



2023

SOCIO-ECONOMIC MONITORING REPORT FOR THE MARY RIVER PROJECT

PREPARED FOR



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ERM

A Message from our Senior Director of Sustainable Development

Baffinland is pleased to submit the Mary River Socio-Economic Monitoring Report for the 2023 calendar year to the Nunavut Impact Review Board (NIRB), in conformance with our Project Certificate requirements.

2023 marks 9 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 2023, the Project has;

- Provided over \$150 million in wages to Inuit Project Employees and Contractors;
- Reached over \$1.79 billion in contracts signed and awarded to Inuit Firms;
- Provided over \$3.8 million through our Sponsorship and Donation Program since 2016;
- Seen over 600 graduates of pre-employment training programs; and,
- Have delivered over 229,000 hours of training to Inuit Project employees since Project development.

In 2023 the Company launched Aulatijiit, our new Inuit Leadership and Development Program (ILDLP) at the Mary River Project. The Program is an innovative, culturally-based program that will give Inuit employees the opportunity to advance to leadership roles within the Company.

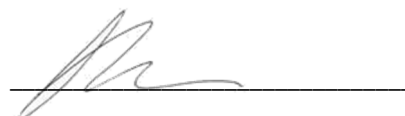
The IDLP integrates Inuit Qaujimagatuqanigit (IQ), the Inuit seasonal calendar, and the use of Inuktitut. The program follows the “70-20-10 framework” for adult learning – 70% of the program involves job shadowing, 20% includes mentoring and relationship-building, and 10% is course work and training.

2023 marked the 10-year anniversary of the signing of the Mary River Project Inuit Impact benefit Agreement. The Agreement is the result of several years of negotiations and spells out how Inuit benefit from the Mary River Project. It includes commitments to maximize Inuit participation through employment and contracting, environmental

monitoring, and socio-economic program funding like the Ilagiiktunut Community Wellness fund. The Agreement also commits millions of dollars in spending for Inuit education and training, a scholarship fund, wildlife compensation, royalty payments, and much more.

The Agreement is regularly reviewed and amended, to ensure compliance, improve benefits, and strengthen the Company’s commitment to improve the lives of all Nunavummiut. The 2018 amendment to the Agreement, for instance, resulted in Baffinland providing several million dollars in support for a Pond Inlet Regional Training Centre. The Company has contributed more than \$15 million (\$10 million plus inflation and engineering and planning costs) toward the Centre. We are proud of our contributions to our employees and their families, and look forward to continued collaboration for generations to come.

2023 marked a positive year for Baffinland. The Company’s sustaining operations proposal was approved by the Northern Affairs Minister following a positive recommendation from the Nunavut Impact Review Board. The Company can now ship up to six million tonnes of ore per year until December 31 2024. We are currently working on another sustaining operation proposal (SOP2) submission to the NIRB where, if approved, would secure the shipping of six million tonnes per annum until the Steensby Component of the Project is fully operational. The Steensby component of the Mary River Project is approved under our existing Project Certificate and Water Licence. The Company remains committed to the phased development of the Mary River Project and looks forward to its positive growth and development in 2024.



Lou Kamermans

Senior Director of Sustainable Development
April 30, 2024

5 • Community Infrastructure and Public Services	74
5.1 Use of Community Health Centres	74
5.2 Baffinland Use of LSA Community Infrastructure	76
6 • Cultural Resources.....	80
7 • Resource and Land Use.....	81
7.1 Recorded Land Use Visitor Person-days at Project Sites	81
7.2 Wildlife Compensation Fund Claims	83
8 • Cultural Well-being.....	86
9 • Economic Development and Self-reliance.....	88
9.1 Investments in Ccommunity and Wellness Initiatives	89
9.2 Project Harvesting Interactions and Food Security.....	89
10 • Benefits, Royalty, and Taxation	95
10.1 Payroll and Corporate Taxes Paid by Baffinland to the Territorial Government	95
10.2 Royalty Payments to QIA	96
11 • Governance and Leadership	97
11.1 Governance and Leadership Monitoring Data and Analysis	97
Concluding Remarks.....	98
Summary	98
Adaptive Management.....	98
References	100
Appendix A. Compliance Assessment.....	107
Appendix B. Socio-economic Monitoring Indicators	110
Appendix C. Headcount Data	113
Appendix D. 2023 Inuit Employee Survey Report	114
Appendix E. 2023 Performance Against Draft TARP Metrics.....	199

List of Figures

Figure 1. Baffinland and Contractor Employment (FTEs) by Inuit Status	10
Figure 2. Baffinland and Contractor Inuit Employment (FTEs) by Location	12
Figure 3. Baffinland and Contractor Inuit FTEs by Community (2023).....	13
Figure 4. Baffinland and Contractor Inuit FTEs by Area (2023)	13
Figure 5. Baffinland and Contractor Inuit FTEs by Gender	15
Figure 6. Baffinland and Contractor Non-Inuit FTEs by Gender	16
Figure 7. Baffinland and Contractor Employment (FTEs) by Skill Level and Gender (2023).....	18
Figure 8. Baffinland Employee Turnover Rate (Inuit and non-Inuit, headcount)	19
Figure 9. Baffinland Employee Departures (Inuit and non-Inuit, headcount).....	20
Figure 10. Estimated Qikiqtani School Attendance Rates	23
Figure 11. Secondary School Graduation Rate by Region	24
Figure 12. Baffinland and Contractor Training Hours by Inuit Status (2013-2023)	29
Figure 13. Baffinland and Contractor Average Training Hours / FTE by Inuit Training (2013-2022).....	29
Figure 14: Types and Hours of On-site Training Provided (2023).....	30
Figure 15. Educational Attainment in the North Baffin LSA	35
Figure 16. Educational Attainment by the Baffinland Inuit Workforce (2023)	35
Figure 17. Inuit Employee Academic and Employment Status pre-Mary River Employment	36
Figure 18. Baffinland Inuit Employee Advancements: Number and Rate (% of Baffinland Inuit employees advancing)	37
Figure 19. Baffinland and Contractor Inuit Employment (FTEs) by Skill Level (2023)	39
Figure 20. Baffinland and Contractor Inuit Payroll (2017 - 2023)	42
Figure 21. Baffinland Payroll, Inuit and Non-Inuit (2023)	42
Figure 22. Baffinland and Contractor Inuit Payroll by Community (2023)	42
Figure 23. Perceptions on Adequacy of Total Household Income to Meet Employees' Families' Needs since Obtaining Project Employment.....	43
Figure 24. Value of Contracts Awarded to Inuit Firms	44
Figure 25. Value of Contracts Awarded to Inuit and Non-Inuit Firms in 2021, 2022 and 2023	45
Figure 26. Registered Inuit Firms in Iqaluit and the North Baffin LSA.....	47
Figure 27. North Baffin Community Populations, Pre- and Post-development	50
Figure 28. Average Inuit and Non-Inuit LSA Community Population as a Percentage, Pre- and Post-development	50
Figure 29. Known LSA Migration of Baffinland and Contractor Employees (Inuit and non-Inuit)	52
Figure 30. Annual Nunavut Net Migration (2004 – 2019)	52
Figure 31. Baffinland and Contractor Inuit Employees (headcount) and Proportion Residing outside of Nunavut	53
Figure 32. Perceived Impact of Project on Community (2023)	56

Figure 33. Perceived Impact of Project on Health and Well-being	57
Figure 34. Visits to Project Site Physician’s Assistants by Inuit Status	57
Figure 35. Number of Times Baffinland’s Employee and Family Assistance Plan (EFAP) was Accessed	58
Figure 36. Perceptions on Access to and Affordability of Childcare.....	60
Figure 37. Proportion of Tax Filers with Employment Income (2006 – 2017).....	62
Figure 38. Median Employment Income (2006 – 2017)	62
Figure 39. Proportion of Population Receiving Social Assistance (2009 – 2018)	63
Figure 40. Drug and Alcohol related Contraband Infractions at Project Sites.....	65
Figure 41. Impaired Driving Violations within Nunavut and Communities	66
Figure 42. Drug Violations Processed by Local RCMP within Nunavut and Communities	68
Figure 43. Crime Rate within Nunavut and Communities	70
Figure 44. Youth Charged by Local Law Enforcement within Nunavut and Communities.....	71
Figure 45. Proportion of Public Health Centre Visits related to Infectious Disease	73
Figure 46. Per Capita Health Centre Visits by Community (2003 – 2016).....	74
Figure 47. Visits to Community Health Centres by Community (2003 – 2016).....	75
Figure 48. Project Aircraft Movements at Iqaluit and North Baffin LSA Community Airports.....	76
Figure 49. Recorded Land Use Visitor Person-days at Project Sites.....	82
Figure 50. 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?"	83
Figure 51. Project Employees’ Ability to Afford Food (2023)	91
Figure 52. Baffinland Taxes Paid to the Government of Nunavut.....	95
Figure 53: Royalty Payments to QIA.....	96

