlife to avoid areas of intensive Project interaction, the amount of country food harvested per level of effort is not anticipated to change meaningfully."

"Baffinland acknowledges that shipping, port activities and rail line operations related to the Project may potentially affect Inuit travel. However, these effects of the Project will not result in significant adverse effects on travel and camps. Individuals' ability to travel and camp throughout the land use study area will not be meaningfully altered—the negative effects are only evident at points of Project interaction including Milne Inlet, Milne Inlet Tote Road, Mine Site, Railway, and Steensby Port."

Key Findings

- In 2021, a total of 199 land use visitor person-days were recorded at Project sites, a 40% reduction from 2020. The decrease is likely due to the impacts of COVID-19 restrictions and the closure of Project facilities to Nunavut residents in respect of Public Heath Measures.
- The QIA reported that 2 claims were paid from the Wildlife Compensation Fund in 2021, totaling $8,191.
- Project employment appears to have mostly a positive or neutral effect on Inuit employee's ability to participate in harvesting and other land-based activities: 44% of Inuit Employee Survey respondents reported an *improved* or *very improved* ability to participate, 49% reported a neutral effect (i.e. no effect)

Figure 48: Survey responses to the question "How has you and your family's ability to participate in harvesting or other land-based activities changed since obtaining Project employment?"



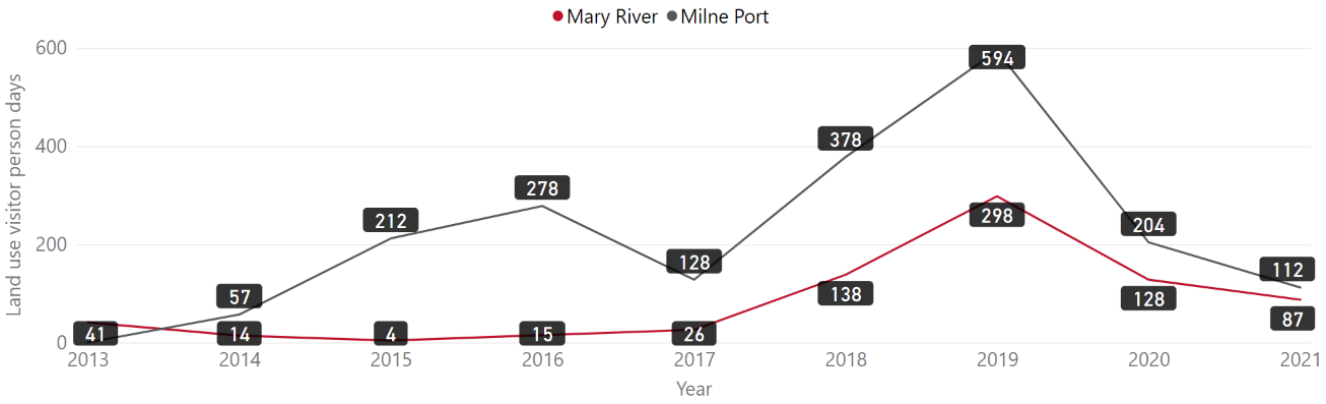
Source: (Baffinland (survey), 2020)

8.1 Recorded land use visitor person-days at project sites

The number of recorded land use visitor 'person-days' at Project sites provides some indication of how often the Project area continues to be accessed for land use activities. Because groups of individuals may travel together and/or use Project sites over multiple days, person-days can capture the extent of site visitations in a year (i.e. one person-day is equal to one person visiting a site during one day, while ten person-days could equal one person visiting a site during ten days or five people visiting a site during two days).

Figure 49 displays the number of recorded land use visitor person-days at Project sites since 2013.

Figure 49. Recorded land use visitor person-days at project sites



Source: (Baffinland, 2021)

Baffinland maintains a Hunter and Visitor Access Log to track land use parties that pass through or use Project areas, which requires hunters to check in with security. In 2021, a total of 199 land use visitor person-days were recorded at Project sites, a 42% decrease from 2020 and a 78% reduction from 2019 levels. The decrease is likely due to the impacts of COVID-19, which included the temporary closure of Project facilities to Nunavut residents. Though the temporary closure of facilities may have reduced the visitor person-days at the project site, it is difficult to draw conclusions on use of the Project area for land-use activities based on the access log data during 2020 and 2021. During this time, food and fuel were supplied directly to the hunter cabins in the area between hunter visits to prevent visitors from coming to the site to request it, and public announcements of camp closures may have deterred hunters from contacting Project employees to report land access.

Through Baffinland's regular community engagement activities in 2021, several North Baffin LSA community members expressed discontent about the accessibility to hunt in the project area, including along the Tote Road and within 1 kilometre of site (safety radius), and due to COVID-19 restrictions.

The visits recorded in 2020 and 2021 depart from previous years' trends, which indicated increasing access of Project sites for land use activities. This increase may have been in part be due to better reporting and record keeping.B

Common reasons for the visit identified in the hunter and visitor log include hunting; collecting fuel; having a meal; resting and warming up; and repairing / picking up snow mobiles. Additional detail on group sizes and timing can be found in Table 21 below.

Table 21. Number of groups of land-use visitors to project sites by size and month (2021)

Group size	Jan	Feb	Mar	Apr	May	Sep	Dec	Unknown
1-person group		1						
2-person group	1	9	2	1		4	1	
3-person group	12	2	1	1			4	

4-person group		1		7		2		
5-person group		1	2	4			2	
6-person group		1	5					
7-person group	7	19						
8-person group				1				
9-person group		4		1				
10-person group		3						
12-person		2						
N/A / Unknown	2	3	2		2	2		1
Totals	**22**	**46**	**12**	**15**	**2**	**8**	**7**	**1**

Source: (Baffinland, 2021)

8.2 Wildlife compensation fund claims

Inuit hunters and harvesters impacted by the Mary River Project can apply for compensation through the Wildlife Compensation Fund (WCF) for loss or damage relating to wildlife suffered by such claimant or claimants as a result, directly or indirectly, of development activity related to the Project. Established under Article 17.6 of the IIBA, the WCF is administered by the QIA.

The number of annual WCF claims provides insight into land use and harvesting issues which may be arising because of the Project. In 2021, there were 4 claims submitted to QIA, 2 of which were approved, totalling $8,191 disbursed from the Fund during the QIA Fiscal Year 2021-22. This represents a decrease in both total claims and funds disbursed compared to 2020 (10 claims and $25,575 disbursed). Baffinland's community engagement records note that applying to the WCF can be time consuming and challenging to have an approved application.

Residual effect	Caribou Harvesting | Marine Mammal Harvesting | Fish Harvesting
Summary	The EIS predicted the Project could have a negative effect on caribou harvesting. Negligible effects on marine mammal and fish harvesting were also predicted. *While not all these effects were considered residual effects in Project EIS documents, they are included here for completeness.
Monitoring results	Potential effects continue to be tracked through Baffinland's environmental monitoring programs. Terrestrial and marine monitoring are reviewed bi-annually by the Terrestrial Environment Working Group (TEWG) and Marine Environment Working Group (MEWG). Please see Baffinland's Annual Reports to the NIRB for detailed monitoring information and coverage on these topics. Additional discussion relevant to Project harvesting interactions and food security is provided in Section 10.1 of the Socio-Economic Monitoring Report, which acknowledges that some stakeholder concerns have been expressed about Project effects on harvesting. However, several mitigation measures are in place (e.g. Wildlife Compensation Fund, Harvesters Enabling Program) and Baffinland continues to make contributions to components of food security through initiatives commensurate with its role as a regional mineral developer (see Table 25). This includes providing LSA residents with income for the purchase of food, support for participation in harvesting activities, and other related initiatives. Inuit employee harvesting is also permitted at the Project (subject to certain restrictions).

Residual effect	Safe travel Around Eclipse Sound and Pond Inlet | Safe Travel Through Milne Port | Emissions and Noise Disruption at Camps | Sensory Disturbances and Safety Along Milne Inlet Tote Road |Detour Around Mine Site for Safety and Travel | Difficulty and Safety Relating to Railway Crossing | Detour Around Steensby Port | HTO Cabin Closures | Restriction of Camping Locations Around Steensby Port
Summary	The EIS predicted the Project could have some negative effects on Inuit travel and camping. These include effects on safe travel around Eclipse Sound and Pond Inlet, safe travel through Milne Port, emissions and noise disruption at camps, sensory disturbances and safety along the Milne Inlet Tote Road, detouring around the Mine Site for safety and travel, difficulty and safety relating to railway crossing, detour around Steensby Port, HTO cabin closures, and restriction of camping locations around Steensby Port.
Existing mitigation	Shipping-related mitigation developed and/or proposed by Baffinland includes: • Provision of community public safety awareness campaigns (e.g. informing the community of vessel movements, tracking the route and timing of passage, periodic public meetings and information sessions) • Establishing a detour around Steensby Port, and providing food, shelter, and fuel to detouring travellers. In addition, other mitigation measures have been identified for Steensby Port that will be implemented once that component of the Project is constructed. Road and rail-related mitigation developed and/or proposed by Baffinland includes: • Development of a Roads Management Plan (e.g. establishing speed control and signage, ensuring truck operator vigilance, reporting of non-Project individuals) • Public education • The addition of railway crossing locations Mine site-related mitigation developed by Baffinland includes: • Various public safety mechanisms (e.g. establishing signage and access barriers, restrictions on entering industrial sites) • Development of a mine closure plan • A Hunter and Visitor Site Access Procedure, which describes how land users can safely access Project facilities at Milne Port and the Mine Site. It further describes Baffinland's policy prohibiting the public from unescorted travel on the Tote Road. Baffinland will instead transport land users and their equipment on the Tote Road in order to prevent land user-Tote Road traffic interactions. Community compensation and support: • $750,000 to a Wildlife Compensation Fund (administered by the QIA under the terms of the IIBA) to address the potential for wildlife-related impacts from the Project. • Harvesters Enabling Program in Pond Inlet through the amended IIBA, whereby Baffinland will contribute $400,000/year for 10 years for a gas program to allow for more accessible travel for Inuit in the area.
Monitoring results	Monitoring data suggest Inuit land use activities coexist to some degree with the Project, as local land users have continued to access Project sites since construction began, with a substantial increase in visitor person-days over the past four years with the exception of 2020 and 2021 (199 land use visitor person-days were recorded in 2021). Additional monitoring beyond Project land access is required to fully assess effects. Various mitigation measures have been established by Baffinland to address effects on Inuit travel, camps, and harvesting.

9 · Cultural Well-Being

The influence of the Project on Inuit culture and cultural development through its interactions with Inuit cultural values

FEIS Prediction

"The Project will affect Inuit culture and cultural development through its interactions with Inuit cultural values. To a large degree, these interactions will be positive. The opportunities for productive livelihoods based on self-reliance and sharing of resources, learning and sharing experience through supervisory and role-model functions, and for monitoring the environment are all relevant and supportive of these values. This conclusion that productive employment is aligned with Inuit culture in the contemporary context is something that has also been expressed by Elders during community consultations.

It is acknowledged, however, that culture has many facets. Different perspectives on industrial development and its effects on culture have been heard during community engagement. Some individuals have deep concerns about the effect of on-going economic development and expansion of the wage economy on Inuit culture. What may be a positive cultural effect for some—access to a job that enables one to provide for family and relatives—may be a negative cultural effect for someone else. For these reasons, Project effects on culture are considered to be diverse in their direction — neither positive nor negative. No significant impact is assessed."

Key topics identified during consultations for Phase 2 include the following:

- **Inuit Lifestyles and Traditions** - the transition to working at the Project and the potential impact it may have on Inuit lifestyles and traditions. Participants asked about supports available to workers, country food availability on site, and cultural training for southern workers.
- **Light, Noise, Emissions and Visual Disruption** – potential impacts to marine mammals from noise generated by vessels.
- **Marine Travel, Camps, and Harvesting** – winter shipping and the potential impact it would have on marine wildlife, on hunters accessing hunting locations, and on the ability to cross the ship track.
- **Terrestrial Travel, Camps, and Harvesting** – a range of issues related to terrestrial travel, camping and harvesting including caribou monitoring programs, wildlife compensation, hunting areas, and discussion with the HTO in Pond Inlet regarding HTO cabins and travel routes inland to the Mary River area for hunting.
- **Traditional Knowledge** – the importance of traditional knowledge, the value it can provide, and that it should be considered equally with scientific study. It was also noted that more should be done to support Elders as they are the ones teaching the youth.

The usefulness of traditional knowledge, and importance retaining it for future generations, is expressed by community members, both with regards to the Project and generally. Concerns expressed through the community roundtable hearings for Phase 2 show this, for example:

> *I was raised in Pond Inlet, and my roots are from there. I understand our generation will continue to explore new ways of living in terms of culture and traditions and will continue to change and that we most likely won't go back to the old ways. However, a lot of us continue to use the land and sea in order to maintain our traditions and culture. The knowledge passed down to us by our ancestors is as important to us as it is to Baffinland. . [Community member, Pond Inlet at the NIRB Phase 2 Community Roundtable]* (Nunavut Impact Review Board, 2021, pp. 2293-2294)

> *Where is Inuit Qaujimajatuqangit? It's already here in our heads. […] It's all in our -- in our thoughts. We can -- in today's world, we can write things -- begin writing what we know. When I was in Arviat, when we had a lot of youth with us, we taught them about air, water, and ice. We taught Inuit -- we taught them Inuit Qaujimajatuqangit. We taught and spoke to them and how to survive with the CB radio because that's very crucial in our culture, the use of CB radio. So we would ask hunters that are out there what they predict, what the weather might be throughout the day. So Inuit Qaujimajatuqangit, Inuit knowledge, it can -- and we can produce written documents. How our everyday lives are. We can speak about our environment. So we look forward to seeing documents written about our culture, what we know. Governments can help us. We can produce videos, written documents, and this would be a good starting point. [Community member, Pond Inlet at the NIRB Phase 2 Community Roundtable]* (Nunavut Impact Review Board, 2021, pp. 3199-3200)

Baffinland introduced the Inuit Cultural Engagement (ICE) Workshop in 2019 for all Baffinland and contractor employees working at the Mary River site to create awareness and understanding of Inuit customs, history and traditions. Three pilot programs were successfully delivered in the summer of 2019. Attendees included 10 Inuit and 38 non-Inuit participants and feedback was used to strengthen the workshop. The Inuit Success Assurance team reviewed and updated the Inuit Cultural Engagement Session in November 2019. This team now delivers the ICE workshops.

While the Inuit Success Assurance Team was largely de-mobilized in 2020 and part of 2021 due to the pandemic, Baffinland was still able to organize a number of events while observing health & safety protocols during COVID-19 including:

- Purse making
- Jewelry/Bracelet making
- Qulliq lighting
- Inuktitut Language classes
- Miniature Kamik making
- Country Food Cooking classes
- Country food tasting
- Nunavut Day Celebration

Currently, Baffinland has country food kitchens at the main camps where country food can be prepared and shared. Inuit employees can bring their own country food to store and eat in the country kitchen. Equipment required to prepare traditional meals is also provided. In addition to country food on site, Baffinland has a country food exchange program to facilitate sharing of country food among the five North Baffin LSA communities.

10 · Economic Development and Self-Reliance

The combined effects of the project on economic development, Inuit autonomy and general wellbeing

FEIS Prediction

"The overall direction of the effects of the Project on the Economic Development and Self-Reliance VSEC are assessed, with a high level of confidence, to be positive. Direct and indirect economic expansion associated with the Project will create new opportunities for employment and business across the RSA, and particularly within the LSA. The Project will enhance labour force capacity and may increase Inuit business capacity. The assessment of Project interactions on land and land use dimensions of this VSEC suggest that these effects will be multi-dimensional. No significant adverse effects on the underlying VECs are assessed. The integrated analysis of the combined effects of the Project does not lead to an assessment of adverse effects on harvesting. Considering the Project's interactions with these multiple dimensions related to Economic Development and Self-Reliance, the residual effects of the Project are assessed to be positive and significant."

Note to readers

This VSEC relates to a number of other VSECs and indicators within this report. As such, an assessment of economic development and self-reliance would need to consider data and information from the following sections:

2. Education and Training
3. Employment and Livelihood
4. Contracting and business opportunities
5. Human health and wellbeing, and
8. Resource and land use.

As noted in the EIS, following an integrated assessment of these other VECs/VSECs, no new residual effects specific to this VSEC were identified. Building on the results for the VSECs listed above, this section reports on additional indicators relevant to economic development and self-reliance including: investments in community and wellness initiatives, and harvesting activities and food security.

Key Findings

- Data from the 2012 and 2017 Aboriginal Peoples Surveys indicate that an increasing proportion of Inuit households are experiencing some level of food insecurity. In the North Baffin LSA, just over half of survey respondents (56%) reported that they cut the size of or skipped meals entirely over the last year because there was not enough money for food (up from 37% in 2012), while just under half of respondents (45%) said that they went hungry because they could not afford food (up from 35% in 2012).
- For the North Baffin LSA, the 2012 and 2017 Aboriginal Peoples Surveys indicated a decline in the number of respondents who report they have hunted, fished, trapped or gathered wild plants over the past year, including 10% decreases in hunting, fishing and trapping activity over this five-year period (from 66.7% to 56.4%) and a 7% decrease in respondents who had gathered wild plants in the previous year (from 38% to just under 31%).
- These results stand in contrast to the positive impacts of Project employment on family wellbeing. In the 2020 Inuit Employee Survey, 67% of respondents reported an improved or very improved ability to provide for themselves and their family.