List of Tables

Table 1. 2023 Socio-economic Monitoring Reporting Summary.....	iv
Table 2. Baffinland and Contractor Employment (FTEs and Hours Worked) by Ethnicity and Origin from 2021 to 2023.....	10
Table 3. Detailed Baffinland and Contractor Employment (FTEs) 2023	11
Table 4. Baffinland and Contractor FTEs and Hours Worked by Gender and Ethnicity (2019 – 2022)	16
Table 5: Female Inuit FTEs and Percentage by Skill Level (2023)	18
Table 6. Investments in School-based Initiatives (2017 – 2023)	22
Table 7. Number of Secondary School Graduates (averages for selected periods)	24
Table 8. List of Additional Recruitment and Career Support Initiatives and Resources.....	27
Table 9. Inuit Involvement in Advancement Programs (2015 – 2023).....	28
Table 10. List of Training Initiatives.....	30
Table 11. Suggested Additional Trainings from Inuit Employee Survey (2023) (n=73)	31

Table 12. List of Initiatives to Promote Inuit Firm Participation.....	46
Table 13. Number of NTI-registered Firms Currently Contracted by Baffinland, by Location	47
Table 14. Inuit Employee Survey Responses on Housing	60
Table 15. Average Annual Impaired Driving Violations per 1,000 People.....	67
Table 16. Average Annual Drug Violations per 1,000 People.....	68
Table 17. Average Annual Crime Rate (violations per 1,000 people).....	70
Table 18. Health Centre Visits per Capita in the North Baffin LSA and Iqaluit Averaged over Selected Time Periods	75
Table 19. Average Health Centre Visits in the North Baffin LSA and Iqaluit (select time periods)	75
Table 20. Health-related Evacuations and Charters from Baffinland Project Sites (2023).....	76
Table 21. In-person Meetings and Events Held in LSA Communities (2023).....	77
Table 22. Number of Groups of Land Use Visitors to Project Sites by Size and Month (2023)	82
Table 23. Results from the Food Security Section within the Aboriginal Peoples Survey from Both 2012 and 2017.....	91
Table 24. Results from the Hunting, Fishing, and Trapping Section within the Aboriginal Peoples Survey from Both 2012 and 2017.....	92
Table 25. Results from the Gathering Wild Plants Section within the Aboriginal Peoples Survey from Both 2012 and 2017	92
Table 26. Food Security Components and Baffinland’s Role.....	93
Table 27. Compliance Assessment Table	107
Table 28. Socio-economic Monitoring Plan.....	110
Table 29. Baffinland and Contractor Employment (Headcount) by Origin and Ethnicity (2023)	113

በገቢዎችና ገቢዎች ለግብርና አገልግሎት አስፈጻሚዎች የሚሰጡት የግብርና ገቢዎች ወይንም ለግብርና አገልግሎት አስፈጻሚዎች የሚሰጡት የግብርና ገቢዎች

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Executive Summary

This report presents the results of the socio-economic monitoring program for the Mary River Project in 2023, 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 (FEIS).

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

<p>Employment And Livelihood</p>	<ul style="list-style-type: none"> • The Mary River Project employed 1,648 full-time equivalents (FTEs), who worked 3,598,965 hours in 2023. This is 96 fewer FTEs than in 2022. • The Project had 225 Inuit FTEs in 2023, representing 13% of the total workforce. The number of Inuit FTEs decreased by 7 compared to 2022. As a proportion of the workforce, the number of Inuit remained the same as 2022 at 13%. • 139 of Inuit FTEs are based in the North Baffin LSA, with another 47 in Iqaluit and 40 in other locations. • The Project employed 187 female FTEs in 2023, representing a decrease in number (down from 197) from 2022. However, female FTEs represented 11% of the total workforce in both 2023 and 2022. • The turnover rates for Inuit and non-Inuit decreased to 30% and 16% respectively, down from 40% and 34% in 2022, respectively.
<p>Contracting And Business Opportunities</p>	<ul style="list-style-type: none"> • \$24,555,999 in wages were paid to Baffinland and contractor Inuit employees in 2023, up slightly by 2% from 2022. Of this, nearly \$15 million went to Inuit employees based in the North Baffin LSA. The average pay for Baffinland and contractor Inuit FTEs in 2023 was \$109,138. • In 2023, the total value of contracts awarded to Inuit firms increased to \$171M compared to \$162M in 2022. The percentage of total contracting awarded to Inuit firms continued to decrease to 36%, representing a 10% decrease from 2022.
<p>Education And Training</p>	<ul style="list-style-type: none"> • In 2023, the average hours of training for Inuit workers decreased significantly compared to 2022, at 153 hours per Inuit FTE – a 32% decrease from 2022. The decrease in average hours of training for Inuit workers in 2023 compared to 2021 and 2022 is in part due to changes in Q-STEP programming that went into effect in Q1 2023. Additionally, 2022 training levels were elevated due to the delayed use of unspent training budgets from 2020 and 2021. • 21 Inuit advanced in their role at the Project in 2023, comparable to the ten advancements seen in 2022. In 2023, Baffinland completed 98 Career Development Plans for Inuit employees. • In general, Inuit represent a progressively smaller proportion of the workforce at higher skill level positions, with 10% and 5% of Skill Level A and B positions filled by Inuit, respectively, a slight increase from 2022. Inuit represented 53% of workers in Skill Level D positions, compared to 50% in 2022 and 38% in 2021.
<p>Benefits, Royalty, And Taxation</p>	<ul style="list-style-type: none"> • The total value of tax payments made by Baffinland to the Government of Nunavut increased in 2023 to approximately \$16.7 million. Baffinland paid \$11.1 million in employee payroll and income tax and \$5.6 million in fuel tax to the Government of Nunavut. • In 2023, Baffinland paid a total IIBA royalty to QIA in the amount of \$6,859,465. Additional payments were also made to the QIA for land leases and fees.

**Impacts On
Worker Families
And Communities
In The North Baffin
Local Study Area**

- Graduation rates increased between 2014 and 2017, followed by a decrease in 2018. School attendance rates in the North Baffin LSA region have trended downward since 2014, except for an increase in 2019, with similar trends seen in Iqaluit and the rest of the Qikiqtani. The Project is not likely having a significant impact on graduation or attendance rates given the range of other significant factors affecting these indicators, specifically, the onset of remote learning in 2020. 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 results of the 2023 Inuit Employee Survey, there is also positive feedback from Inuit employees on their ability of their total household income to meet their families' needs, with 42% of respondents saying they had enough or more than enough income to meet their needs.
- Based on the 2023 Inuit Employee Survey, worker and family health and well-being is positively affected by working at the Project, where 42% of survey respondents said that well-being had been *improved* or *very improved* since starting work at the Project. No respondents reported a negative impact on personal or family well-being, while 7% of respondents reported a variable impact (i.e., both improved and worsened).
- 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 (2017 is the most recent year data on the proportion of tax filers with employment income were available). 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.
- Average crime rates have increased by approximately 36% in the North Baffin LSA between the pre-development and post-development periods, with an increase observed across the Qikiqtani and Nunavut as a whole. Project impacts on crime rates is difficult to discern from other factors,, including effects of increased access to alcohol, the effects of COVID, etc.
- Impaired driving violations have increased in the North Baffin LSA during the post-development period. Given the multiple factors affecting crime and the reporting of violations, additional information and data is required to better discern the effects of the Project on these indicators.
- Drug violations in the North Baffin LSA have generally followed the same pattern as in Iqaluit and Nunavut. The North Baffin LSA, Iqaluit, and Nunavut have all seen rapid decreases in drug violations during the post-development period of between 50-60%.
- 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.
- From pre- to post-development, average annual crime rates have increased in the North Baffin LSA and Nunavut and decreased in Iqaluit. Pre- and post-development trends have seen North Baffin LSA crime rates lower than Iqaluit's rate, and generally lower than the Nunavut average, though Pond Inlet crime rates have met or exceeded the Nunavut crime rate from 2019 to 2022 (the latest year with data available).

Table 1 on the following page summarizes the monitoring results, including findings and trends in 2023 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. 2023 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)	2023	Project	-	1,816 FTEs	↓ 4%	1,648 FTEs	↓ 6%	The Mary River Project employed 1,648 full-time equivalents (FTEs), who worked 3,598,965 hours in 2023. This is 96 fewer FTEs than in 2022.
Project LSA employment (FTEs)	2023	Project	-	190 FTEs	↓ 4%	187 FTEs	↑ 1%	In 2023, there were a total of 187 LSA-based FTEs, representing 11% of the total workforce. This is 2 more FTEs than in 2022. 185 LSA-based FTEs were Inuit.
Project female employment (FTEs)	2023	Project	-	213 FTEs	↓ 4%	187 FTEs	↓ 5%	In 2023, there were a total of 187 female FTEs, representing 11% of the total workforce. This is a decrease of 10 FTEs compared to 2022, however the proportion of female workers compared to the total workforce is similar to 2020, 2021, and 2022 levels, as the male workforce also decreased over this time.
Inuit employee turnover	2023	Project	-	29% turnover	↑ 6pp	30% turnover	↓ 10pp	The turnover rate for Inuit decreased in 2023 to 30%, representing a 10 percentage point decrease compared to 2022. Reasons Inuit employees cited for resigning in 2023 included accepting another position, health reasons, personal reasons, and family reasons (including wanting to spend more time at home).
Childcare availability and costs	-	-	-	-	-	-	-	Baffinland's 2023 community engagement records have shown community members had questions or concerns related to childcare and childcare support, and 2023 Inuit turnover exit interviews included reasons related to family and working closer to home, as well as two specific rationales related to caregiving. 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)	2023	NB LSA	-	57 laptops	⇒ 0%	60 laptops	↑ 20%	The Project supported school-based initiatives in 2023 through its ongoing donations including laptop donations (60 in 2023). Investments included the annual scholarship fund (IIBA commitment – 4 recipients in 2023), and contributions to school lunch programs.
Investments in school-based initiatives (dollars)	2023	NB LSA	-	\$162,425	↑ 74%	\$180,330	↑ 104%	

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Secondary school graduates	2021	NB LSA	45 grads	45 grads	↓ 13%	27 grads	↓ 53%	<p>In 2021 (reported as the 2021-2022 school year by the Nunavut Department of Education), the number of graduates in the North Baffin LSA was 27, representing a 53% decrease from previous reported year. In Iqaluit, the number of graduates was 65, up by 51% from previous reported year.</p> <p>The latest high school graduation rates available are from 2018. Since 2014, the Qikiqtani graduation rate rose rapidly, up to nearly 50% in 2017. However, the Qikiqtani graduation rate subsequently to a rate of 40% in 2018, slightly higher than the region's graduation rate of 37% in 2016. Reasons for this decrease are not clear, though a similar decrease was seen in the Kitikmeot and Kivalliq regions during the same time.</p>
	2021	Iqaluit	42 grads	49 grads	↑ 10%	65 grads	↑ 51%	
Outdated data! Secondary school graduation rate	2018	Region	37.5%	46%	↑ 18pp	40%	↓ 18pp	
	2018	Nunavut	34%	45%	↑ 10pp	39%	↓ 19pp	
Participation in pre-employment training (# participants)	2023	Project	-	87 grads	↑ 11%	70 grads	↓ 19%	In 2023, there were 70 Work Ready Program participants (55 in community, and 15 on-site). This is a decrease compared to 2022, with 110 Work Ready Program participants (81 in community, 29 on-site).
Hours of training completed by Baffinland and contractor Inuit employees	2023	Project	-	40,170 hours	↑ 20%	34,450 hours	↓ 35%	Both the absolute and average hours of training for Inuit (average training hours per Inuit FTE) decreased significantly in 2023. This is mainly attributed to changes in Q-STEP programming that went into effect in Q1 2023. As well, the high number of average training hours per Inuit FTE in 2022 was largely a result of an overall increase in training delivery for Inuit employees, as unspent 2021 training budgets from 2020 and 2021 (part of IIBA commitments) were spent in 2022 to compensate for decreased training during those years. Another factor is that Nunavummiut were demobilized for less time in 2022 than 2021.
Types of training provided Baffinland and contractor Inuit employees	2023	Project	-	-	-	-	-	Following operational uncertainties related to the proposed Phase 2 project in 2022, Baffinland was able to continue training programs in communities and on site in 2023, including the in-community and on-site Work Ready Program, and the Inuit internship program, among others.
Apprenticeships and other opportunities (# employees)	2023	Project	-	12 apprentices	↓ 15%	10 apprentices	↓ 23%	In 2023, there was an average of 10 active apprentices in the Apprenticeship Program, a 23% decrease from 2022.

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Employee education and pre-employment status	2023	Project	-	-	-	-	-	32% of 2023 Inuit survey respondents left previous employment to work at the Project, with most of these leaving full-time jobs (70% of these respondents). 9% of respondents reported being enrolled in an academic or vocational program at the time of hiring. In 2022, Baffinland's Human Resources team began tracking whether new applicants were employed and/or enrolled in an education program at the time of their application. In 2023, 37 Inuit employees were hired who indicated they were currently employed at the time they applied to work for Baffinland, and 3 Inuit employees were hired who indicated they were currently enrolled in an education program.
Inuit employee promotions	2023	Project	-	13 promotions	↑ 67%	21 advancements	↑ 110%	Twenty-one (21) Inuit advanced in 2023, an increase from ten (10) advancements in 2022.
Contracting and Business Opportunities								
Inuit employee payroll amounts (dollars)	2023	Project	-	\$23,411,433	↑ 6%	\$24,555,999	↑ 2%	\$24,555,999 in wages were paid to Baffinland and contractor Inuit employees in 2023, an increase of 2% compared to 2022. The average pay for Baffinland and contractor Inuit FTEs in 2023 was \$109,138. This represents an increase of approximately 5% from 2022, where the average pay was \$103,805. For comparison, between 2021 and 2022, average pay increased by 17%, and between 2020 and 2021, average pay increased by 5%. As such, the increase in 2022 is an outlier which is mainly attributed to the remobilization of Nunavummiut employees, who had been on standby pay for much of 2021, as well as an overall market adjustment in salary for all employees in 2022 impacting overall Inuit employee payroll.
Value of contracting with Inuit Firms (dollars)	2023	Project	-	\$184M	↑ 17%	\$171M	↑ 6%	The total value of Inuit firm contract commitments increased to \$171.3, compared to \$162.2M in 2022, with 42 individual Inuit firms. The percentage of total contracting committed to Inuit firms decreased in 2023, to 36% compared to 43% in 2022.
Number of registered Inuit Firms in the LSA	2023	NB LSA	-	57 firms	↑ 3%	61 firms	↑ 11%	In 2023, a total of 207 active Inuit Firms were registered in the LSA, an increase of 11 Inuit Firms from 2022. Of the 207, 29% (61) of these firms were based in the North Baffin LSA communities and 71% (146) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 32, while the number of active Inuit Firms registered in Iqaluit has increased by 62.
	2023	Iqaluit	-	140 firms	↑ 5%	146 firms	↑ 4%	