10.1 Investments in community and wellness initiatives

Baffinland contributes to a variety of LSA-based community and wellness initiatives, in addition to other contributions to education and school-based initiatives outlined in Section 2. In 2021, Baffinland provided over $700,000 towards various

social, recreational, educational, and cultural initiatives in the North Baffin and Iqaluit. The following list outlines a selection of Baffinland's donations, sponsorships, and IIBA commitments provided in 2021:

- $100,000 in funding towards the installation of marine VHF repeater stations in Pond Inlet and Sanirajak to support safe travel in areas lacking communication methods for land users and hunters;
- $72,000 contributed towards the purchasing of cleaning supplies in North Baffin communities in response to the ongoing COVID-19 pandemic;
- $400,000 towards the Harvester's Enabling Program in Pond Inlet, which was established through the IIBA, to support a gas program to enhance travel for Inuit in the area;
- Donations to food banks and other food-related initiatives in LSA communities organized by Hamlets;
- Logistical and/or monetary supporting specific events, initiatives, and infrastructure, such as:
    - Winter clothing drives
    - Community clean-up support
    - Community events (e.g. Christmas events, fishing derby, festivals)
    - Youth programming
    - Equipment to support programming (e.g. sewing machines, all-terrain vehicles, ice-resurfacing machines, sports equipment)

10.2 Project harvesting Interactions and food security

Harvesting and consumption of country food are valued and important parts of Inuit culture and diet, but community-level data on these topics are limited. This section includes data from national surveys of First Nations living off reserve, Metis, and Inuit people, called the Aboriginal Peoples Survey.

The Aboriginal Peoples Survey, which monitors the social and economic conditions of Inuit in Canada, includes questions on both food security and harvesting. It should be noted that participation in the APS is voluntary and the questions vary between surveys which are conducted only every 5 years. These surveys recorded responses from members the North Baffin LSA, Iqaluit, as well as Nunavut as a whole.

Food Insecurity

Improving food security remains a pressing issue in Nunavut (Nunavut Food Security Coalition, 2014; Nunavut Food Security Coalition, 2016). Aboriginal People's Survey (2014) notes food insecurity refers to situations when, for example, the food that was purchased does not last and there is not enough money to buy more; a household cannot afford to eat balanced meals; or household members cut the size of their meals or skip meals because there is not enough money for food. Table 22 summarizes results of the 2012 and 2017 Aboriginal People's Survey in terms of the proportion of survey respondents who responded "yes" to each of the listed survey questions.

A large proportion of Nunavummiut experienced food insecurity (went hungry), and this proportion increased across Nunavut from 2012 to 2017. In the North Baffin LSA, a majority of survey respondents reported skipping meals and going hungry for a lack of money to buy food.

These results are in contrast to positive impacts reported by many respondents to the Inuit Employee Survey where 67% of respondents reported an *improved* or *very improved* ability to provide for themselves and their family. This result suggests that Baffinland employees are able to provide for their families while food insecurity remains a reality for the broader community.

Table 22: Results from the food security section within the Aboriginal Peoples Survey from both 2012 and 2017.

Survey Question	Nunavut			Iqaluit			North Baffin LSA		
	2012	Δ	2017	2012	Δ	2017	2012	Δ	2017

In the past 12 months, since last [month of interview], did [you/you and other household members] ever cut the size of your meals or skip meals because there wasn't enough money for food?	33.7% ↑ 42.5%	19.4% ↑ 26.9%	37.0% ↑ 56.4%
In the past 12 months, did you [personally] ever eat less than you felt you should because there wasn't enough money to buy food?	34.1% ↑ 41.5%	20.9% ↑ 28.4%	38.3% ↑ 51.3%
In the past 12 months, were you [personally] ever hungry but didn't eat because you couldn't afford enough food?	28.0% ↑ 33.2%	16.4% ↑ 23.9%	34.6% ↑ 44.9%

Sources: (Statistics Canada, 2012) (Statistics Canada, 2017)

Harvesting

Table 23 and Table 24 presents the proportion of survey respondents who answered "yes" to the question on whether or not they participated in harvesting activities, and then the proportion of those who confirmed participating that answered "yes" to each subsequent question about how often they participated. The North Baffin LSA has seen a decline in the number of respondents who report they have hunted, fished, trapped or gathered wild plants over the past year, including 10% decreases in hunting, fishing and trapping activity over this five-year period (from 66.7% to 56.4%) and a 7% decrease in respondents who had gathered wild plants in the previous year (from 38% to just under 31%). The rise in food insecurity in North Baffin households over the five-year period of 2012 - 2017 has occurred in concert with a decline in traditional harvesting activities.

Table 23: Results from the hunting, fishing, and trapping section within the Aboriginal Peoples Survey from both 2012 and 2017.

Survey Question	**Nunavut**			**Iqaluit**			**North Baffin LSA**		
	2012	**Δ**	**2017**	**2012**	**Δ**	**2017**	**2012**	**Δ**	**2017**
In the last year, did you hunt, fish or trap? If so, did you do this…	**65.5%**	**↓**	**64.6%**	**54.0%**	**↑**	**64.2%**	**66.7%**	**↓**	**56.4%**
For pleasure or leisure?	52.8%	↑	64.5%	72.4%	↓	62.8%	46.7%	↑	77.8%
For your own use or your family's use?	76.0%	↑	91.5%	69.0%	↑	86.0%	73.3%	↑	93.3%
To share with others in the community?	44.8%	↑	64.5%	27.6%	↑	44.2%	40.0%	↑	80.0%

Sources: (Statistics Canada, 2012) (Statistics Canada, 2017)

Table 24: Results from the gathering wild plants section within the Aboriginal Peoples Survey from both 2012 and 2017.

Survey Question	**Nunavut**			**Iqaluit**			**North Baffin LSA**		
	2012	**Δ**	**2017**	**2012**	**Δ**	**2017**	**2012**	**Δ**	**2017**
In the last year, did you gather wild plants, for example, berries, rice or sweet grass?	42.6%	↓	36.5%	54.0%	↓	41.8%	38.1%	↓	30.8%
Did you do this... ? - For pleasure or leisure	59.1%	↑	71.2%	62.1%	↑	64.3%	60.7%	↑	87.5%
Did you do this... ? - For your own use or your family's use	72.0%	↑	89.5%	69.0%	↑	82.1%	60.7%	↑	91.7%
Did you do this... ? - To share with others in the community	28.4%	↑	49.0%	13.8%*	↑	32.1%*	28.6%*	↑	70.8%

Sources: (Statistics Canada, 2012) (Statistics Canada, 2017) | ***Note**: data based on small sample, interpret with caution.

As described in Section 8.1, the number of land use visitor person-days recorded at both Mary River and Milne report increased substantially in both 2018 and 2019, although there was a large decrease in 2020 and 2021. Without additional monitoring, it is not known how the number of land use visitor person-days corresponds to the general amount of hunting, fishing and trapping activity in the North Baffin LSA in general.

The other source of information relevant to this VSEC is input and observations provided through community engagement conducted for the Project. As mentioned in previous SEMRs, some Project stakeholders have suggested adverse effects on harvesting and wildlife have been experienced because of the Project. These included comments on the impacts of

shipping and noise on wildlife, water pollution from shipping practices, dust contamination and marine life, and the effects of mining and shipping on harvesting in the Project area. For example:

> *So the constant ships going through these delicate waters of Pond Inlet where the Inuit hunt animals and live in traditional ways of life to feed their families, with all these ships through here, there are hardly any animals now. I don't think anybody listens to what we're saying. For example, I remember as a child growing up or as a youth adult or earlier on, we used to go fishing in one particular area near the mine. We'd catch hundreds of fish, fantastic memories. In the same place we went two years ago, we got three fish. Three. How do you expect people of Pond Inlet to store food for the year with three fish? [Pond Inlet Community Member, at the NIRB Phase 2 Community Roundtable]* (Nunavut Impact Review Board, 2021, pp. 3410-3411)

Concerns have also been expressed elsewhere about declining rates of country food consumption and the lack of food security in Nunavut, generally. Additional comments (not necessarily all related to the Project) on country food and/or food security were recorded in 2021 engagement meetings with Baffinland, for example:

> *With the expansion request, there has been less wildlife especially seals. I know it's not just the ships that's just contributing and I expect it'll happen more. Even when there's not that many ships here, we hardly had any seals. I call [name]. I remember Aulattivik kangiqtuk area. [Name] went. Taqsauttianngikuluujaqtutik ("you can't really spot them"). They look like they're from here. Qujjukuluit ("swans"). Qimaasuunngungmata ("they want to go away or fly away"). [Igloolik Mary River Working Group Member]* (Baffinland, 2021)

The Nunavut Food Security Coalition (2014) has outlined four components of food security (i.e. availability, accessibility, quality, and use) and factors affecting each component (Table 25). Baffinland has acknowledged it can play a role in each of these food security components. However, the Nunavut Food Security Coalition (2014) also highlights food security components "are influenced by many complex factors" and notes "this critical and complex issue is larger than the mandate of any one organization. A collaborative approach is essential."

Baffinland continues to make contributions to the components of food security (Table 25), below. Baffinland has also developed mitigation and monitoring programs that aim to avoid or minimize adverse effects on terrestrial, freshwater, and marine resources important to LSA residents. Baffinland's Annual Report to the NIRB provides monitoring results and information specific to these topics. Harvesting and food security are complex issues that can be influenced by several factors and this topic will continue to be monitored for emerging trends. Additionally, Baffinland continues to work on the development of thresholds and actions for the Project's socio-economic monitoring program.

Table 25: Food security components and Baffinland's role

Components of Food Security	Factors Affecting Each Component (1)	Baffinland's Role (2)
Availability	• Family size • Human population size • Grocery supplies • Wildlife stocks • Distribution of wildlife • Environmental conditions	• Providing employees with ample and healthy food choices while on site • Avoidance/minimization of adverse effects on the biophysical/socio-economic environment and on terrestrial/freshwater/marine resources utilized by LSA residents (verified through annual monitoring)
Accessibility	• Cost of food • Income levels • Gambling and substance abuse • Transportation effectiveness • Strength of sharing networks • Access to hunting grounds • Climate change	• Providing LSA residents with meaningful incomes through employment that enables the purchase of food and support the participation in harvesting activities • Direct and indirect contributions to community well-being initiatives (e.g. INPK Fund, school lunch program, supporting country food supply chain, seasonal country food exchange program*, community food bank donations, community feasts*, and indirect contributions to the QIA Legacy Fund and QIA Benefits Fund) • Employee support through the EFAP, on-site Cultural Advisors, and the Community Counsellors Program • Avoidance/minimization of adverse effects on the biophysical/socio-economic environment and on terrestrial/freshwater/marine resources utilized by LSA residents (verified through annual monitoring) • Permitting Inuit employee harvesting during leisure hours (subject to certain restrictions) • Permitting Inuit non-employees to access Project sites and participate in harvesting activities (subject to certain restrictions) • Establishment of a Wildlife Compensation Fund to address potential impacts ($750,000 in compensation has been set aside for Inuit harvesters for incidents of loss or damage relating to wildlife due to the Project) • Establishment of the Harvesters Enabling Program in Pond Inlet ($400,000/year for 10 years, to provide gas to support local travel and harvesting activities)
Quality	• Nutritional knowledge • Health of store-bought food • Wildlife health • Food spoilage • Environmental contaminants	• Providing employees with ample and healthy food choices while on site • Establishment of country food kitchens at the Mary River and Milne Port sites • Avoidance/minimization of adverse effects on the biophysical/socio-economic environment and on terrestrial/freshwater/marine resources utilized by LSA residents (verified through annual monitoring)
Use	• Traditional knowledge • Food preparation skills • Budgeting skills • Literacy rates • Language barriers	• Completion of a comprehensive Inuit Qaujimajatuqangit study (on several topics, including harvesting), the results of which are publicly available • Establishment of country food kitchens at the Mary River and Milne Port sites • Organizing events on site that support country food as an important element of Inuit culture, such as Country Food Nights and country food cooking classes* • Commitment to offer financial management training and support to employees • Commitment to offer literacy and numeracy training to employees • Support for the use of Inuktitut at Project sites

Notes: 1. Food security components and factors affecting each component were sourced from the Nunavut Food Security Coalition (2014). 2. Asterisks (*) indicate actions or initiatives that were temporarily postponed, downscaled, ro impacted by COVID-19

No residual effects specific to the Economic Development and Self-Reliance VSEC were assessed in the EIS. Rather, an integrated assessment of other VECs/VSECs was conducted for this VSEC. Monitoring of residual effects continues to be conducted through other VECs/VSECs.

11 · Benefits, Royalty, and Taxation

The value of Project revenues accrued by the territorial government through taxation

FEIS Prediction

"The flow of revenues generated by the Project to the Government of Nunavut is assessed to be significant relative to the GN's own-source revenues."

Key Findings

- The value of tax payments made by Baffinland to the Government of Nunavut increased slightly in 2021 to approximately $15 million.
- In 2021, Baffinland paid a total IIBA royalty to QIA in the amount of $9,206,970

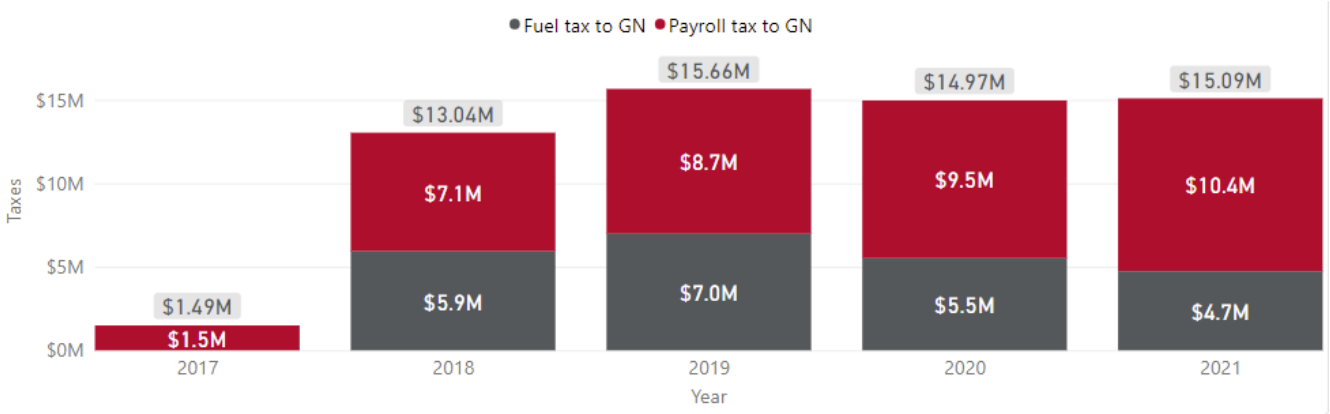
* **Note to readers**: This section focuses on tax payments to the Government of Nunavut, in line with the FEIS impact statement for the Mary River Project. Royalty and other payments are made to the QIA, including land use/rental payments, water compensation, payments associated with quarrying permits and production lease are not reported herein.

11.1 Payroll and corporate taxes paid by Baffinland to the Territorial Government

The Project's effect on revenues flowing to the territorial government is largely established by the value of its payroll as well as the assessment of corporate tax payments by Baffinland. In 2021, Baffinland paid a total of approximately $15 million in taxes to the Government of Nunavut: $10.4 million in employee payroll tax and $4.7 million in fuel tax. This represents a slight increase from 2020. In addition to taxes paid to the government of Nunavut, in 2021, Baffinland paid a total IIBA royalty to QIA in the amount of $9,206,970.

Figure 50 below provides an overview of taxes paid to the Government and Nunavut since 2017, including payroll tax and fuel tax.

Figure 50. Baffinland taxes paid to the Government of Nunavut



(Baffinland, 2021) | Note that the 2018 Payroll tax figure was incorrectly reported as $5.1 million but revised in this report after an administration error was corrected.

Table 26: Effects Assessment for the Benefits, Royalty, and Taxation VSEC

Residual effect	Project Revenues Flowing to the Territorial Government
Summary	The EIS predicted the Project would have a beneficial effect on revenues (e.g. through taxes) flowing to the territorial government. No specific mitigation measures were developed to support this prediction.
Monitoring results	The Project paid $15.09 million in taxes to the Government of Nunavut in 2021. This is consistent with the EIS prediction of positive effects from the Project occurring on revenues flowing to the territorial government.

12 · Governance and Leadership

Alignment with regional and communities' priorities through local involvement, leadership, and agreements

FEIS Prediction

"The Project is considered to fit well with the strategic priorities identified for both the RSA as well as for the communities of the North Baffin LSA. An effective governance regime will be in place with the signing of an IIBA and, through partnership with the Q-SEMC, Baffinland will contribute to socio-economic monitoring of importance to the region's leadership. Therefore, the Project is considered to have a positive and significant impact on the Government and Leadership VSEC."

12.1 Governance and Leadership Monitoring Data and Analysis

Data indicators for monitoring the Governance and Leadership VSEC have not been developed. However, the Project continues to provide socio-economic monitoring data of importance to the region's leadership, including through the provision of 2021 data included herein on demographic change, direct and indirect economic contributions, barriers to employment for women, Project harvesting interactions and food security, and potential indirect Project effects such as substance abuse, gambling, rates of domestic violence, and education rates, among others. Baffinland also continues to engage the QSEMC and SEMWG on its socio-economic monitoring program.