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Population Demographics								
Population estimates	2022	NB LSA	5,694 people	7,040 people	↑ 2%	7,201 people	↑ 3%	The average annual population growth rates over the post-development period were 2.3% for North Baffin LSA communities, 1.7% for Iqaluit, and 1.6% for Nunavut – all higher than the Canadian average growth rate of 1.2%. The rate of growth does not appear to have been affected by the Project.
	2022	Iqaluit	7,048 people	8,335 people	↑ 1%	8,513 people	↑ 4%	
	2022	Nunavut	33,694 people	39,761 people	↑ 2%	40,526 people	↑ 3%	
Known in-migrations of non-Inuit Baffinland and contractor employees	2023	NB LSA	-	0 people	-	0 people	⇒ 0%	No non-Inuit employees migrated into or out of the LSA in 2023. 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 as of 2016, the latest year data is available, has remained relatively similar to pre-development levels.
Known out-migrations of Inuit Baffinland and contractor employees	2023	NB LSA	-	6 people	↑ 21%	8 people	↑ 700%	Eight (8) Inuit Project employees were known to have moved out of the North Baffin LSA in 2023.
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 as of 2016, the latest year data is available, has remained relatively similar to pre-development levels.
Outdated data! Nunavut net migration	2019	Nunavut	-38 people	-75 people	↑ 26%	-88 people	↓ 6%	Nunavut net migration was -88 people in 2019, continuing a negative trend over the past 3 years.
Employee and contractor changes of address, housing status, and migration intentions	2023	Project	-	-	-	-	-	Based on 2023 Inuit Employee Survey results, declared migration intentions for 2024 align with the past several years of movement, with 5 respondents expressing an intention to move from one community to another in the next year. Reasons for declared migration intentions included better housing, being closer to friends and family, cost of living, being closer to work, to find a job, and better access to services.
Employee and contractor origin (LSA headcount)	2023	LSA	-	264 employees	↑ 8%	291 employees	↑ 7%	In 2023, 291 Baffinland and contractor employees were based in LSA communities, representing an increase of 7% compared to 2022.
Human Health and Well-being								
Outdated data! 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	

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Outdated data! 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%	
Outdated data! 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	2023	Project	-	13 infractions	↓ 13%	14 infractions	↓ 30%	Fourteen drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees in 2023, a decrease of 6 compared to 2022.
Number of impaired driving violations	2022	NB LSA (total)	25 violations	68 violations	↓ 6%	68 violations	↑ 39%	
	2022	Iqaluit	58 violations	114 violations	↓ 5%	118 violations	↑ 9%	
	2022	Nunavut	257 violations	649 violations	↓ 3%	640 violations	↑ 20%	
Number of drug violations	2022	NB LSA (total)	172 violations	5 violations	↑ 14%	4 violations	↓ 43%	North Baffin LSA, Iqaluit, and Nunavut have seen rapid decreases in drug violations during the post-development period.
	2022	Iqaluit	112 violations	25 violations	↑ 27%	29 violations	↑ 45%	
	2022	Nunavut	332 violations	63 violations	↑ 17%	59 violations	↓ 13%	
Number of youths charged	2022	NB LSA	44 youths	8 youths	↓ 31%	7 youths	↑ 75%	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.
	2022	Iqaluit	44 youths	12 youths	↓ 29%	7 youths	↓ 46%	
	2022	Nunavut	316 youths	103 youths	↓ 20%	86 youths	↓ 10%	
Crime rate (violations per thousand)	2022	NB LSA	223 violations	378 violations ²	⇒ 0%	370 violations	↓ 7%	Crime rates have increased in the North Baffin LSA, Iqaluit and Nunavut during the post-development period. North Baffin LSA crime rates are much lower than Iqaluit and Nunavut. Average crime rates have increased by approximately 36% in the North Baffin LSA between the pre-development and post-development periods, with a similar trend observed across the Qikiqtani
	2022	Iqaluit	741 violations	887 violations	↑ 5%	873 violations	↓ 8%	
	2022	Nunavut	395 violations	537 violations	↑ 2%	523 violations	↓ 5%	
Number of times Baffinland's Employee and Family Assistance Program (EFAP) is accessed	2023	Project	-	77 times	↑ 7%	69 times	↓ 24%	EFAP usage has been relatively consistent from 2017 to 2023 at approximately 5 accesses per 100 employees, with the exception of 2022, when usage increased to 7 accesses per 100 employees.

² Note that the 3-year average reported in the 2022 SEMR has been updated (from 405 violations to 380) based on updated data.

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Outdated data! 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%	↑ 2 pp	
	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								
Outdated data! 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%	
Outdated data! 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%	
Number of visits to Project physician assistant	2023	Project	-	5,079 visits	↓ 1%	5,158 visits	↑ 2%	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	2023	NB LSA	-	305 movements	↑ 57%	602 movements	↑ 10%	Baffinland's utilization of community infrastructure, particularly airports, remained similar in LSA communities in 2023 compared to 2022.
	2023	Iqaluit	-	409 movements	↑ 5%	402 movements	↓ 9%	
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	2023	Project	41 person-days	281 person-days	↓ 5%	286 person-days	↓ 20%	In 2023, a total of 286 land use visitor person-days were recorded at Project sites, a 20% decrease from 2022.

Indicator	Latest Data Available	Scale	Pre-dev Average	3-year Average	Change in 3-year Average	Latest Year	Change from Last Year	Summary
Wildlife compensation fund claims	2023	Project	-	\$98,455 paid	↑ 142%	\$187,351 paid	↑ 88%	In 2023, there were 31 claims submitted to QIA, 29 of which were approved, totalling \$187,351 disbursed from the Fund during the QIA Fiscal Year 2022-23. This represents an increase in both total claims and funds disbursed compared to 2022 (20 claims and \$99,824 disbursed), and a large increase compared to 2021 (4 claims and \$8,191 disbursed).
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	2023	Nunavut	-	\$16M taxes paid	↑ 4%	\$17M taxes paid	↑ 3%	The value of tax payments made by Baffinland to the Government of Nunavut increased in 2023 to \$16.73 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 eleventh 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. This report supports achievement of the monitoring program objectives identified in the Socio-Economic Monitoring Plan:

1. Evaluate the accuracy of selected socio-economic effect predictions presented in the Mary River Project FEIS and identify any unanticipated effects³.
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 <i>(this section)</i>	Introduces the report and the scope of its contents
Methods	Describes the methods used in this report and how they support findings
Results <i>(Sections 1 through 12)</i>	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	2023 Inuit Employee Survey Report
Appendix E	2023 Performance Against Draft TARP Metrics

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, Igloodik, and Pond Inlet.

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 the Tote Road.

³ References to the Mary River Project FEIS in this report include any subsequent addendums to the FEIS that have been approved (i.e. have had a Project Certificate issued) by the NIRB.

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 (FEIS) 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.

2022

- NIRB issues report recommending Baffinland's Phase 2 expansion project not go ahead as proposed, which the Responsible Federal Minister upholds.
- Application to extend 2018 amendment 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 2022).
- 5.7 million tonnes of ore were stockpiled.

2023

- Baffinland conducted engagement for the Sustaining Operations Proposal (SOP) and submitted its proposed to the Nunavut Impact Review Board (NIRB) on March 16. The application to amend the Project Certificate was approved to reflect a 2-year allowance to ship up to 6 Mtpa of iron ore until December 31, 2024 plus up to 900,000t of stranded ore.
- Approximately 5.5 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.

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 FEIS ((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). Baffinland is now focusing on the development of the Steensby component of the Approved Project, including the Steensby Railway, and securing its financing. Necessary changes to the Plan (i.e. inclusion of Kingait and Kimmirut) will be made as the development progresses.

Socio-economic monitoring indicators are established as part of the Project’s Socio-Economic Monitoring Plan (Baffinland SEMP, 2019). In 2023, Baffinland refined the trigger, action, response plan (TARP) for the SEMP and has shared the draft with the QIA. These works are ongoing, and the Plan will be updated once the TARP is finalized. Baffinland’s 2023 performance against the draft TARP metrics is included in Appendix E.

Indicators are metrics used to measure and report on the condition and trend of a Valued Socio-Economic Component (VSEC)⁴, 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 B. Socio-economic Monitoring Indicators.

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 VSECs, specifically for the topics of Cultural Well-being, Economic Development and Self-Reliance, and Governance and Leadership. This is due to a number

⁴ Valued Components are typically referred to as Valued Ecosystem Components (VECs) and Valued Socio-Economic Components (VSECs) in Nunavut.

of reasons including the monitoring of impacts for such topics being conducted elsewhere, no residual effects being identified in the FEIS, and/or insufficient data availability. In some additional cases, other forms of issue tracking will take place 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:

to measure the relevant effects of projects on the ecosystemic and socio-economic environments of the Nunavut Settlement Area;
to determine whether and to what extent the land or resource use in question is carried out within the predetermined terms and conditions;
to provide the information base necessary for agencies to enforce terms and conditions of land or resource use approvals; and
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.

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 due to COVID-19, the Government of Nunavut did not schedule QSEMC meetings in 2020 and 2021. Due to scheduling issues and lack of venue availability, the Government of Nunavut was unable to schedule a QSEMC meeting in 2022. As a result, Baffinland developed and distributed a memo and material providing an overview of the 2021 socio-economic monitoring results to the members of the QSEMC by email on November 11, 2022. Baffinland was able to meet with the QSEMC in May 2023 to discuss 2022 socio-economic monitoring results.

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, the Government of Nunavut, Government of Canada, and the QIA, are members 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)⁵, describe the Working Group’s purpose, membership and member roles, objectives, as well as reporting, communication, and meeting requirements. Section 5.1 of the TOR notes that Baffinland:

⁵ 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.

... 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.

Baffinland administers the Mary River SEMWG and holds regular meetings. In 2023, Baffinland engaged with the SEMWG on 2022 socio-economic monitoring results and the Inuit Employee Survey.

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, each section discusses relevant management and mitigation measures and provides an assessment of residual effects predicted to occur in the FEIS. 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 can be assessed against some of the relevant FEIS predictions, including direction (e.g. positive, negative) and, where appropriate, magnitude. While Baffinland has developed monitoring thresholds for certain indicators, these thresholds 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 FEIS predictions, including direction (e.g. positive, negative) and, where appropriate, magnitude⁶. Furthermore, management action may be triggered if annual performance is observed to be below a monitoring threshold, such as those outlined in the draft TARP. The draft thresholds and their associated pre-defined responses are listed in Appendix E, as well as a summary of Baffinland's 2023 performance against the draft TARP metrics.

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 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.

Data Availability

Baffinland's monitoring program relies on the availability of data to develop indicator trends and assess residual effects. There are two broad categories of data used in this report. The first category is *company data*, which refers to data collected and provided by Baffinland for the purpose of socio-economic monitoring. The second category is *public data*, which refers to data collected and published by parties other than Baffinland. Most public data used in this report is collected and provided by the Nunavut Bureau of Statistics and Statistics Canada. Other public data include data collected and provided by Government of Nunavut (GN) institutions such as the Nunavut Housing Corporation (NHC) and the GN Department of Education, and Designated Inuit Organizations such as the Qikiqtani Inuit Organization (QIA), and Nunavut Tunngavik Incorporated (NTI). In some cases, community-level organizations may provide data to support monitoring. To support data provision and analysis, most owners of public data used in this report have representatives on the QSEMC.

Baffinland's socio-economic monitoring program relies on the availability and accuracy of both company and public data. Baffinland continuously strives to collect, maintain, and improve company data. In some cases, due to processes outside of Baffinland's control, public data may 'lag' company data by 1-2 years. In these cases, the analysis in this report takes care to reflect this offset. In some cases, public data may be further outdated (e.g. data that has not been updated in more than 2 years).

Data that have not been updated for over two years can make it difficult to discern trends in a timely manner. For this reason, this report identifies areas for which current data are not available with the following disclaimer intended to ensure the reader approaches interpretation with caution.

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

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 of topics where quantitative data may not be collected, consistently collected, readily available, updated, or defined to monitor the topic. Community engagement results also support a more

⁶ Effect magnitude is only assessed in this report where quantitative metrics were provided in the FEIS.

fulsome understanding of the effects of people's experience with the project and socio-economic performance, and the accuracy of predictions outlined for the Project beyond those indicators 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. After not being able to meet in 2022, the QSEMC met in May 2023.

Feedback on the SEMR at the 2023 QSEMC meeting included suggestion of the following topics for inclusion in the future SEMRs, among other comments (including those which fall under the responsibility of other parties):

- Breakdown of Inuit Firms by independent vs. development corporations to better understand how much business growth is organic.
- Contracting activity by location, specifically ownership of NTI-registered firms by Inuit living in Nunavut vs. out-of-territory. This has been included in Section 2.3, Registered Inuit Firms.

These suggestions will continue to be explored by Baffinland and discussed in community engagements, including the 2024 QSEMC.

A sample of Baffinland engagement records were reviewed for this report, which supplemented 2023 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.” (Baffinland Iron Mines Corporation, 2012, p. 81)

“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.” (Baffinland Iron Mines Corporation, 2012, p. 81)

Key Findings

- The Mary River Project employed 1,648 full-time equivalents (FTEs), who worked 3,598,965 hours in 2023. This is 96 fewer FTEs than in 2022.
- The Project had 225 Inuit FTEs in 2023, representing 13% of the total workforce.
 - The number of Inuit FTEs decreased by 7 compared to 2022.
 - As a proportion of the workforce, the number of Inuit remained the same as 2022 at 13%.
 - 138 of the Inuit FTEs are based in the North Baffin LSA, and 47 are based in Iqaluit.
- The Project employed 187 female FTEs in 2023, representing a decrease in number (down from 197) from 2022. However, female FTEs represented 11% of the total workforce in both 2023 and 2022.
- The Project had 71 female Inuit FTEs in 2023, representing 32% of the total Inuit workforce and 38% of the total female workforce. The percentage of the total Inuit workforce represented by female workers has increased slightly over the past three years.
- 59% of Inuit women employed directly by Baffinland are in NOC Skill Level C positions, with an additional 15% in NOC Skill Level B. Comparatively, the majority of Inuit women employed by contractors (approximately 77%) are in NOC Skill Level D, with only 7% of Inuit women employed by Baffinland working at this level. There are no Inuit women employed in NOC Skill Level A by contractors, however, the proportion and number of Inuit women employed by Baffinland at this skill level increased from 12% in 2022 to 19% in 2023 (5 FTEs to 8 FTEs).
- The turnover rates for Inuit decreased to 30% in 2023, down from 40% in 2022. The turnover rate for non-Inuit also decreased to 16% in 2023, down from 34% in 2022.

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 2,184 hours¹ which is the approximate time one person works on a full-time basis for a year on a three-week in/three-week out rotational schedule. 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, female workers, 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.

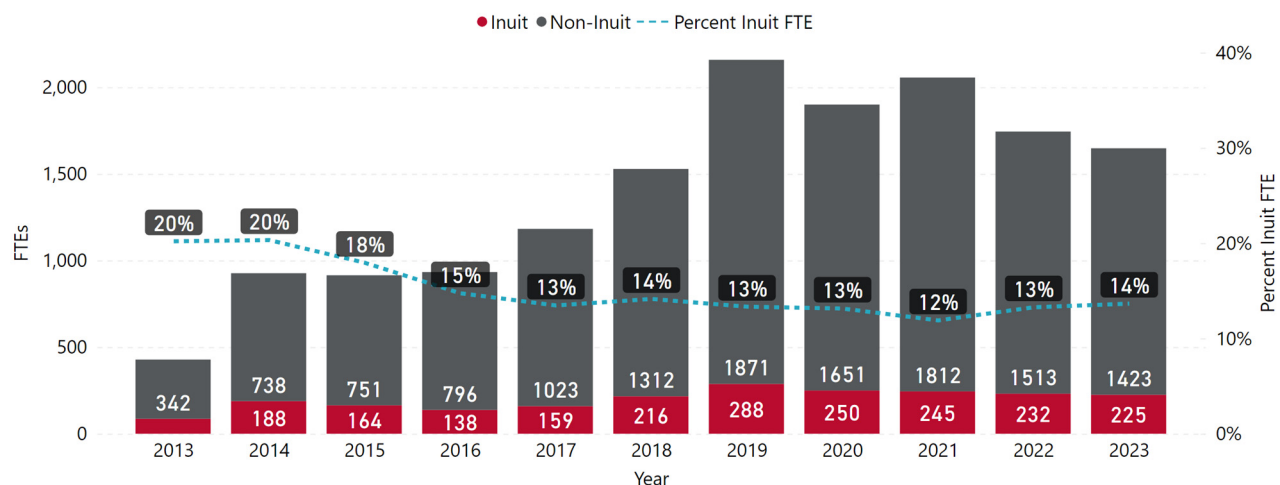
1.1 Mary River Inuit and LSA Employment

Total Workforce

Figure 1 below presents the number of Inuit and non-Inuit full time equivalent positions (FTEs⁷) at Mary River since 2013. This data includes all workers – Baffinland and contractor employees.