The EIS did not identify residual effects for the Governance and Leadership VSEC.

Concluding Remarks

Summary

Report Summary

This report helps to accomplish the objectives of the monitoring program (outlined in Appendix A) in several ways.

- This report has provided an assessment of selected socio-economic effects that were predicted to occur in the Project's EIS.
- This assessment has also provided insight into the functioning of Baffinland's socio-economic management and mitigation measures.
- This report has provided information (see Appendix A. Compliance Assessment section) that may assist regulatory and other agencies in evaluating Baffinland's compliance with socio- economic monitoring requirements for the Project.
- Finally, this report supports adaptive management for the Project, as issues identified in this report will continue to be monitored and opportunities for potential performance improvements may be assessed. The Adaptive Management Section contains additional information on adaptive management measures.

Cumulative Economic Effects Summary

The Project continues to make positive contributions to Nunavut's economy. 245 Inuit FTEs were employed by the Project in 2021, earning $21,595,612. $220.2 million was paid to Inuit Firms in 2021. A total of $1.52 billion dollars has been paid to Inuit Firms since Project development.

Mining remains an important contributor to the Nunavut economy. Nunavut's real gross domestic product (GDP) for all industries in 2019 (the latest year for which data is available) was $3,156 million. Of this amount, 'metal ore mining' was responsible for contributing $874 million (or 28%). Mining may also make economic contributions to supporting industries such as 'construction' ($585 million contribution to the Nunavut economy in 2019), 'transportation and warehousing' ($72 million contribution to the Nunavut economy in 2019), and 'accommodation and food services' ($32 million contribution to the Nunavut economy in 2019), among others (Nunavut Bureau of Statistics (NBS), 2019c).

No negative regional or cumulative socio-economic effects directly associated with the Project were identified in 2021. As such, no additional socio-economic mitigation measures have been proposed to manage negative effects.

Adaptive Management

This report has identified various positive effects of the Project and presents information that is consistent with several EIS predictions. However, some monitoring data has revealed unclear, inconsistent, or otherwise negative trends. Long-term monitoring will be necessary to track Project outcomes more fully over time and may contribute to an improved understanding of observed trends and causality. It is also likely some Project benefits will take time to be fully realized.

The COVID-19 pandemic has also had a major impact on the Mary River Project, with Baffinland implementing various measures to ensure a safe workplace and to protect Nunavut communities. Most notably, the decision made to return Nunavummiut employees to their home communities in mid-March 2020 in accordance with Government of Nunavut recommendations. While these employees continued to receive standby pay and some training and skills development was transitioned to be delivered in the communities, certain benefits of employment, such as on-the-job training, skills development and advancement are likely to have been negatively impacted in the period between mid-March 2020 and end of July 2021.

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Appendix A. Compliance Assessment

Table 27: Compliance Assessment Table

#	Description	Status	Concordance	Summary
129	The Proponent is strongly encouraged to engage in the work of the QSEMC along with other agencies and affected communities, and it should endeavour to identify areas of mutual interest and priorities for inclusion into a collaborative monitoring framework that includes socio- economic monitoring priorities related to the Project, communities, and the North Baffin region as a whole.	In-Compliance	Section Socio-Economic Monitoring (pg. 2), Section Socio-Economic Monitoring Indicators (pg. 95), and Appendix B. Socio-Economic Monitoring Indicators; Appendix C	Baffinland continues to engage with the QSEMC and participates in the SEMWG, whose members include Baffinland, the GN, the Government of Canada, and QIA.
130	The Proponent should consider establishing and coordinating with smaller socio-economic working groups to meet Project specific monitoring requirements throughout the life of the Project.	In-Compliance	Section Socio-Economic Monitoring (pg. 2), Appendix B. Socio-Economic Monitoring Indicators	Baffinland continues to engage with the QSEMC and SEMWG on socio-economic monitoring for the Project. In addition, Baffinland regularly engages other committees which operate under provisions of the IIBA on various socio-economic topics.
131	The QSEMC is encouraged to engage in the monitoring of demographic changes including the movement of people into and out of the North Baffin communities and the territory as a whole. This information may be used in conjunction with monitoring data obtained by the Proponent from recent hires and/or out-going employees in order to assess the potential effect the Project has on migration.	In-Compliance	Section 4 (pg. 39)	Baffinland has provided demographic change information in the Socio-Economic Monitoring Report.
133	The Proponent is encouraged to work with the QSEMC and in collaboration with the GN's Department of Health and Social Services, the NHC and other relevant stakeholders, design and implement a voluntary survey to be completed by its employees on an annual basis in order to identify changes of address, housing status (i.e. public/social, privately owned/rented, government, etc.), and migration intentions while respecting confidentiality of all persons involved. The survey should be designed in collaboration with the GN's Department of Health and Social Services, the NHC and other relevant stakeholders. Non-confidential results of the survey are to be reported to the GN and the NIRB.	Not in-Compliance	Throughout report	Baffinland has implemented an Inuit Employee Survey, which collects information related to employee and contractor changes of address, housing status, and migration intentions. The survey was not delivered in 2021 due to COVID-19. 2020 survey results are presented where relevant throughout the report and in Appendix D.
134	The Proponent shall include with its annual reporting to the NIRB a summation of employee origin information as follows: a. The number of Inuit and non-Inuit employees hired from each of the North	In-Compliance	Table 3 (pg. 9); Appendix C.	Baffinland has presented employee and contractor origin information in the Socio-Economic Monitoring Report.

#	Description	Status	Concordance	Summary
	Baffin communities, specifying the number from each, b. The number of Inuit and non-Inuit employees hired from each of the Kitikmeot and Kivalliq Regions, specifying the number from each, c. The number of Inuit and non-Inuit employees hired from a southern location or other province/territory outside of Nunavut, specifying the locations and the number from each, and d. The number of non-Canadian foreign employees hired, specifying the locations and number from each foreign point of hire.		Headcount data	
140	The Proponent is encouraged to survey Nunavummiut employees as they are hired and specifically note the level of education obtained and whether the incoming employee resigned from a previous job placement or educational institution in order to take up employment with the Project.	In-compliance	Section 2.5 (pg. 32)	Baffinland has implemented an Inuit Employee Survey, which collects information related to current education levels of employees, and their employment and education status prior to taking up employment with the Project.
145	The Proponent is encouraged to work with the GN and the QSEMC to monitor the barriers to employment for women, specifically with respect to childcare availability and costs.	In-compliance	Section 1.2 (pg.14) Section 5.1 (pg. 50)	Baffinland has presented information on hours worked by female Baffinland and contractor employees on the Project in the Socio-Economic Monitoring Report as well as responses to several survey questions relating to childcare.
148	The Proponent is encouraged to undertake collaborative monitoring in conjunction with the Qikiqtaaluk Socio-Economic Monitoring Committee's monitoring program which addresses Project harvesting interactions and food security, and which includes broad indicators of dietary habits.	In-compliance	Section 8 (pg. 72), Section 10 (pg. 79)	Baffinland has presented some information on Project harvesting interactions and food security in the Socio-Economic Monitoring Report. Baffinland has also presented related information on household income and food security, and on land user-Project interactions in this report.
154	The Proponent shall work with the GN and the QSEMC to monitor potential indirect effects of the Project, including indicators such as the prevalence of substance abuse, gambling issues, family violence, marital problems, rates of sexually transmitted infections and other communicable diseases, rates of teenage pregnancy, high school completion rates, and others as deemed appropriate.	In-compliance	Section 5.1 (pg. 50), Section 5.3 (pg. 57), Section 5.4 (pg. 63)	Baffinland has presented information (where available) relating to this requirement in this report.

#	Description	Status	Concordance	Summary
158	The Proponent is encouraged to work with the GN and other parties as deemed relevant in order to develop a Human Health Working Group which addresses and establishes monitoring functions relating to pressures upon existing services and costs to the health and social services provided by the GN as such may be impacted by Project-related in-migration of employees, to both the North Baffin region in general, and to the City of Iqaluit in particular.	In-compliance	Section 5.1 (pg. 50), Section 5.3 (pg. 57), Section 6.1 (pg. 65)	Baffinland continues to engage the QSEMC and SEMWG on its socio-economic monitoring program; the GN actively participates in both these groups.
159	The Proponent is encouraged to work with the GN to develop an effects monitoring program that captures increased Project-related pressures to community infrastructure in the Local Study Area communities, and to airport infrastructure in all point-of-hire communities and in Iqaluit.	In-compliance	Section Socio-Economic Monitoring (pg. 3), Section 6.1 (pg. 65), Section 6.2 (pg. 67)	Baffinland continues to engage the QSEMC and SEMWG on its socio-economic monitoring program; the GN actively participates in both these groups.
168	The specific socioeconomic variables as set out in Section 8 of the Board's Report, including data regarding population movement into and out of the North Baffin communities and Nunavut as a whole, barriers to employment for women, Project harvesting interactions and food security, and indirect Project effects such as substance abuse, gambling, rates of domestic violence, and education rates that are relevant to the Project, be included in the monitoring program adopted by the QSEMC.	In-compliance	Section Introduction (pg. 1), Section 2.2 (pg. 21), Section 1.2 (pg. 14) Section 5.1 (pg. 50), and Section 10.2 (pg. 79); Appendix B. Socio-Economic Monitoring Indicators	Baffinland has presented information (where available) on demographic change, barriers to employment for women, Project harvesting interactions and food security, and potential indirect Project effects such as substance abuse, gambling, rates of domestic violence, and education rates in the Socio-Economic Monitoring Report.
169	The Proponent provide an annual monitoring summary to the NIRB on the monitoring data related to the regional and cumulative economic effects (positive and negative) associated with the Project and any proposed mitigation measures being considered necessary to mitigate the negative effects identified.	In-compliance	Section: Cumulative Economic Effects Summary (pg. 865)	Baffinland has provided a summary of regional and cumulative economic effects in the Socio-Economic Monitoring Report.

Appendix B. Socio-Economic Monitoring Indicators

The left-hand column of Table 28 denotes whether topics and indicators are in relation to residual effects (**RE**) or Project Certificate Terms and Conditions (**T&C**). The table also includes linked concordance (**Concord.**) to where data and discussion on the appropriate indicators is included throughout the report. Currently the organization of the SEMP and SERMR are not in perfect alignment. This table is intended to allow readers to easily find the relevant information based on the currently approved SEMP. Baffinland is working to update the SEMP in 2021 and will ensure greater alignment with it and the SEMR in future years.

Table 28: Socio-economic monitoring plan

	Topic	Indicators	Concord.	Source
	1 · Population demographics			
RE	In-migration of non-Inuit Baffinland employees into the North Baffin LSA	· Known in-migrations of non-Inuit Baffinland and contractor employees	4.2 (p. 45)	BIMC
		· In-migration of non-Inuit to the North Baffin LSA		Limited
RE	Out-migration of Inuit residents from the North Baffin LSA	· Known out-migrations of Inuit Baffinland and contractor employees	4.2 (p. 45)	BIMC
		· Out-migration of Inuit from the North Baffin LSA		Limited
T&C	Demographic Change	· Population estimates	4.1(p. 44)	NBS
		· Nunavut net migration		NBS
T&C	Employee changes of address, housing status, and migration intentions	· Employee and contractor changes of address, housing status, and migration intentions	4.2 (p. 45)	BIMC Survey
T&C	Employee origin	· Employee and contractor origin	Appendix B 1.1 (p. 8)	BIMC
	2 · Education and Training			
RE	Improved life skills among young adults	· Participation in pre-employment training	2.3 – 2.7 (pg. 24 - 36)	BIMC
		· LSA employment and on-the-job training		
RE	Incentives related to school attendance and success	· Number of secondary school graduates	2.1 – 2.2 (pg. 20 - 21)	NBS
		· Secondary school graduation rate		NBS
		· Investments in school-based initiatives		BIMC
RE	Opportunities to gain skills	· Hours of training completed by Baffinland and contractor Inuit employees	2.3 – 2.7 (pg. 24 - 36)	BIMC
		· Types of training provided to Baffinland and contractor Inuit employees		BIMC
		· Apprenticeships and other opportunities		BIMC
T&C	Employee education and pre-employment status	· Employee education and pre-employment status	2.5 (p. 32)	BIMC
	3 · Employment and Livelihood			
RE	Creation of jobs in the LSA	· Hours of Project labour performed	1.1 (p. 8)	BIMC
RE	Employment of LSA residents	· Project hours worked by LSA Baffinland and contractor employees	Appendix B 1.1 (p. 8)	BIMC
RE	New career paths	· LSA employment	1.1 (p. 8) 2.6 (p. 35) 1.3 (p. 17)	BIMC
		· Inuit employee promotions		BIMC
		· Inuit employee turnover		BIMC
T&C		· Hours worked by Baffinland and contractor female employees		BIMC

	Topic	Indicators	Concord.	Source
	Barriers to employment for women, specifically relating to childcare availability and costs	*Topic will continue to be tracked through the QSEMC process and community engagement conducted for the Project.*		
	4 ·3 · Contracting and Business Opportunities			
RE	Expanded market for business services to the Project	· Value of contracting with Inuit Firms	3.2 (p.41)	BIMC
RE	Expanded market for consumer goods and services	· LSA Inuit employee payroll amounts	3.2 (p.41)	BIMC
		· Number of registered Inuit Firms in the LSA	3.3 (p. 43)	NTI
	5 · Human Health and Wellbeing			
RE	Changes in parenting	· Number of youth charged	5.3 (p. 57)	StatsCan
RE	Household income and food security	· Proportion of tax filers with employment income and median employment income	5.1 (p. 50)	NBS
		· Percentage of population receiving social assistance	5.1 (p. 50)	NBS
RE	Transport of substances through Project site	· Number of drug and alcohol related contraband infractions at Project sites	5.3 (p. 57)	BIMC
RE	Affordability of substances	· Number of impaired driving violations	5.3 (p. 57)	NBS
	Attitudes toward substances and addictions	· Number of drug violations	5.3 (p. 57)	NBS
RE	Absence from the community during work rotation	*Topic will continue to be tracked through the QSEMC process and community engagement conducted for the Project.*		
T&C	Prevalence of substance abuse	*Monitoring already conducted through other 'human health and well-being' indicators.*		
T&C	Prevalence of gambling issues	*Topics will continue to be tracked through the QSEMC process and community engagement conducted for the Project.*		
	Prevalence of family violence			
	Prevalence of marital problems			
	Rates of teenage pregnancy			
T&C	Rates of sexually transmitted infections and other communicable diseases	· Percent of health centre visits related to infectious diseases	5.4 (p.63)	NBS
	High school completion rates	*Monitoring already conducted through other 'education and training' indicators.*		
	Other	· Crime rate	5.3 (p. 57)	NBS
		· Number of times Baffinland's EFAP is accessed	5.1 (p. 50)	BIMC
	6 · Community Infrastructure & Public Services			
RE	Competition for skilled workers	· Number of Baffinland and contractor employees who left positions in their community	2.4 (p. 25) 1.3 (p. 17)	BIMC Survey
	Labour force capacity	· Training and experience generated by the Project		BIMC
		· Inuit employee turnover		
T&C	Pressures on existing health and social services provided by the GN that may be impacted by Project-related in-migration of employees	· Number of health centre visits (total and per capita)	6.1 (p. 65)	NBS
		· Number of visits to Project physician assistant	6.1 (p. 65)	BIMC
	Project-related pressures on community infrastructure	· Baffinland use of LSA and Iqaluit community infrastructure	6.2 (p. 67)	BIMC
		· Number of Project aircraft movements at LSA and Iqaluit community airports	6.2 (p. 67)	BIMC
	7 · Cultural Resources			
N/A	N/A	*Monitoring already conducted through Archaeology Status Update Reports*		

	Topic	Indicators	Concord.	Source
	8 · Resource and Land Use			
RE	Caribou harvesting Marine mammal harvesting Fish harvesting	*Potential effects will continue to be tracked through Baffinland's environmental monitoring programs. Terrestrial and marine monitoring are reviewed bi-annually by the Terrestrial Environment Working Group (TEWG) and Marine Environment Working Group (MEWG). While not all these effects were considered residual effects in Project EIS documents, they are included here for completeness.*		
RE	Safe travel around Eclipse Sound and Pond Inlet Safe travel through Milne Port Emissions and noise disruption at camps Sensory disturbances and safety along Milne Inlet Tote Road Detour around mine site for safety and travel Difficulty and safety relating to railway crossing Detour around Steensby Port HTO cabin closures Restriction of camping locations around Steensby Port	Number of recorded land use visitor person-days at Project sites Number of wildlife compensation fund claims	8.1 (p. 73)	BIMC QIA
	9 · Cultural Well-Being			
N/A	N/A	*No monitoring required. No residual effects identified in the EIS.*		
	10 · Economic Development and Self-Reliance			
RE	N/A	*As noted in the EIS, an integrated assessment of other VECs/VSECs was conducted for the Economic Development and Self-Reliance VSEC. No new residual effects specific to this VSEC were identified. Relevant monitoring of residual effects is conducted through other VECs/VSECs.*		
T&C	Project harvesting interactions and food security, which includes broad indicators of dietary habits	*Topic will continue to be tracked through the QSEMC process, community engagement conducted for the Project, and related information*		
	11 · Benefits, Royalty, and Taxation			
RE	Project revenues flowing to the territorial government	Payroll and corporate taxes paid by Baffinland to the territorial government	11.1 (p. 83)	BIMC
	12 · Governance and Leadership			
N/A	N/A	*No monitoring required. No residual effects identified in the EIS.*		

Appendix C. Headcount data

The detailed composition of Mary River's workforce (headcount) 2021 is presented below.