⁷ Starting in 2022, Baffinland modified the average employee schedule from a two-week in/two-week out rotational schedule, to a three-week in/three week-out rotational schedule. This was done to support COVID-19 isolation period requirements under various provincial jurisdictions. In line with this change, Baffinland modified the number of hours used to calculate FTEs from 2,016 hours to 2,184 hours.

Figure 1. Baffinland and Contractor Employment (FTEs) by Inuit Status



Source: (Baffinland, 2023)

Table 2 breaks down the total number of FTEs by Inuit and non-Inuit and employee origin from 2021 to 2023. 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 2021 to 2023

Employee Ethnicity and Origin	2021			2022			2023		
	FTEs	Hours Worked	% of Total	FTEs	Hours Worked	% of Total	FTEs	Hours Worked	% of Total
Inuit									
North Baffin LSA	144	290,479	7%	143	313,170	8%	138	300,616	8%
Iqaluit	51	102,541	2%	39	85,218	2%	47	102,751	3%
Other	50	100,111	2%	49	107,217	3%	40	87,963	2%
Inuit total	245	493,131	12%	232	505,605	13%	225	491,329	14%
Non-Inuit									
North Baffin LSA	1	2,201	<1%	1	3,058	<1%	1	2,939	<1%
Iqaluit	1	1,820	<1%	1	2,264	<1%	1	3,175	<1%
Other	1,810	3,648,174	88%	1,510	3,298,860	87%	1,420	3,101,522	86%
Non-Inuit total	1,812	3,652,195	88%	1,513	3,304,182	87%	1,423	3,107,635	86%
Grand Total	2,056	4,145,326	100%	1,744	3,809,787	100%	1,648	3,598,964	100%

Source: (Baffinland, 2023) | 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 2023.

Table 3. Detailed Baffinland and Contractor Employment (FTEs) 2023⁸

Location	Baffinland			Contractor			All workers		
	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total
LSA Communities									
Arctic Bay	18	1	19	12	-	12	30	1	31
Clyde River	12	-	12	7	-	7	19	-	19
Pond Inlet	28	-	28	9	-	9	37	-	37
Igloodik	10	-	10	10	-	10	20	-	20
Iqaluit	21	1	22	26	1	27	47	1	49
Sanirajak	20	-	20	10	1	11	31	1	31
LSA total	110	2	111	75	1	76	185	2	187
Other Qikiqtaaluk Communities									
Cape Dorset	-	-	-	-	-	-	-	-	-
Kimmirut	1	-	1	-	-	-	1	-	1
Pangnirtung	2	-	2	-	-	-	2	-	2
Qikiqtarjuaq	-	-	-	-	-	-	-	-	-
Resolute	1	-	1	-	-	-	1	-	1
Sanikiluaq	-	-	-	-	-	-	-	-	-
Kinngait	1	-	1	-	-	-	1	-	1
Other Qikiqtaaluk total	5	-	5	-	-	-	5	-	5
Other Nunavut									
Rankin Inlet (Kivalliq)	-	-	-	-	-	-	-	-	-
Chesterfield Inlet	1	-	1	-	-	-	1	-	1
Unknown	-	-	-	1	-	1	1	-	1
Other Nunavut total	1	-	1	1	-	1	2	-	2
Other provinces and territories									
Alberta	3	78	81	1	66	67	4	144	148
British Columbia	1	34	35	-	22	22	1	56	57
Manitoba	-	23	23	-	12	12	-	34	34
New Brunswick	2	81	83	-	29	30	2	110	112
Newfoundland & Labrador	1	227	228	-	72	72	1	299	300
Northwest Territories	-	-	-	-	3	3	-	3	3
Nova Scotia	0	178	178	1	41	42	1	219	220
Ontario	18	294	312	4	102	105	22	395	417
Prince Edward Island	-	8	8	-	2	2	-	10	10
Quebec	1	54	56	2	59	61	3	114	117
Saskatchewan	-	23	23	-	8	8	-	31	31
Yukon	-	1	1	-	-	-	-	1	1
Other provinces and territories total	27	1,001	1,028	8	415	423	34	1,417	1,451

⁸ 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
Other									
International	-	-	-	-	3	3	-	3	3
Unknown	-	-	-	-	-	-	-	-	-
Other total	-	-	-	-	3	3	-	3	3
Totals	142	1,003	1,145	83	420	503	225	1,423	1,648

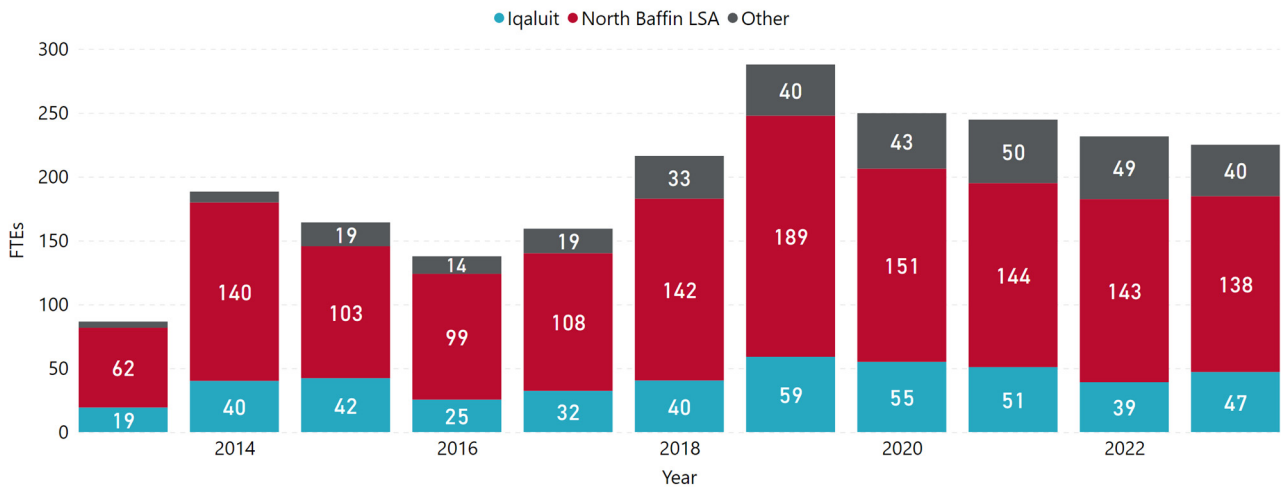
Source: (Baffinland, 2023) | Note: values may not add up due to rounding

In 2023, there were a total of 1,648 FTEs working at Mary River. This represents a 6% decrease in total workforce compared to 2022. The decrease in workforce is mainly attributable to a decrease in contractor employment, which represented 30% (500 FTEs) of total hours worked in 2023, compared to 37% and 44% of total hours worked in 2022 and 2021, respectively. Baffinland direct employment increased by 46 FTEs from 2022 to 2023, compared to the decrease of 58 FTEs observed from 2021 to 2022.

Inuit Employment

Figure 2 provides an overview of Inuit employment by location from 2013 to 2023. In 2023, 225 Inuit FTEs worked at the Project, either directly or with contractors. This included 138 Inuit FTEs from North Baffin LSA communities and 47 Inuit FTEs from Iqaluit. The remainder of Inuit FTEs were residing elsewhere in Nunavut or in other Canadian provinces or territories, including 18 Inuit FTEs living in Ontario.

Figure 2. Baffinland and Contractor Inuit Employment (FTEs) by Location



Source: (Baffinland, 2023) | Note: values may not add up due to rounding

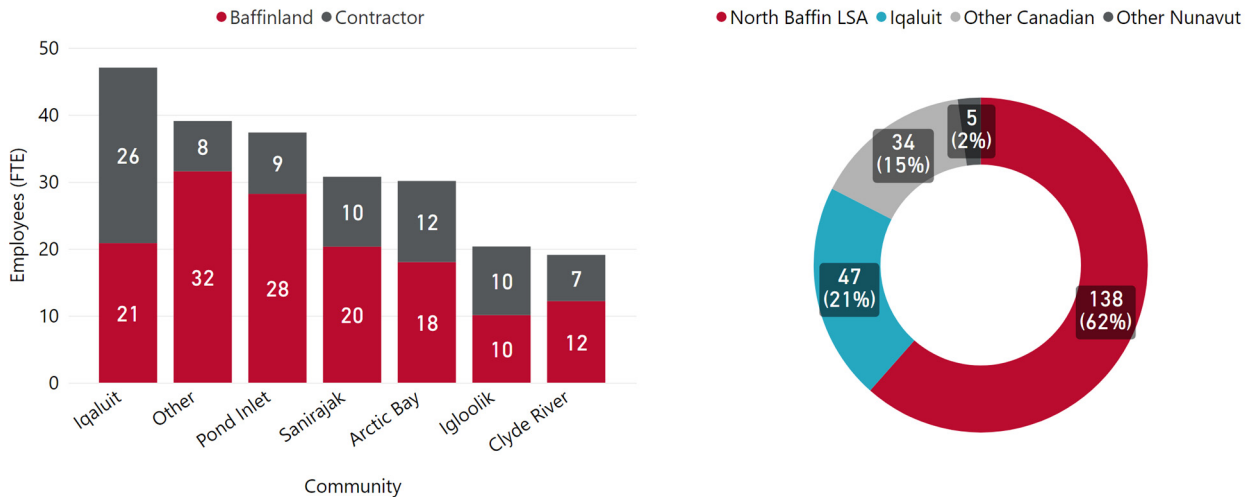
From 2022 to 2023, Inuit employment by FTE decreased by 7 FTEs. However, the percentage of Inuit FTEs compared to the total workforce increased slightly in 2022, from 13% to 14%. This is due to a decrease in the non-Inuit workforce over the same period of time (which decreased by 90 FTEs compared to 2022).

The proportion of Inuit employed by contractors as a percentage of total contractor employment increased to 17% in 2023, up from 12% in 2022. Inuit representation in contractor employment was affected by demobilization of Nunavummiut residents (largely Inuit) due to COVID-19 for varying amounts of time from 2020 to 2022. As a result, some contractors brought in workers from outside of Nunavut to compensate for the decreased size of the workforce. Fortunately, no employees were demobilized from Mary River in 2023. This resulted in contractors being able to (re)hire

personnel living in Nunavut. While changes to demobilization may not be the only factor influencing the increase in Inuit as a proportion of the contractor workforce, it was likely a contributing factor.

Figure 3 and Figure 4 below provide an overview of Baffinland and contractor Inuit employment (FTEs) by location of origin in 2023. In 2023, 61% 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 Pond Inlet (37 FTEs), Sanirajak (31 FTEs), and Arctic Bay (30 FTEs), with Clyde River having the lowest number of Inuit FTEs (19 FTEs).

Figure 3. Baffinland and Contractor Inuit FTEs by Community (2023) Figure 4. Baffinland and Contractor Inuit FTEs by Area (2023)



Source: (Baffinland, 2023) | Note: values may not add up due to rounding

Over the last three years, Inuit employment has stayed relatively steady, following a notable increase between 2017 and 2019. Baffinland undertakes specific measures to recruit and retain Inuit LSA residents. However, the challenges of COVID-19 as well as the effects of operational uncertainty experienced in 2022 did influence the Company’s ability to attract and retain employees in recent years, as exhibited by the slight decline in employment since 2019 shown in Figure 2.

Various factors may contribute to Baffinland’s ability to retain relatively steady levels of Inuit employment, including:

- Corporate commitments and requirements as formalized in the 2018 IIBA, including the Minimum Inuit Employment Goals (MIEGs). MIEGs are developed jointly by Baffinland and the QIA. These employment goals are organized according to skill level of Inuit employment at the Project. Target levels by skill level for Inuit employment are calculated as described in Article 7.16 of the [2018 IIBA](#).
- Recruitment and retention initiatives, including: focus on recruiting Inuit from North Baffin LSA communities, supported by Baffinland 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 Team and Cultural Advisors.
- 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 commenced efforts to engage with existing contractors to develop Contractor Inuit Content Plans (CICPs) in order to support achievement of higher rates of Inuit contractor employment. Baffinland continues to work with its contractors to maximize Inuit employment and training opportunities on the Project, including making the development and implementation of CICPs by site-based contractors a requirement. These CICPs outline how each

contractor plans to employ, retain, and train Inuit and, where appropriate, subcontract certain portions of their contract scope to Inuit-owned businesses.

In 2023, major contractors began to report progress in implementing CICPs. These reports are reviewed on a quarterly basis by Baffinland and the QIA to ensure contractor compliance. In instances of non-compliance, Baffinland engages the responsible contractor to understand the root cause(s) leading to non-compliance and collaborates with the contractor to address the underlying barriers and/or challenges.

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), 2021). Within its Inuit workforce, the Project has been successful in attracting Inuit from the Qikiqtaaluk region, with 61% of Inuit workers residing in the North Baffin LSA. Local hiring for mining projects can be difficult across Northern Canada for additional reasons, including challenges balancing the traditional and wage economies, the disincentive of increases in public housing rent when household incomes increase, negative perceptions of the mining industry among Indigenous populations, and difficulties with rotational shifts. These factors, among others, result in the use of fly-in fly-out labour to fill gaps that cannot be filled with local workers (The Conference Board of Canada, 2022).

With the transition of Baffinland’s focus to the Steensby Component of the Mary River Project, the Inuit workforce from LSA communities has potential to grow as the Project’s efforts to achieve and surpass Minimum Inuit Employment Goals (MIEGs) increase, and if Project activities and labour demands increase.

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 with accessing these jobs (Baffinland Iron Mines Corporation, 2012, p. 81). 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.
Existing management / mitigation	<ul style="list-style-type: none"> • Designation of all LSA communities as points-of-hire • Provisions within the Mary River IIBA (i.e. priority Inuit hiring)
Monitoring results	<p>The Project generated 3,598,965 hours of labour in 2023, significantly higher than the 900,000 predicted for the ERP (Baffinland Iron Mines Corporation, 2013, p. 11).</p> <p>Note: the demand predicted for the ERP is based on a 4.2 million tonne per year operation, while the Mary River Project has been operating at 6 million tonnes per year since 2018.</p>