Table 29. Baffinland and Contractor Employment (Headcount) by Origin and Ethnicity (2021)

	Baffinland		Contractor		**Total**	
	Inuit	Non-Inuit	Inuit	Non-Inuit	Inuit	Non-Inuit
Arctic Bay	29	1	13	0	42	1
Clyde River	23	0	11	0	34	0
Sanirajak	21	0	11	0	32	0
Igloolik	11	0	10	0	21	0
Iqaluit	31	1	27	0	57	1
Pond Inlet	30	0	11	0	42	0
Other Qikiqtani communities	5	0	0	0	6	0
Kivalliq communities	1	0	0	0	1	0
Unknown	0	0	0	77	0	78
Other Canadian	181	1087	112	1020	293	2107
2021 Total	**330**	**1090**	**195**	**1098**	**525**	**2187**

Source: (Baffinland, 2021)

Appendix D. 2020 Inuit Employee Survey Report

2020 Mary River Project Inuit Employee Survey Report

November 20, 2020

Prepared For:

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Suggested Citation

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1. INTRODUCTION

1.1 2020 INUIT EMPLOYEE SURVEY OVERVIEW

The 2020 Inuit Employee Survey was conducted by Baffinland Iron Mines Corporation (Baffinland) to:

- Collect employment, education, and housing information from Mary River Project (Project) Inuit employees, which Baffinland has been asked to collect under the terms of its Project Certificate issued by the Nunavut Impact Review Board (NIRB)[1]; and
- Collect Inuit employee perspectives on other important topics including childcare and the role of Baffinland in their communities.

The focus of this survey was on Inuit Baffinland employees and Inuit employees of contractors currently working at the Project (Inuit Project employees). Site-and community-based survey administration occurred in September and October 2020 and was led by a team of Baffinland representatives. Site-based survey administration occurred at both the Mine Site Complex (MSC) and Port Site Complex (PSC). Locations where in-community surveying occurred included:

- Arctic Bay
- Clyde River
- Igloolik
- Iqaluit
- Pond Inlet
- Sanirajak

Information collected during the survey has been used to address Project reporting requirements and improve Baffinland's understanding of Inuit employee perspectives on issues of importance.

The COVID-19 pandemic required some modifications to the survey methodology in 2020. Various measures were thus employed to ensure the health and safety of all Project employees, and appropriate adjustments were made to community and site-based survey administration techniques.

1.2 REPORT ORGANIZATION

This report summarizes the results of the 2020 Inuit Employee Survey. It is organized in the following manner:

- Section 1 (i.e. this section) introduces the survey and the scope of this report's contents.
- Section 2 describes the methods used in the survey.
- Section 3 summarizes the results of the survey.
- Sections 4 and 5 provide concluding remarks and report references.
- Appendix A includes a copy of the 2020 Inuit Employee Survey.

[1] See for example Project Certificate Term and Condition Nos. 133 and 140 in NIRB (2020).

2. METHODS

2.1 SURVEY PLANNING AND DEVELOPMENT

Several weeks of planning occurred prior to commencing the Inuit Employee Survey. This included time spent developing the survey, designing survey administration protocols, assigning personnel roles, and organizing logistics for in-community and on-site survey administration. Research ethics protocols were also reviewed by Baffinland and integrated into its surveying practices. These included:

- Communicating with the Nunavut Research Institute to confirm a Scientific Research Licence is not required for its employee surveys;
- Use of informed consent, voluntary participation, and participant confidentiality measures;
- Making the survey available in both English and Inuktitut;
- Providing assistance to survey participants when requested; and
- Making the survey content and results available for public review through the NIRB annual reporting process.

Versions of the Inuit Employee Survey have been delivered by Baffinland since 2016. As such, the survey continues to benefit from refinements identified by Baffinland and its stakeholders every year. While several survey questions have remained largely the same, new topics and questions are also included where necessary. For example, Project Certificate Term and Condition No. 133 encourages Baffinland to work with the Government of Nunavut (GN) in the design of the survey. For the 2020 survey, the GN suggested a number of edits and requested new questions on housing and training be added, which Baffinland addressed. Baffinland also included new questions on childcare and community experiences with the Project in the 2020 survey.

The final 2020 survey had 24 main questions, as listed in Appendix A. These questions were included in five survey sections:

- General
- Housing
- Education and work experience
- Baffinland in your community
- Childcare

Two types of questions were included in the survey: 1) closed-ended, and 2) open-ended. Closed-ended questions provided a list of answer options that respondents could choose from. Open-ended questions did not have pre-defined answers. Respondents were asked to provide as many comments as they liked in the answer box for the open-ended questions.

Opportunities to participate in the survey were advertised at both the MSC and PSC in advance of the survey being administered. Advertising occurred through announcements read by onsite managers and supervisors at daily 'Toolbox' meetings to encourage participation. Inuit Project employees may have also been approached individually by Baffinland staff members to complete a survey. Likewise, Baffinland Community Liaison Officers (BCLOs) and Northern Affairs staff called individual Inuit Project employees in their communities to discuss the survey and request participation.

Members of the survey administration team participated in one of three teleconference orientation sessions prior to survey commencement. This orientation provided an overview of the survey, discussed scheduling matters, reviewed survey team roles, reviewed appropriate survey administration methods (topics included participant recruitment, confidentiality measures, maintaining impartiality, providing assistance, and collecting/filing surveys), and reviewed questions included in the survey, in addition to other relevant matters. 2020 survey team members are listed in Table 2-1.

Table 2-1: 2020 Inuit Employee Survey team members

Team Member	Position	Role
Andrew Moore	Baffinland – Manager, Government Relations and Public Affairs	Overall survey oversight and management (off site)
Joseph Tigullaraq	Baffinland – Manager, Northern Affairs	Community-based survey oversight and management
Devin Aviugana	Baffinland – Assistant Manager, Northern Affairs	Community-based survey oversight and management
Meena Oyukuluk	Baffinland – BCLO, Arctic Bay	Community-based survey administration
George Iqalukjuak	Baffinland – BCLO, Clyde River	Community-based survey administration
Lena Angutiqjuaq	Baffinland – BCLO, Igloolik	Community-based survey administration
Terry Killiktee	Baffinland – BCLO, Pond Inlet	Community-based survey administration
Deborah Qanatsiaq	Baffinland – BCLO, Sanirajak	Community-based survey administration
Jean-Francois Fortier-Doucet	Baffinland – HR Recruitment	Community-based survey administration
Cory Lester	Baffinland – Superintendent, Human Resources & Labour Relations	Site-based survey oversight and management
Jason Brown	Baffinland – Manager, Human Resources and Labour Relations	Site-based survey oversight and management
Dalton Head	Baffinland – Trainer, Inuit Support	Site-based survey administration
Rebecca Jones	Baffinland – Inuit Engagement Coordinator	Site-based survey administration
Reesie Churchill	Baffinland – Cultural Advisor	Site-based survey administration
Hannah Oolayou	Baffinland – Cultural Advisor	Site-based survey administration
Jason Prno	JPCSL – Consultant	Survey design, analysis, and reporting; technical support to on-site/community survey team (off site)
Melissa Johnston	JPCSL – Consultant	Survey data entry, results verification, and reporting (off site)

2.2 SURVEY ADMINISTRATION

Site-based survey administration occurred at both the MSC and PSC between September 7 – October 16, 2020. A six week administration period was used in order to accommodate Inuit employee shift changes associated with a 28-day rotation implemented due to COVID-19 precautions.

In-community survey administration generally occurred over a two week period from September 8-22, 2020 and was led by a team of Baffinland Community Liaison Officers (BCLOs) and Northern Affairs staff.[2]

Both site- and community-based survey locations were utilized in order to address challenges associated with accessing employees during COVID-19. At the time of survey administration, all Nunavut-resident employees had been placed on paid administrative leave in their home communities.[3] However, non-Nunavut resident employees and employees of contractors (both Inuit and non-Inuit) were still permitted to work at the Project via fly-in/fly-out rotations. Multiple survey locations were thus required to engage the largest number of Inuit Project employees possible. Various health and safety protocols were utilized by Baffinland during in-community survey administration to manage transmission risks associated with COVID-19 (e.g. use of local survey administrators only, physical distancing, mask wearing, hand washing and enhanced cleaning measures, and options for contactless survey drop-off).

The on-site and in-community survey administration team had three primary roles:

1) To locate and recruit survey respondents;
2) To answer questions about the survey and provide assistance to respondents where needed;
3) To collect and file completed surveys.

Participation in the survey was completely voluntary and there were no negative consequences for those who decided not to participate. For those respondents who chose to participate, they had the option of completing the survey on their own or with the assistance of a survey administrator. Surveys could be completed in either English or Inuktitut, and respondents were free to skip any questions they did not wish to answer. Participants were informed their responses would remain confidential and their names would not be used publicly by Baffinland. However, it was noted the survey information they provided could be used by Baffinland in public reports and/or presentations.

Respondents were instructed to drop off completed surveys with survey administration team members, or at relevant Baffinland offices in the North Baffin communities / Iqaluit by a specified date. Individuals who returned completed surveys were entered into prize draws to encourage survey participation.

[2] This two week survey administration period had to be slightly modified in two instances: 1) in Igloolik, where administrative issues required the survey administration period to be changed to September 22 – October 6; and 2) in Sanirajak where the survey administration period was shortened to September 8-18 due to leave taken by the survey administrator in that community.

[3] This decision was made after considering direction and guidance provided by Nunavut's Chief Public Health Officer.

2.3 DATA ANALYSIS

Survey data analysis was completed in several stages. The first stage involved assembling all completed hard copy versions of the surveys and scanning digital copies of them into a central folder. Survey data was then manually entered into a results database. This database was pre-developed in Microsoft Excel and included a set of data entry instructions that were to be followed. Upon completing data entry, survey results were checked and verified for accuracy. A random sample of five questions in 10% of the completed surveys were compared against the data recorded in the results database. If more than 25% of the sample selection had errors, all the survey results were to be re-checked for accuracy. This threshold was not surpassed.

Quantitative survey results were then calculated and qualitative survey results were prepared using the completed database. Summary statistics and results were subsequently developed and presented in report format (i.e. this report). In the various charts/figures presented in this report '*n*=' refers to the sample size that is being reported on. In most cases this is the total number of surveys that were received. However, survey questions with follow-up components may have a smaller reported sample size representing only respondents who answered affirmatively to precursor questions. Other questions may have smaller sample sizes because of their focus on respondents with particular traits (e.g. Nunavut residents only). Qualitative survey results (e.g. comments, suggestions, or concerns) have been presented as completely as possible, although minor editing has occurred in some instances to correct for spelling, grammar, or other issues.

In total, 82 surveys were completed. A modified approach to calculating a survey response rate has been used. Namely, the number of completed surveys (82) was divided by the total number of Inuit Project employees on staff in Q3 2020 (252).[4] This is a general, but likely conservative approximation of the survey response rate. This is because the calculation includes all Inuit Project employees who worked on the Project during all of Q3 2020 (including community-based positions that were excluded from participating in the survey and individuals who may no longer be working for the Company or a contractor), rather than only those who were present on site/in communities during the much shorter survey administration period. Using this method, a 32.5% response rate to the *2020 Inuit Employee Survey* was achieved.

2.4 PARTICIPANT CONFIDENTIALITY

Survey participant confidentiality was ensured in several ways. Foremost, participants were provided with written assurances (in the introductory section of each survey) their responses would remain confidential and their names would not be used in any public reports and/or presentations by Baffinland. Furthermore, survey respondents were not asked to include their name or personal identifying information on any returned surveys. The topic of participant confidentiality was also reviewed during the orientation program delivered to survey administration team members, and appropriate protocols to manage confidentiality were discussed. Survey team members were instructed not to discuss the results of individual surveys with anyone, not to associate individual participants with any survey results, and to ensure completed survey documents were not distributed to anyone outside the survey team. Survey team members were also instructed to store all completed surveys in a secure and private location. They were notified they would be required to destroy all survey records in their

[4] Data obtained from Baffinland internal records.

possession once instructed by management (i.e. following survey completion and stakeholder review of survey report).

2.5 LIMITATIONS

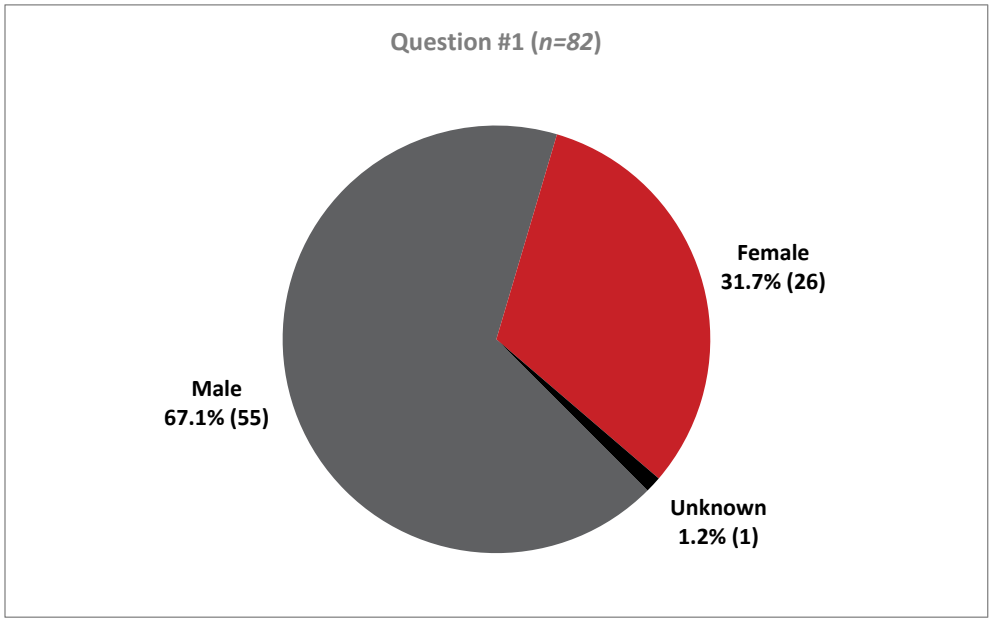
While efforts were made to capture major rotations of current site-based employees, individuals on vacation, medical, or other types of leave at the time of the survey would not have been captured in the survey recruitment efforts. Survey recruitment efforts would have also missed any community-based individuals who were outside their community during the survey administration period.

Furthermore, some returned surveys contained unanswered questions or unclear responses. Where closed-ended survey answers were not provided or were unclear, results were recorded and presented in this report as 'unknown'. Where conflicting answers between precursor and follow-up questions were provided, only responses to precursor questions were typically recorded. Where open-ended survey answers were not provided, results were left blank in the results database and have not been presented in this report. Where open-ended survey answers were unclear, results were recorded and are presented in this report as 'unknown'.

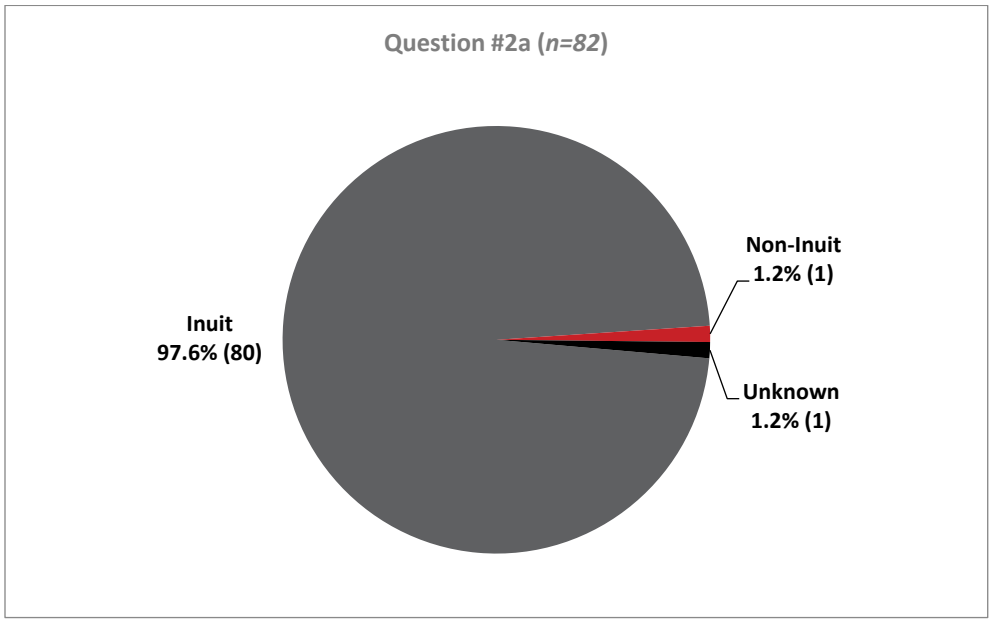
3. 2020 INUIT EMPLOYEE SURVEY RESULTS

3.1 GENERAL

Question 1: *Gender*



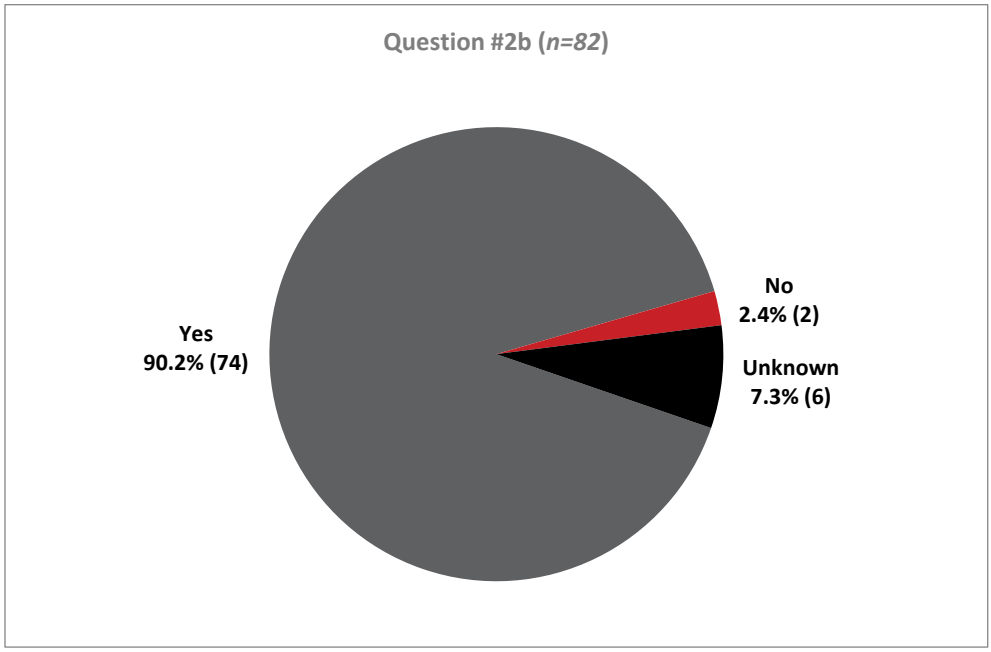
Question 2a: *Are you Inuit or non-Inuit?*



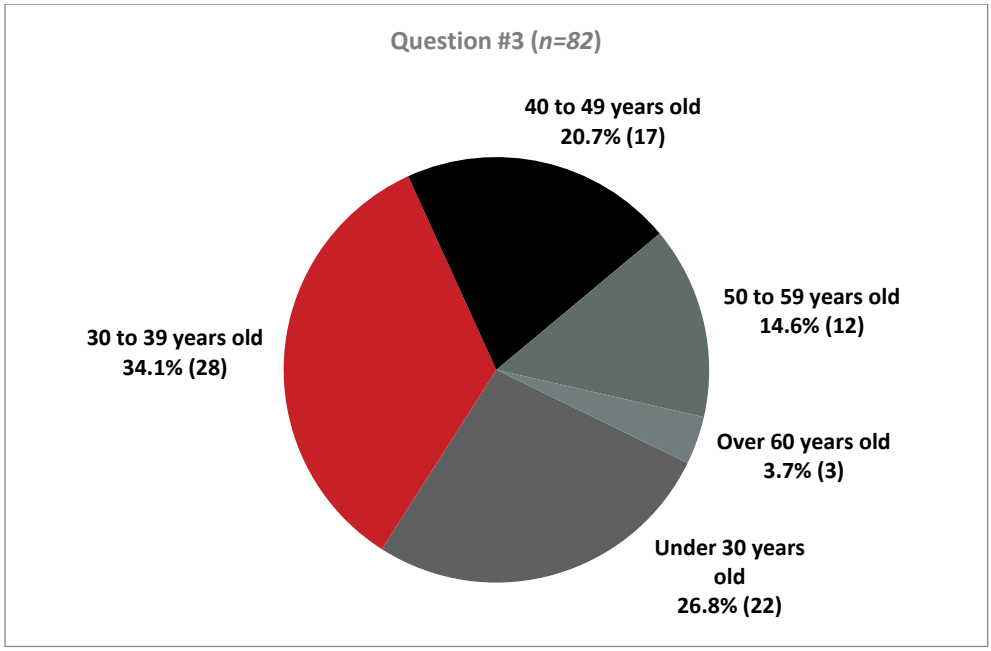
Note:

1. For the purposes of this report, all respondents were assumed to be Inuit. This decision was made following confirmation by survey administrators that all individuals surveyed were Inuit.

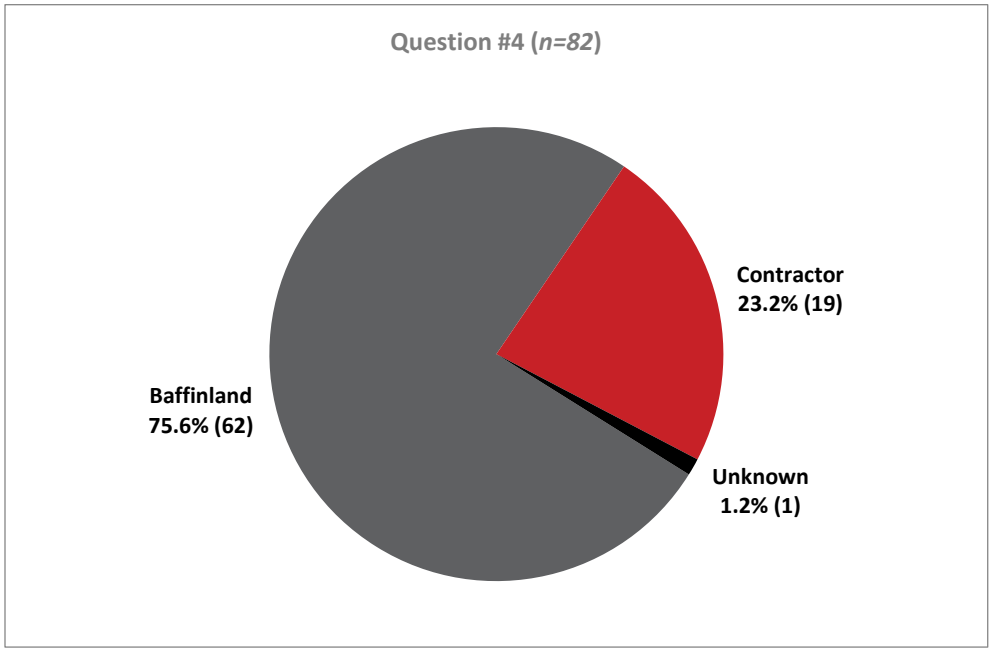
Question 2b: *If you are Inuit, are you enrolled under the Nunavut Agreement?*



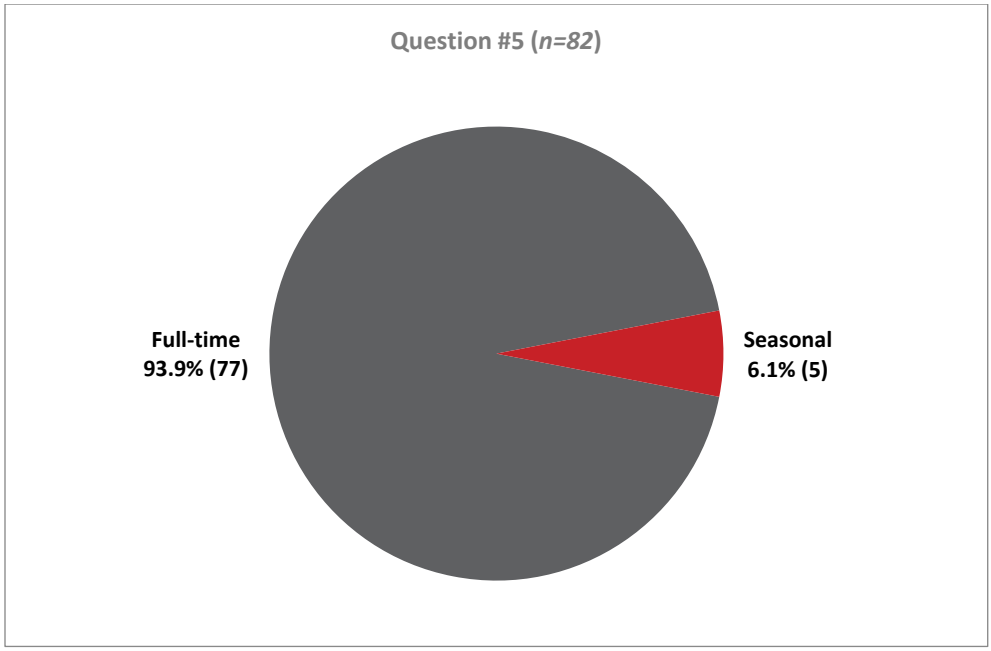
Question 3: *Please indicate your age*



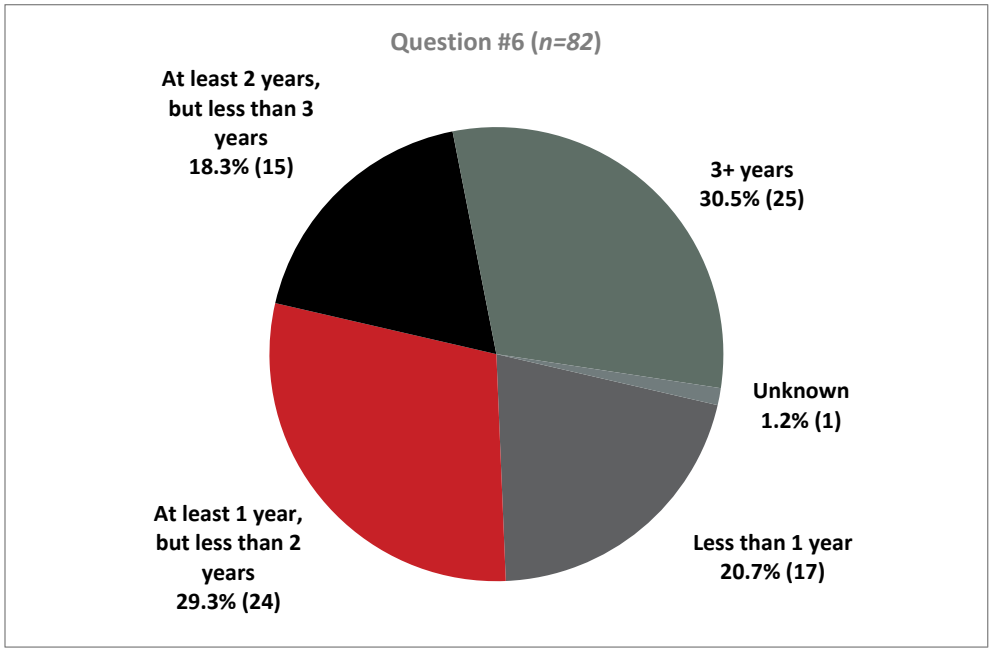
Question 4: *Who do you work for?*



Question 5: *Do you work full-time or seasonal?*

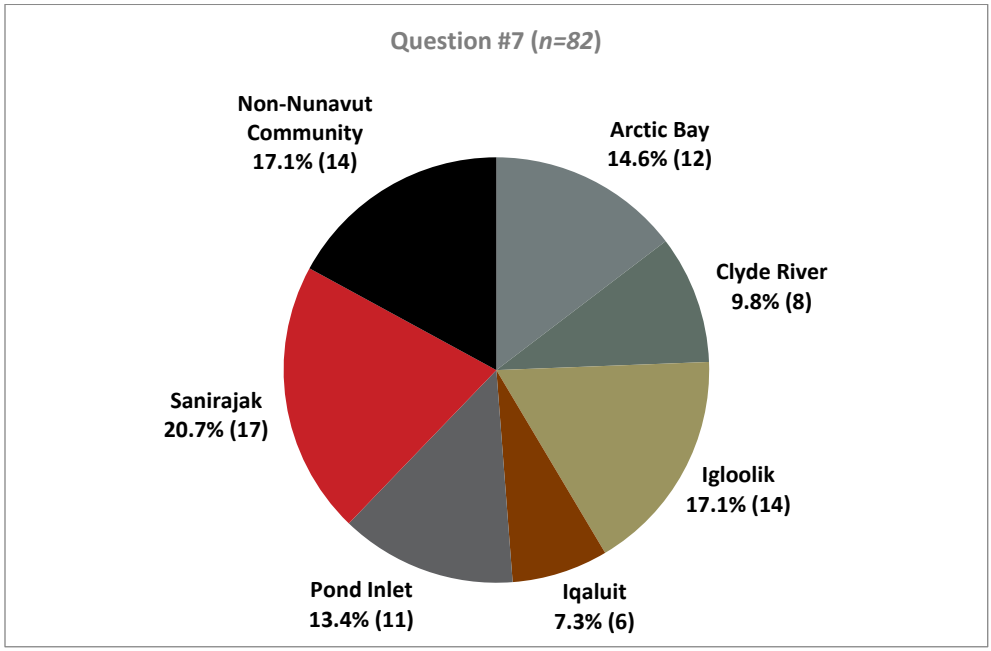


Question 6: *How long have you worked for your current employer (Baffinland or contractor)?*

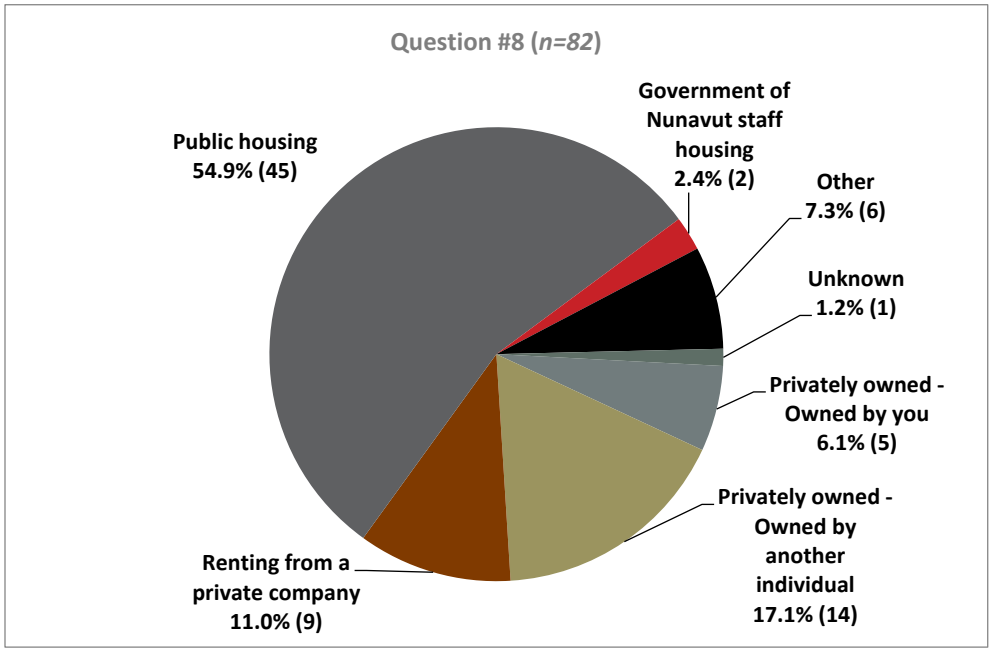


3.2 HOUSING

Question 7: *What is your current community of residence?*



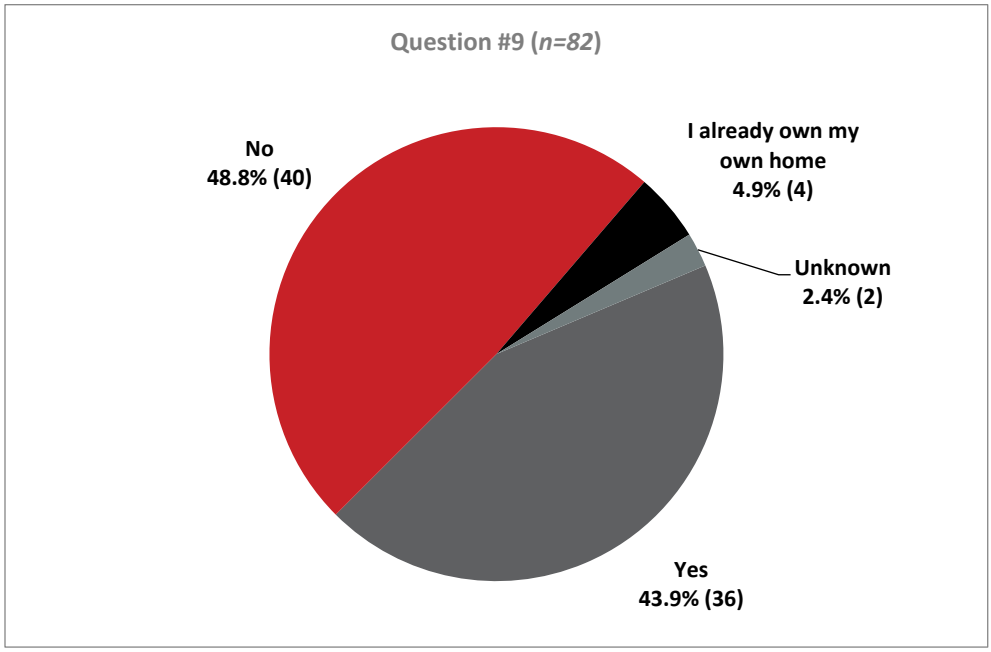
Question 8: *What type of housing do you currently live in?*



Note:

1. One respondent selected "Privately owned – Owned by another individual" for Question 8, but then selected "I already own my own home" for Question 10. Despite this discrepancy, these responses were left as they appeared in the survey.

Question 9: *Have you ever considered purchasing a home in your community?*



Question 10: *If you have not purchased your own home, could you please explain why?*

The number of responses received for *Question 10* are tabulated below:

Explanation	Number of Responses
I already own my own home	5
I have not been able to save enough money for a down payment	25
The mortgage payments would be too high	7
Maintaining a home is too expensive (maintenance, utilities etc.)	10
I do not know how to go about purchasing a home	24
I applied to the Nunavut Downpayment Assistance Program to help with purchasing a home, but my application was denied	0
There are no houses for sale in my community	14
There are no houses for sale in my community that meet my, and/or my family's, needs	3
I do not want to own my own home	14
Other	15

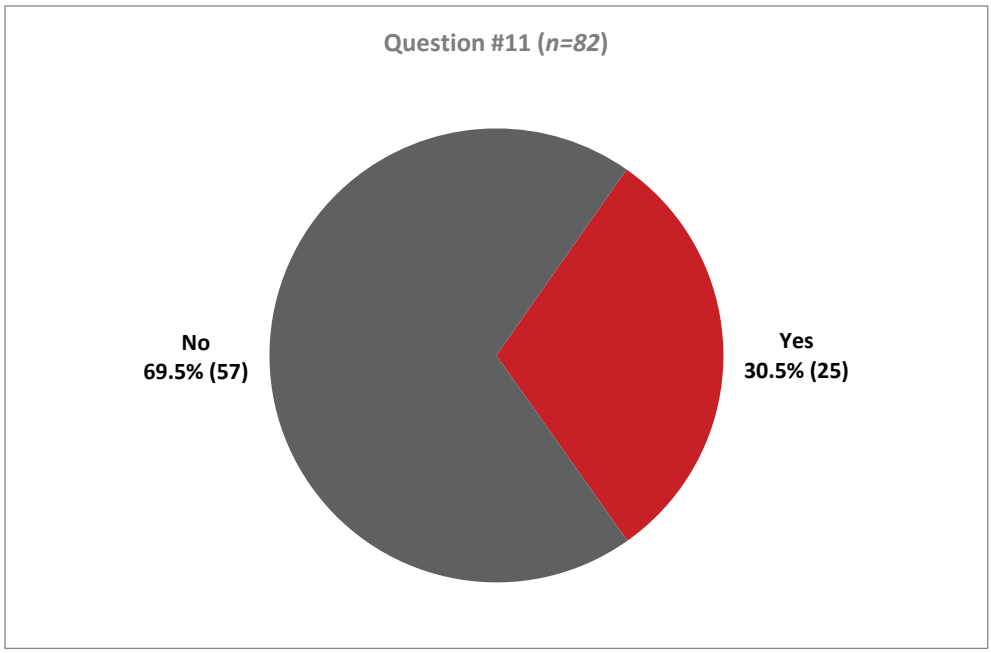
Note:

1. One respondent selected "Privately owned – Owned by another individual" for Question 8, but then selected "I already own my own home" for Question 10. Despite this discrepancy, these responses were left as they appeared in the survey.

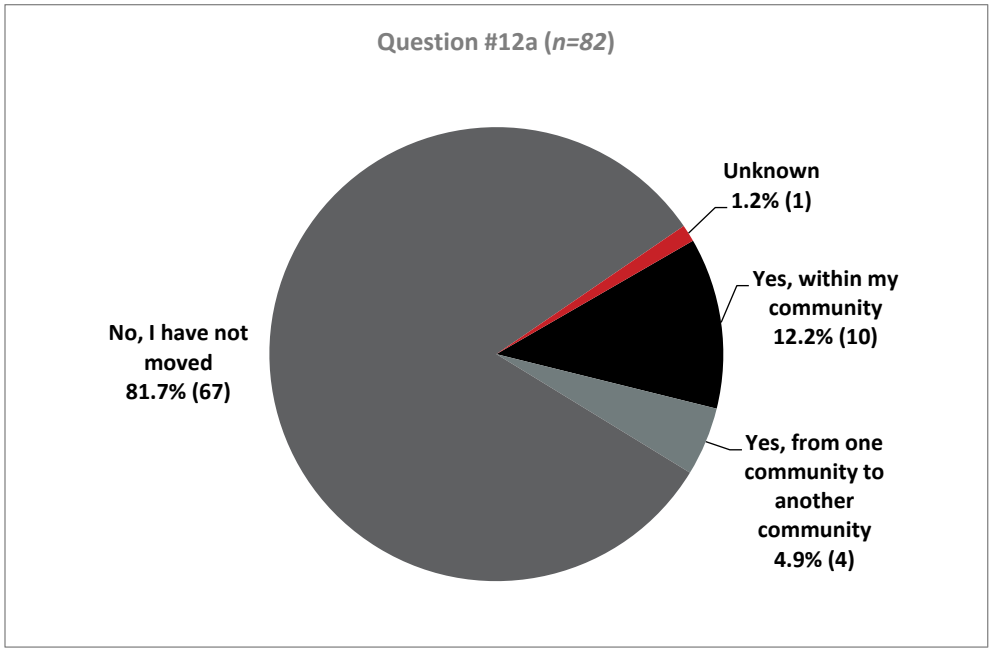
15 respondents selected 'Other' and provided the following responses (one individual did not provide additional written explanation):

- I'm already ok with my rental apartment, maintaining a home seems to be expensive
- Never thought about it
- Never thought about buying house
- Not enough houses in Clyde
- My mother owns a home, which I live in
- Renting a room
- Love to own a home/house
- Looking. Pretty Fussy.
- Living in Ottawa so I don't know
- Bad credit
- Waiting on housing association
- Shortage of houses - Moved back to mom's due to camp life (spouse)
- I live with my mom
- I want to apply for renting a house

Question 11: *Are you aware of the Nunavut Downpayment Assistance Program offered by the Nunavut Housing Corporation?*



Question 12a: *In the past 12 months, have you moved from one residence to another residence?*



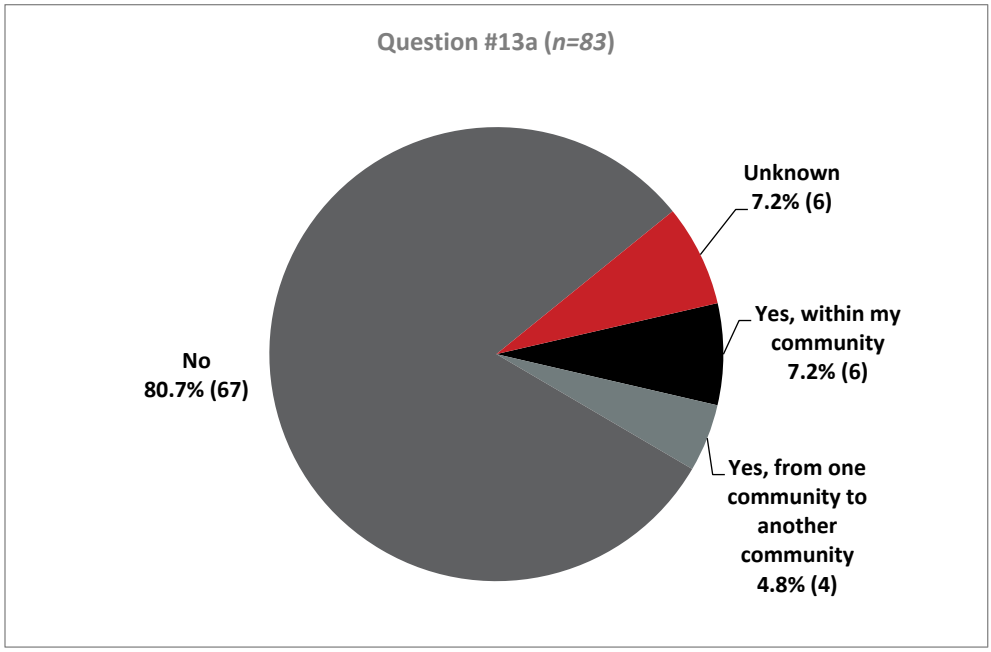
Question 12b: *If you answered 'Yes, from one community to another community', which community did you move from?*

Responses included:[5]

- Moved from Quebec to Sanirajak
- Moved from Sanirajak to Arctic Bay
- Moved from Clyde River to Ottawa
- Moved from an unknown location to Ottawa

[5] Respondents who indicated they had moved to a different community (*n*=4) were asked which community they had moved from; this result was compared against their current community of residence provided in Question 7.

Question 13a: *Do you plan on moving from one residence to another residence in the next 12 months?*



Question 13b: *If you answered 'Yes, from one community to another community', which community are you planning to move to?*

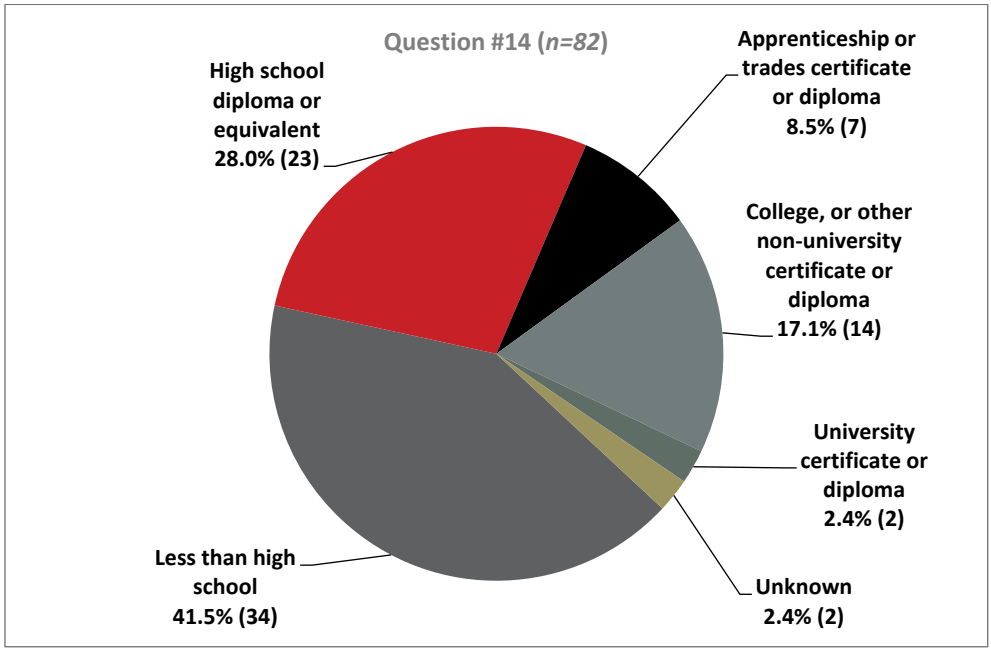
Responses included:[6]

- Planning to move from Sanirajak to an unknown location
- Planning to move from Sanirajak to Iqaluit
- Planning to move from Ottawa to somewhere in Alberta or British Columbia
- Planning to move from Igloolik to an unknown location

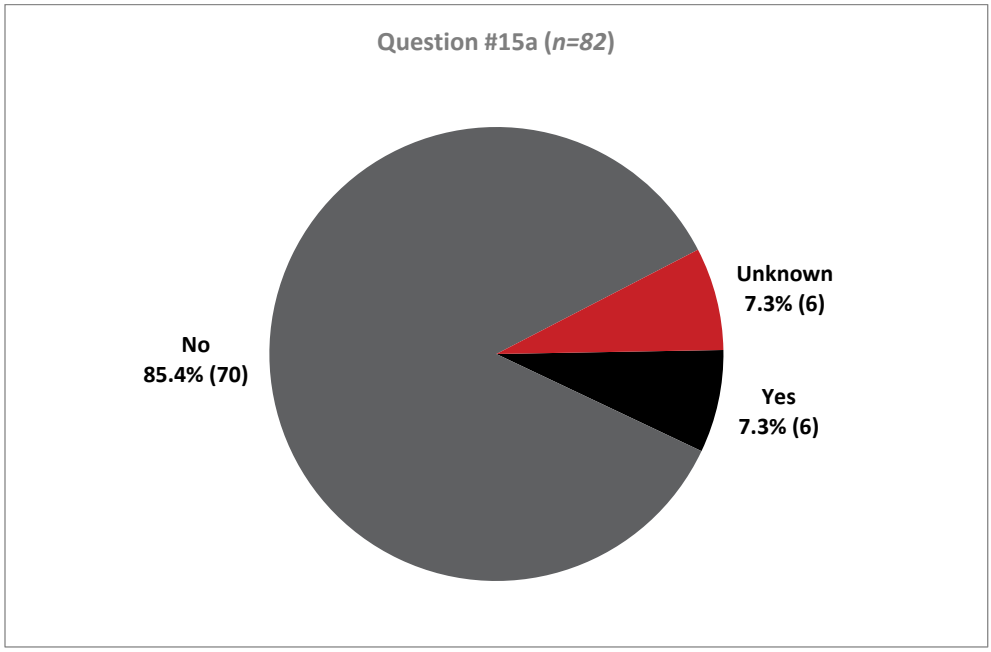
[6] Respondents who indicated they intended to move to a different community (*n*=4) were asked which community they intended to move to; this result was compared against their current community of residence provided in Question 7.

3.3 EDUCATION AND WORK EXPERIENCE

Question 14: *What is the highest education level you have obtained?*



Question 15a: *Were you enrolled in an academic or vocational program at the time of your hire at the Mary River Project?*

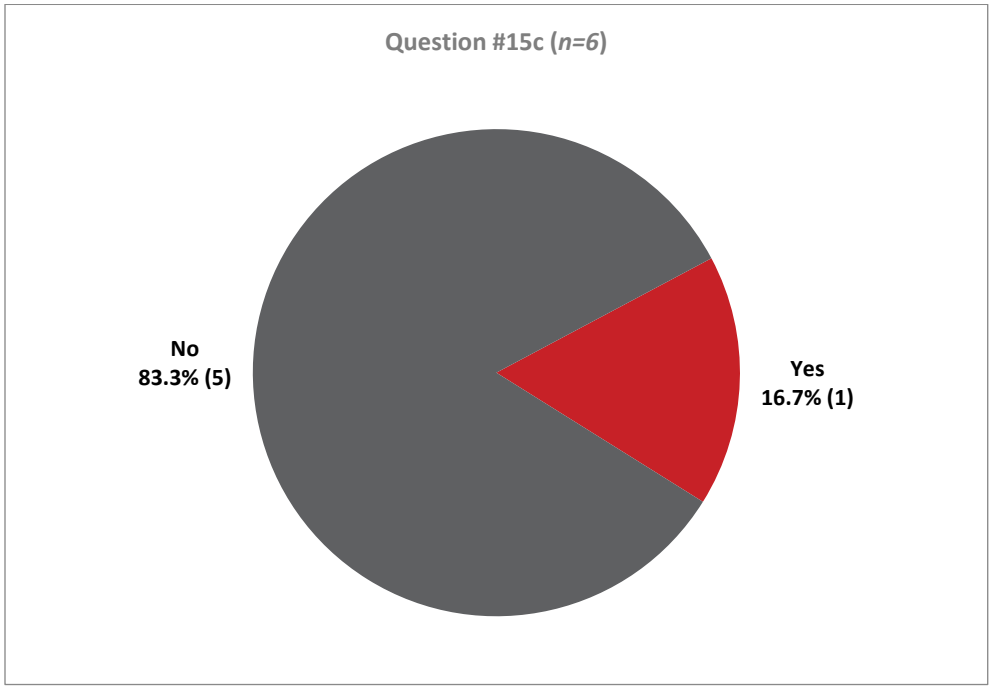


Question 15b: *If you answered 'Yes', what program were you enrolled in and where were you enrolled?*

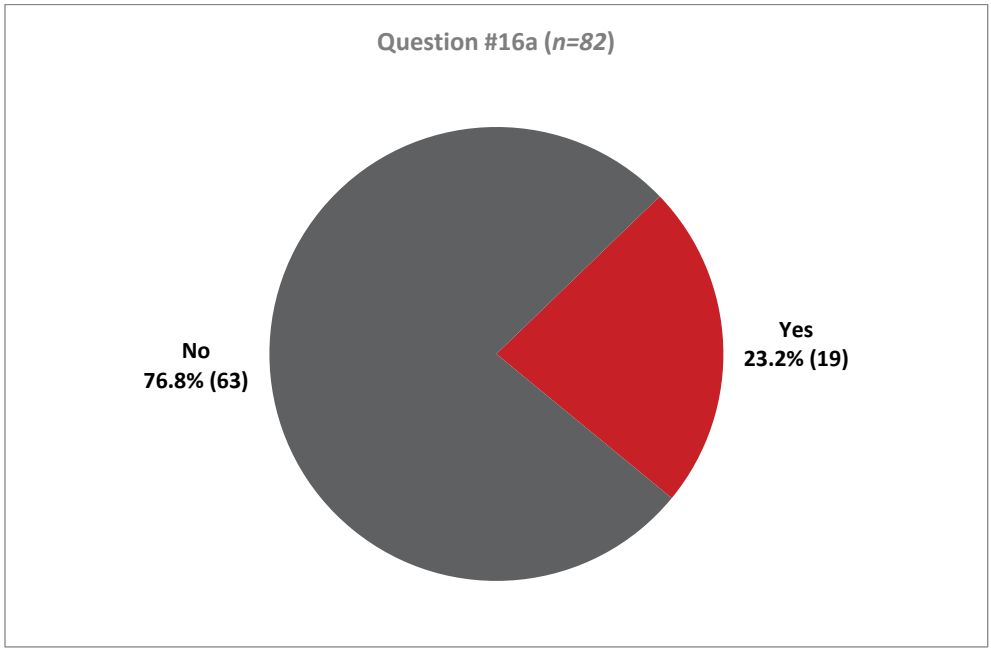
Responses included:

- OETIO in Morrisburg
- Arctic [illegible]
- Apprenticeship program at Baffinland
- Welding apprentice, Mary River
- Doing a Class 3 course in Arctic Bay (air brake course)

Question 15c: *If you answered 'Yes', did you suspend or discontinue your education because you were hired to work at the Mary River Project?*



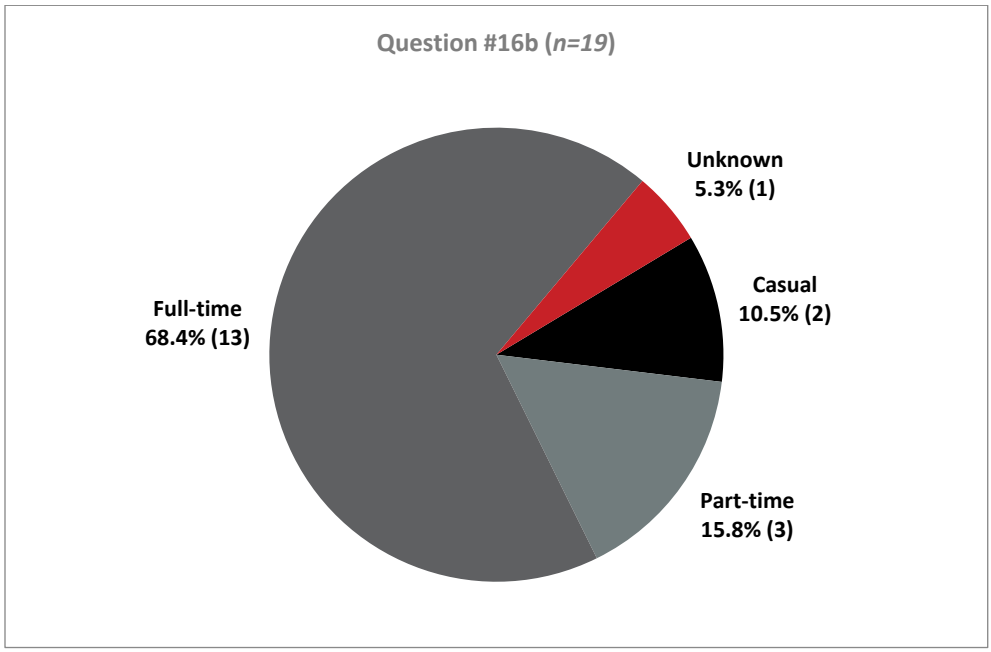
Question 16a: *Did you resign from a previous job in order to take up employment with the Mary River Project?*



Note:

1. As confirmed in responses to Questions 16c and 16d, at least some of the individuals who left a previous employment position were already working for the Project in another capacity at the time.

Question 16b: *If you answered 'Yes', what was your previous employment status?*



Question 16c: *If you answered 'Yes', what was your previous job title?*

Responses included:

- Community justice outreach worker
- I worked at the Hamlet, before I went to Baffinland (secretary)
- Housekeeping/dishwasher
- 3rd cook for Q.I.L. at Baffinland
- Stock boy
- Sewage/water truck driver
- QIL fire watch
- I was a Polar Bear monitor for QIL up at Baffinland and also a fire watch for PWH (Port Site)
- Housekeeper
- Medical interpreter
- Project coordinator
- Program officer, Government of Nunavut Department of Culture & Heritage
- Guest services
- Housekeeping
- Water/sewage swamper
- Electrical apprentice/housing maintainer
- Dishwasher and laundry
- Water truck driver, school bus driver

Question 16d: *If you answered 'Yes', who was your previous employer?*

Responses included:

- Hamlet of Sanirajak
- QIL
- Qikiqtani Inuit Logistics at Baffinland
- Northern Stores Inc.
- Hamlet of Clyde River
- Chris Malley and AJ
- Ottawa Health Services Network Incorporated
- Pauktuutit Inuit Women of Canada
- Horizon North
- Nasittuq
- Don't remember
- Hamlet garage
- Igloolik Housing Association
- Hamlet of Igloolik

Question 17: *If Baffinland or other agencies were to offer additional education or training programs for mine employees, what kind of programs would you be interested in?*

The number of responses received for *Question 17* are tabulated below:

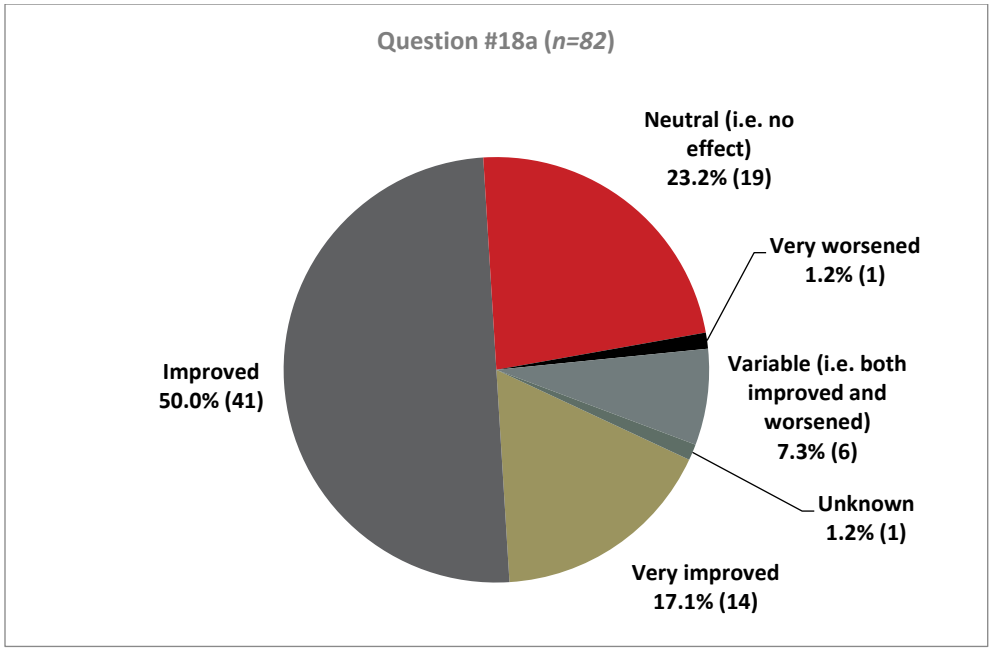
Education or Training Program	Number of Responses
Financial management	30
Literacy and numeracy	8
Training to prepare for a different job at the mine	47
Traditional skills	21
Other	22

22 respondents selected ‘Other’ and provided the following responses (several individuals did not provide additional written explanation):

- Computer
- Mechanic
- Managerial training
- Other equipment
- Knowledge about our culture and traditional skills from Elders
- HR management
- Technical
- Small engine repair, map making and reading
- Update computer skills
- More education on policy such as getting more understanding of our contract
- Office admin./manager
- Go to mine ops and settle in that department
- Heavy equipment
- Yes we want to train
- Welding/Fountain Tire/tool crib

3.4 BAFFINLAND IN YOUR COMMUNITY

Question 18a: *How has your ability to provide for you and your family changed since obtaining Project employment?*

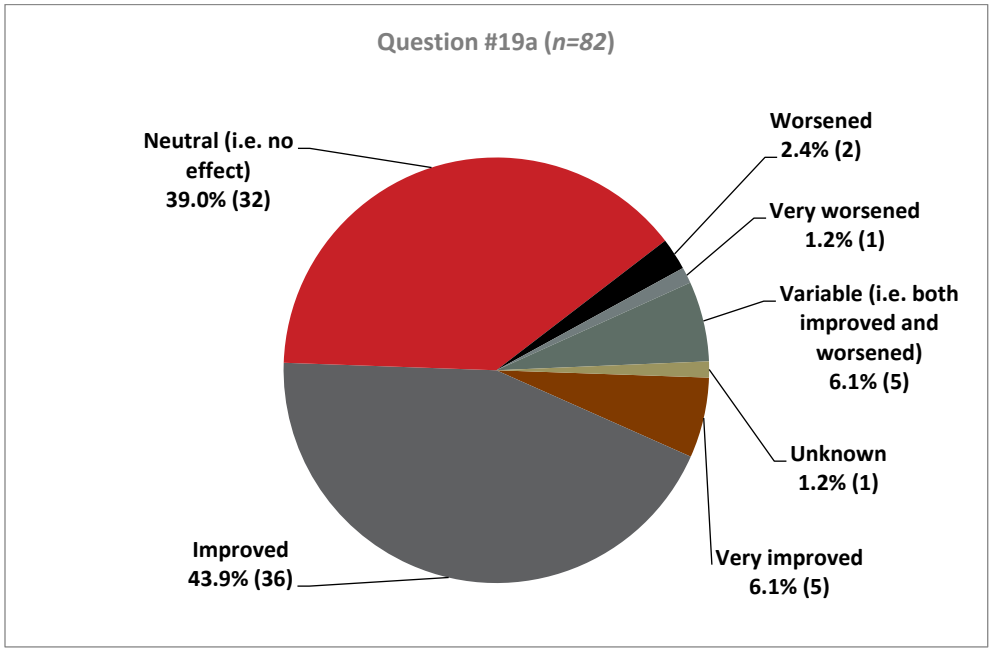


Question 18b: *Do you have any comments, suggestions, or concerns you would like to share?*

Responses included:

- I realize I can have a career at mine site. Thank you for employing me.
- Babysitting funding would be great. The father of my children and I work within BIM, and I give all/most of my pay to our babysitter.
- I am able to support my small family and help my parents
- I have bought myself a 4 wheeler, ski-doo and I have my own vehicle since I started working at the site. I am also able to help out with groceries now with my siblings.
- Best job ever!
- I want to come back to work
- Yes our playground needs to be updated it was fixed in 1900s
- More raise on wages each year
- Separated / learned good things in camp

Question 19a: *How has the health and well-being of you and your family changed since obtaining Project employment?*

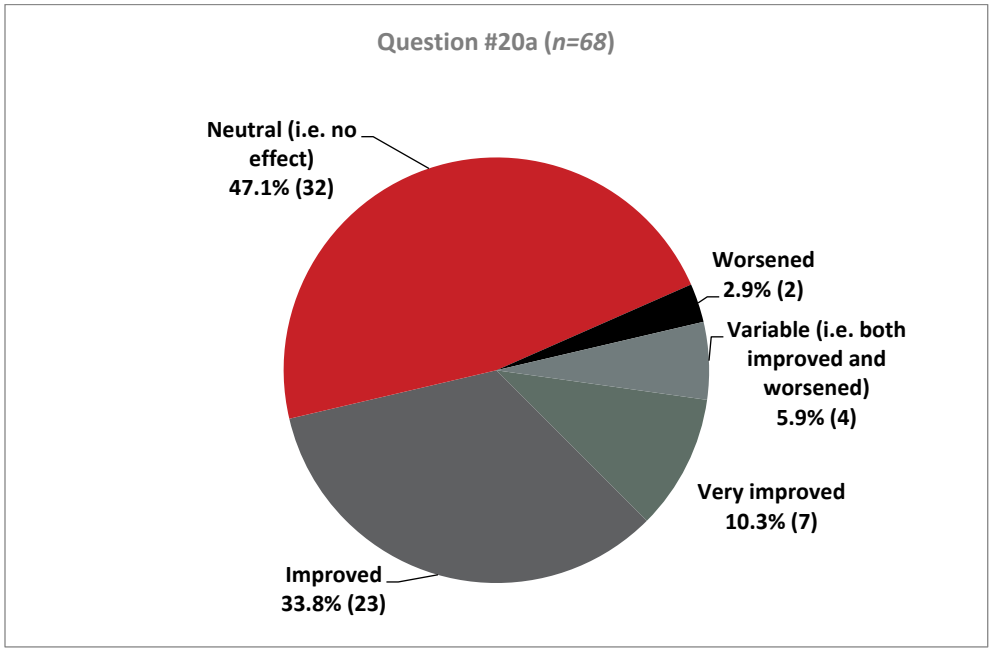


Question 19b: *Do you have any comments, suggestions, or concerns you would like to share?*

Responses included:

- Long 2 weeks away
- It's good to know changes with workplace
- Very hard to get housing
- My small family has been growing so I get to be able to take care of them
- Can't wait to go back to work because EI is too low
- Providing food on the table is easier
- Able to financially provide for family and pay debts
- As a single parent I am now more able to provide what my children need (better food) because I make more money
- I need more sleep
- My body constantly has to adapt to home/site diet, environment, atmosphere
- Offer more healthy options for supper

Question 20a: *How has you and your family's ability to participate in harvesting or other land-based activities changed since obtaining Project employment?*



Note:

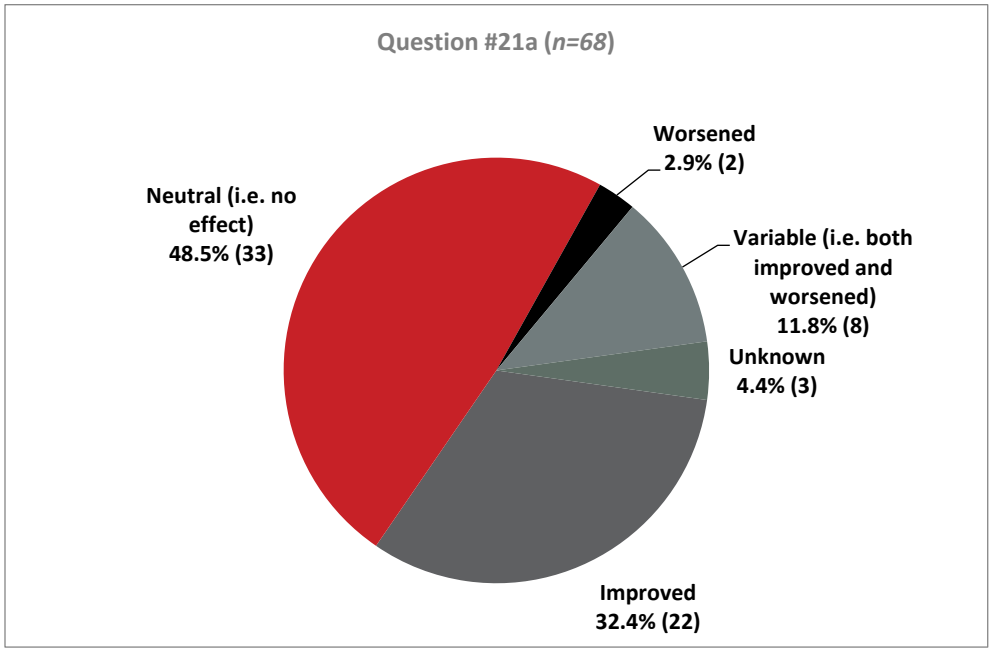
1. For Question 20a and 20b, this report includes responses from Nunavut-based employees only.

Question 20b: *Do you have any comments, suggestions, or concerns you would like to share?*

Responses included:

- I have money to buy supplies and 2 weeks off offers time to harvest
- Very high living cost in small community
- I am able to help out with gasoline or groceries to help my brothers to go out with hunters
- I get to have 2 weeks off for hunting only
- I am able to help with gas and groceries and some hunting equipment
- Both my skidoo and 4-wheeler has been used and still is being used to go out on the land
- I now have the time off during off-rotation to do out on the land activities
- Not enough time on vacation each year
- Obtaining Project employment made it easier to be able to get on the land, but the rotation made it harder to stay on the land longer now

Question 21a: *Overall, how has your community's well-being been affected by the Project?*



Note:

1. For Question 21a and 21b, this report includes responses from Nunavut-based employees only.

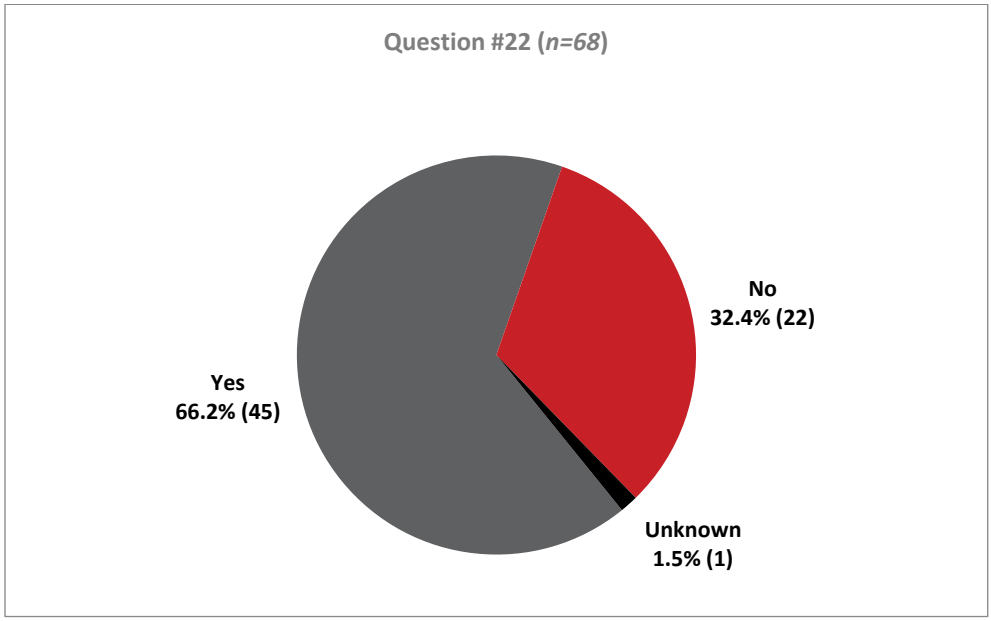
Question 21b: *Do you have any comments, suggestions, or concerns you would like to share?*

Responses included:

- GDP of Sanirajak improved
- When are we going to receive raise from workplace
- They provide job opportunities and training that we wouldn't have the opportunity in the community
- All I see now are new 4 wheelers, skidoos and vehicles coming in steady since the mine opened
- A lot of favouritism in workplace where white people get treated the best and us Inuit workers always get treated poorly in workplace
- Less animals on hunting grounds
- Not being able to get to site to work has been hard financially but easier on the family spending time together

3.5 CHILDCARE

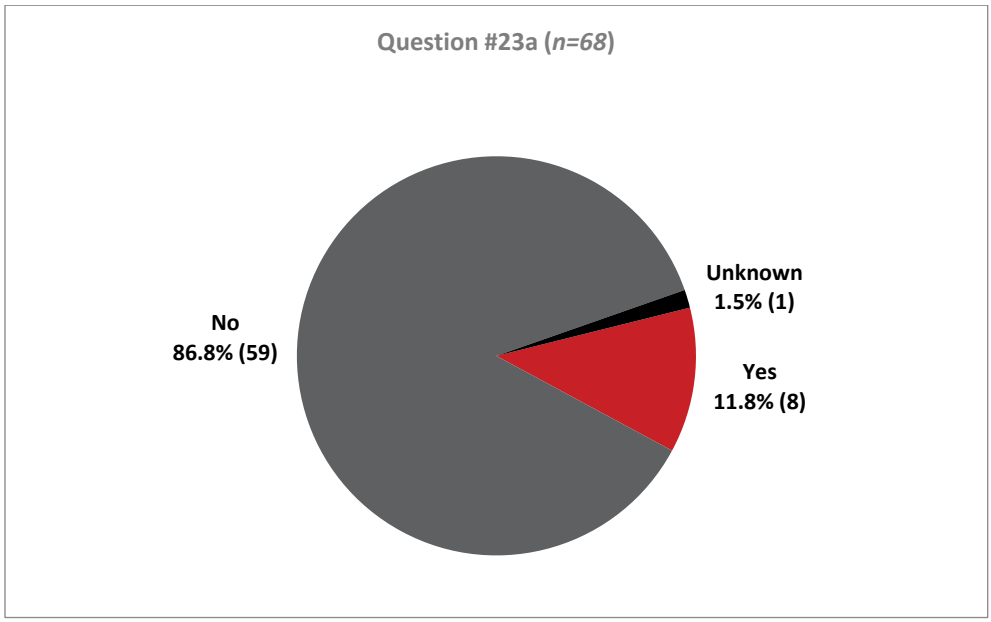
Question 22: *Do you have children under the age of 14 in your home?*



Note:

1. For Question 22, this report includes responses from Nunavut-based employees only.

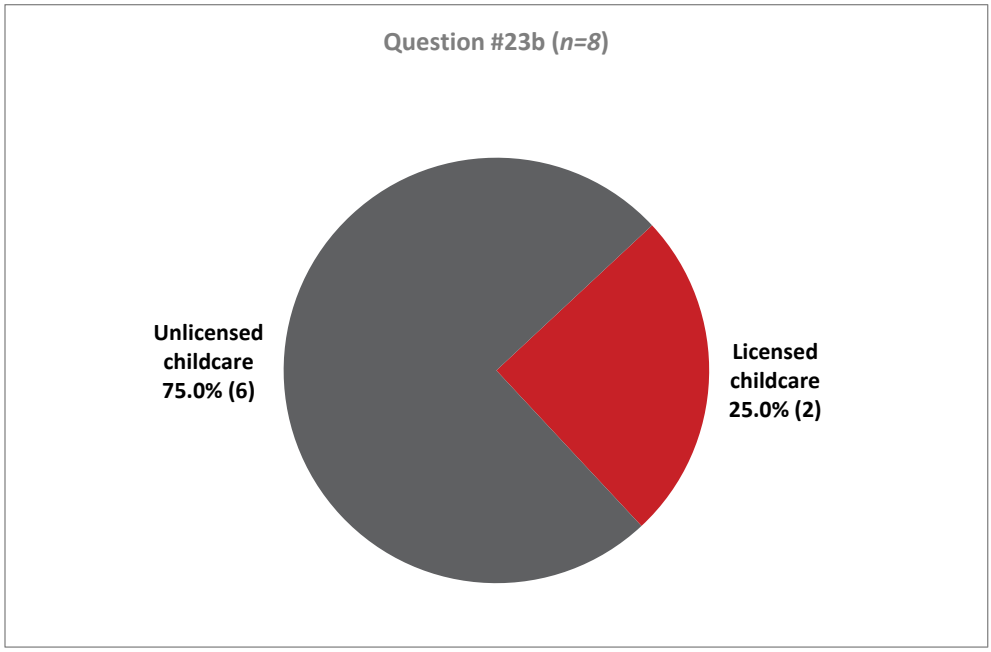
Question 23a: *Do you currently use childcare services in your community so that you can go to work? This includes formal childcare that you pay for (e.g. licenced daycare) and informal childcare provided by others (e.g. unlicensed childcare provided by family or friends).*



Note:

1. For Question 23a and 23b, this report includes responses from Nunavut-based employees only.

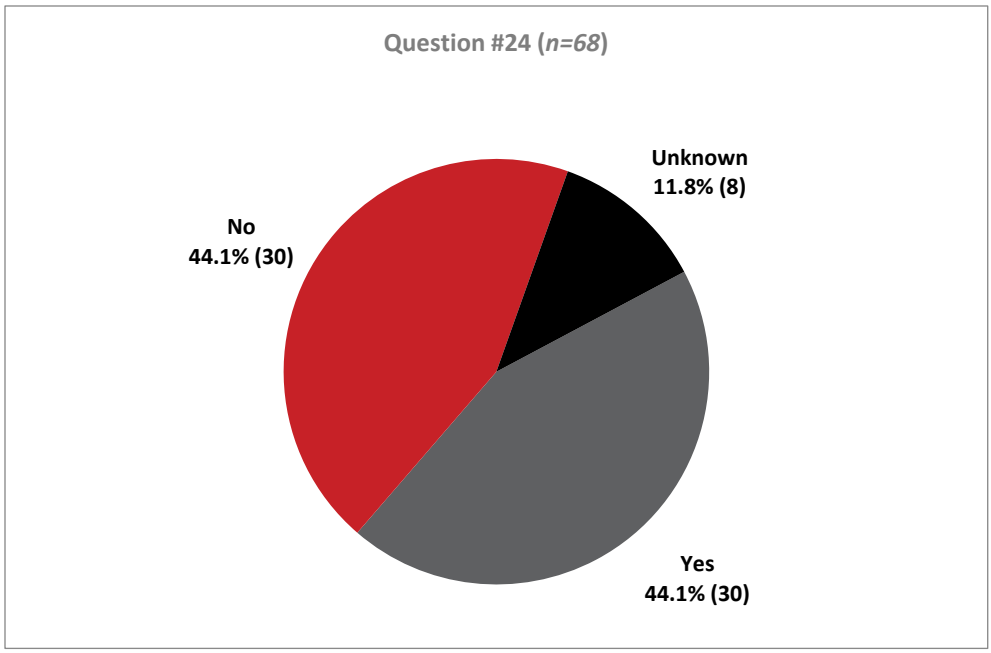
Question 23b: *If you answered 'Yes', do you use licenced or unlicensed childcare services currently?*



Note:

1. For Question 23a and 23b, this report includes responses from Nunavut-based employees only.

Question 24: *Do you feel there are sufficient options and access to childcare in your community?*



Note:

1. For Question 24, this report includes responses from Nunavut-based employees only.

4. CONCLUDING REMARKS

4.1 SUMMARY

Under the terms of its NIRB Project Certificate, Baffinland is asked to conduct an annual Inuit Employee Survey. The COVID-19 pandemic required some modifications to the survey methodology in 2020. Various measures were thus employed to ensure the health and safety of all Project employees, and appropriate adjustments were made to community and site-based survey administration techniques. Successful completion of the survey was not hindered by these changes.

The survey conducted in 2020 collected employment, education, and housing information, as well as Inuit perspectives on topics such as childcare and the role of the Project and Baffinland in their communities. The survey results will assist with Project monitoring and management, and provide valuable feedback to Baffinland on matters relevant to Inuit employees.

4.2 REPORTING AND NEXT STEPS

In addition to the presentation of survey results in this report, results may also be included in Baffinland's Annual Reports to the NIRB and in summary format to Project employees at a later date. Other public reporting of survey results may also occur. Opportunities for stakeholders to comment on this survey are offered through the NIRB Annual Report process.

Baffinland will complete its next Inuit Employee Survey in 2021. Relevant stakeholders will be engaged in the planning and conduct of that survey.

5. REFERENCES

Nunavut Impact Review Board (NIRB). 2020. *Project Certificate No. 005 for the Mary River Project, Amendment Number 03*. Issued by the Nunavut Impact Review Board to Baffinland Iron Mines Corporation on June 18, 2020.

APPENDIX A: 2020 INUIT EMPLOYEE SURVEY

Mary River Project
2020 Inuit Employee Survey

Overview:

*** Please note your participation in this survey is completely voluntary and no negative consequences will result to those who decide not to participate. Responses will remain confidential ***

This survey is being conducted by Baffinland Iron Mines Corporation (Baffinland) to:

- Collect employment, education, and housing information from Project employees. Baffinland has been asked to collect this information under the terms of its Project Certificate issued by the Nunavut Impact Review Board (NIRB); and
- Collect Inuit employee perspectives on topics such as childcare and the role of the Mary River Project and Baffinland in their communities.

Your responses to this survey will contribute to effective Project monitoring and management, and will provide feedback to Baffinland on matters affecting its employees.

You may choose to complete this survey on your own or with the assistance of Baffinland staff. You can also complete this survey in either English or Inuktitut and you may skip any questions you do not want to answer. If you choose to complete this survey, your responses will remain confidential and your name will not be used. However, the information you provide may be used by Baffinland publicly (e.g. for reporting purposes). If you have any questions you can contact your community's Baffinland Community Liaison Officer, an Iqaluit Office employee, or a site-based survey administrator.

Thank you for your participation.

General

1. **Gender:**
   - ☐ Male
   - ☐ Female
   - ☐ Other

2. **a) Are you:**
   - ☐ Inuit
   - ☐ Non-Inuit

   b) If you are Inuit, are you enrolled under the Nunavut Agreement?
   - ☐ Yes
   - ☐ No

3. **Please indicate your age:**
   - ☐ Under 30 years old
   - ☐ 30 to 39 years old
   - ☐ 40 to 49 years old
   - ☐ 50 to 59 years old
   - ☐ Over 60 years old

4. **Who do you work for?**
   - ☐ Baffinland
   - ☐ Contractor (Please identify): _____

5. **Do you work:**
   - ☐ Full-time
   - ☐ Seasonal

6. **How long have you worked for your current employer (Baffinland or contractor)?**
   - ☐ Less than 1 year
   - ☐ At least 1 year, but less than 2 years
   - ☐ At least 2 years, but less than 3 years
   - ☐ 3+ years

Housing

7. **What is your current community of residence?**
   - ☐ Arctic Bay
   - ☐ Clyde River
   - ☐ Grise Fiord
   - ☐ Igloolik
   - ☐ Iqaluit
   - ☐ Kimmirut
   - ☐ Kinngait
   - ☐ Pangnirtung
   - ☐ Pond Inlet
   - ☐ Qikiqtarjuaq
   - ☐ Resolute Bay
   - ☐ Sanikiluaq
   - ☐ Sanirajak
   - ☐ Other: _____

8. **What type of housing do you currently live in?**
   - ☐ Privately owned – Owned by you
   - ☐ Privately owned – Owned by another individual
   - ☐ Renting from a private company
   - ☐ Public housing
   - ☐ Government of Nunavut staff housing
   - ☐ Other staff housing
   - ☐ Other: _____

9. **Have you ever considered purchasing a home in your community?**
   - ☐ Yes
   - ☐ No
   - ☐ I already own my own home

10. If you have <u>not</u> purchased your own home, could you please explain why? (Select all that apply):

☐ I already own my own home

☐ I have not been able to save enough money for a down payment

☐ The mortgage payments would be too high

☐ Maintaining a home is too expensive (maintenance, utilities etc.)

☐ I do not know how to go about purchasing a home

☐ I applied to the Nunavut Downpayment Assistance Program to help with purchasing a home, but my application was denied

☐ There are no houses for sale in my community

☐ There are no houses for sale in my community that meet my, and/or my family's, needs

☐ I do not want to own my own home

☐ Other. Please specify:

11. Are you aware of the Nunavut Downpayment Assistance Program offered by the Nunavut Housing Corporation?

☐ Yes

☐ No

12. a) In the past 12 months, have you moved from one residence to another residence?

☐ Yes, within my community

☐ Yes, from one community to another community

☐ No, I have not moved

b) If you answered 'Yes, from one community to another community', which community did you move <u>from</u>?

13. a) Do you plan on moving from one residence to another residence in the next 12 months?

☐ Yes, within my community

☐ Yes, from one community to another community

☐ No

b) If you answered 'Yes, from one community to another community', which community are you planning to move to?

Education and Work Experience

14. What is the highest education level you have obtained? (Check only one box)

- ☐ Less than high school
- ☐ High school diploma or equivalent
- ☐ Apprenticeship or trades certificate or diploma
- ☐ College or other non-university certificate or diploma
- ☐ University certificate or diploma

15. a) Were you enrolled in an academic or vocational program at the time of your hire at the Mary River Project?

- ☐ Yes
- ☐ No

b) If you answered 'Yes', what program were you enrolled in and where were you enrolled?

c) If you answered 'Yes', did you suspend or discontinue your education because you were hired to work at the Mary River Project?

- ☐ Yes
- ☐ No

16. a) Did you resign from a previous job in order to take up employment with the Mary River Project?

- ☐ Yes
- ☐ No

b) If you answered 'Yes', what was your previous employment status? (Check only one box)

- ☐ Casual
- ☐ Part-Time
- ☐ Full-Time

c) **If you answered 'Yes', what was your previous job title?**

d) **If you answered 'Yes', who was your previous employer?**

17. **If Baffinland or other agencies were to offer additional education or training programs for mine employees, what kind of programs would you be interested in? (Select all that apply)**

- ☐ Financial management
- ☐ Literacy and numeracy
- ☐ Training to prepare for a different job at the mine
- ☐ Traditional skills
- ☐ Other. Please specify:

Baffinland in Your Community

18. **a) How has your ability to provide for you and your family changed since obtaining Project employment? (Check only one box)**

- ☐ Very improved
- ☐ Improved
- ☐ Neutral (i.e. no effect)
- ☐ Worsened
- ☐ Very worsened
- ☐ Variable (i.e. both improved and worsened)

b) Do you have any comments, suggestions, or concerns you would like to share?

19. a) How has the health and well-being of you and your family changed since obtaining Project employment? (Check only one box)

- ☐ Very improved
- ☐ Improved
- ☐ Neutral (i.e. no effect)
- ☐ Worsened
- ☐ Very worsened
- ☐ Variable (i.e. both improved and worsened)

b) Do you have any comments, suggestions, or concerns you would like to share?

20. a) How has you and your family's ability to participate in harvesting or other land-based activities changed since obtaining Project employment? (Check only one box)

- ☐ Very improved
- ☐ Improved
- ☐ Neutral (i.e. no effect)
- ☐ Worsened
- ☐ Very worsened
- ☐ Variable (i.e. both improved and worsened)

b) Do you have any comments, suggestions, or concerns you would like to share?

21. a) Overall, how has your community's well-being been affected by the Project? (Check only one box)

- ☐ Very improved
- ☐ Improved
- ☐ Neutral (i.e. no effect)
- ☐ Worsened
- ☐ Very worsened
- ☐ Variable (i.e. both improved and worsened)

b) Do you have any comments, suggestions, or concerns you would like to share?

Childcare

22. Do you have children under the age of 14 in your home?

- ☐ Yes
- ☐ No

23. a) Do you currently use childcare services in your community so that you can go to work? This includes formal childcare that you pay for (e.g. licenced daycare) and informal childcare provided by others (e.g. unlicensed childcare provided by family or friends).

- ☐ Yes
- ☐ No

b) If you answered 'Yes', do you use licenced or unlicensed childcare services currently?

- ☐ Licensed childcare
- ☐ Unlicensed childcare

24. Do you feel there are sufficient options and access to childcare in your community?

- ☐ Yes
- ☐ No

Thank you for your participation!

Please return this survey to your Baffinland Community Liaison Officer, an Iqaluit Office employee, or a site-based survey administrator.