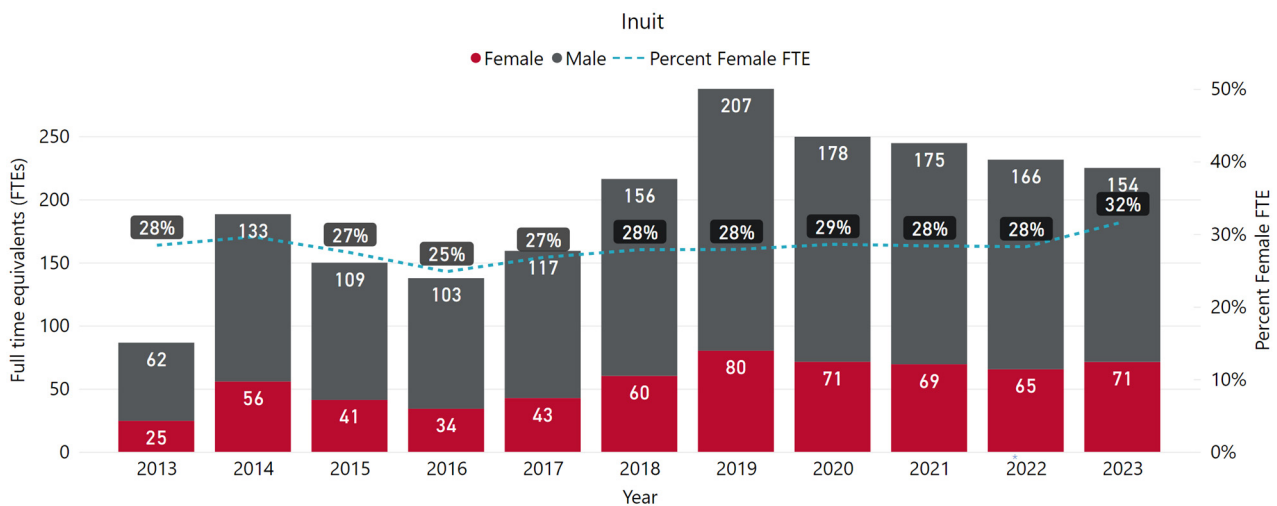
Residual effect	Employment of LSA Residents
Summary	Baffinland predicted the Project would have a positive effect on wage employment in the LSA by introducing new job opportunities and assisting local residents to access these jobs. More specifically, Baffinland predicted the Project would have a high 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. LSA 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 (Baffinland Iron Mines Corporation, 2012, p. 66).
Existing management / mitigation	<ul style="list-style-type: none"> • 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, Internship Program, and Work Ready Program • Hiring of Inuit Recruiters in LSA communities • Creation of a supportive work environment (e.g. Employee Family Assistance Program (EFAP), Cultural Advisors, Human Resource Advisors – Inuit Relations, introduction of Inuit Success team, on-site cultural initiatives) • Contractor employment initiatives (e.g. Contractor Inuit Content Plans (CICP))
Monitoring results	In 2023, the Project continued to generate substantial wage employment for LSA residents. The generation of 300,616 employment hours for North Baffin LSA Inuit is greater than the FEIS prediction of 230,000 hours (Baffinland Iron Mines Corporation, 2012, p. 66), while the 102,751 hours in Iqaluit is less than the 112,000 hours predicted in the FEIS. Combined, the 403,367 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 from 2015 to 2020 (MIHR, 2021). Inuit women are also less likely than non-Indigenous women to be employed in Canada, with the 2021 Census reporting an employment rate of 47% for Inuit women compared to 54% for non-Indigenous women across Canada (Statistics Canada, 2023). In Nunavut, this gap is much larger. The 2021 census reported that Inuit women in Nunavut had an employment rate of 43% and non-Indigenous women in Nunavut had an employment rate of 84% (Statistics Canada, 2023).

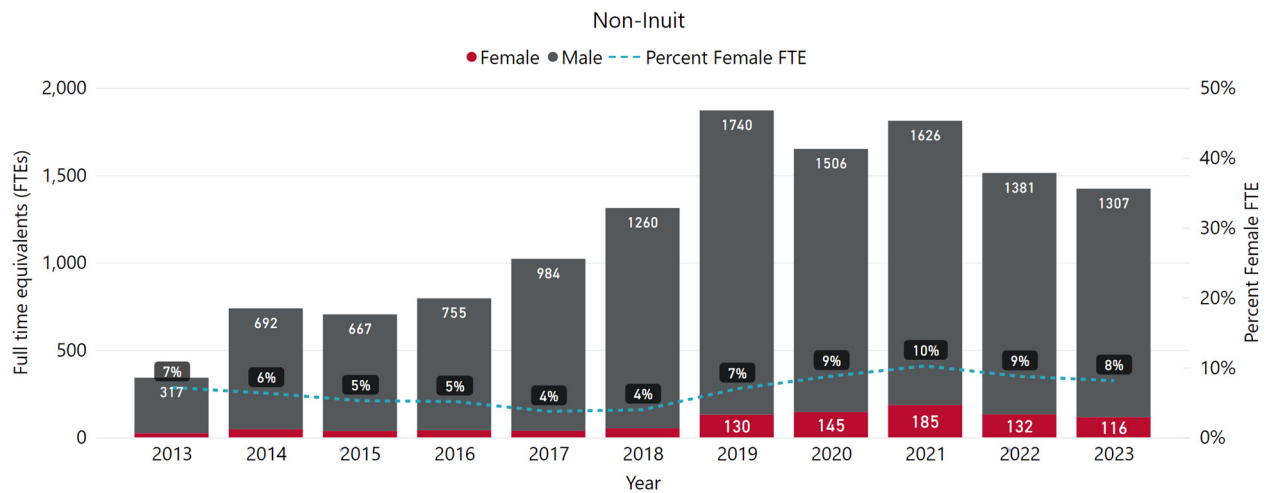
Figure 5 and Figure 6 outline the number of Inuit and non-Inuit FTEs by gender from 2013 to 2023.

Figure 5. Baffinland and Contractor Inuit FTEs by Gender



Source: (Baffinland, 2023) | Note: values may not add up due to rounding

Figure 6. Baffinland and Contractor Non-Inuit FTEs by Gender



Source: (Baffinland, 2023) | 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 2023.

Table 4. Baffinland and Contractor FTEs and Hours Worked by Gender and Ethnicity (2019 – 2022)

	2021			2022			2023		
	Hours Worked	FTE	% of 2021 Total	Hours Worked	FTE	% of 2022 Total	Hours Worked	FTE	% of 2023 Total
Inuit									
Male	353,242	175	8.5%	362,729	166	9.5%	335,687	154	9.3%
Female	139,889	69	3.4%	142,876	65	3.8%	155,642	71	4.3%
Non-Inuit									
Male	3,278,734	1,626	79.1%	3,015,868	1,381	79.2%	2,854,835	1,307	79.3%
Female	373,462	185	9.0%	288,314	132	7.6%	252,345	116	7.0%
All Ethnicities									
Male	3,631,975	1802	87.6%	3,378,597	1547	88.7%	3,190,978	1,461	88.7%
Female	513,351	255	12.4%	431,190	197	11.3%	407,987	187	11.3%
Total	4,145,326	2,056	100%	3,809,787	1744	100%	3,598,965	1,648	100%

Source: (Baffinland, 2023) | Note: values may not add up due to rounding

In 2023, Baffinland’s female workforce totalled 187 FTEs, representing 11% of the total workforce. This is a decrease of 10 FTEs compared to 2022, however the male workforce also decreased by 86 workers over this time. As such, the proportion of female workers compared to the total workforce is the same as 2022 levels (11%), a slight decrease compared to 2021 levels (12%). The slight decrease in the proportion of female workers from 2021 to 2022 and 2023 is attributed to the decrease in non-Inuit female workers, with the proportion of Inuit female workers slightly increasing in both 2022 and 2023 compared to 2021. From 2021 to 2023, non-Inuit female workers decreased from 9% to 7% of the overall workforce, while Inuit female workers increased from 3.4% to 4.3% over this period.

In its 2022-2023 Annual Report, the QIA did not report on Q-STEP participation by gender. However, the QIA's 2021-2022 Annual Report indicated 38% of 2021-2022 Q-STEP participants were women (QIA, 2022). Neither the 2022-2023 report nor the 2021-2022 report reported on gender by program, however, the 2020-2021 Annual Report noted that 41% of trainees in Q-STEP's Work Readiness program were women (QIA, 2021b). This higher representation of Inuit women in the trainee workforce (38%) than in the overall workforce (28%) indicates that there may be additional barriers to Inuit women either within or beyond pre-employment training preventing them from being hired at a similar proportion to their participation in training.

According to the 2021 Qikiqtani Labour Market analysis (study), women in relevant mining occupations represented almost half of the Qikiqtani labour force in relevant occupations in 2019; however, they represent only 14% of the unemployed labour. This is suggestive of a tight supply of labour (Mining Industry Human Resources Council (MiHR), 2021). Though there is opportunity to increase female employment at Mary River, the study suggests 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.

NOC Codes and Skill Levels

The National Occupation Classification (NOC) is Canada's national system for describing occupations by assigning them to broad occupational categories (e.g. based on the type or field of work) and skill level. The skill level attribute takes into account the combined education, training and experience requirements typically required to do the job, as well as the tasks and responsibilities typically associated with that occupation (Government of Canada, 2022).

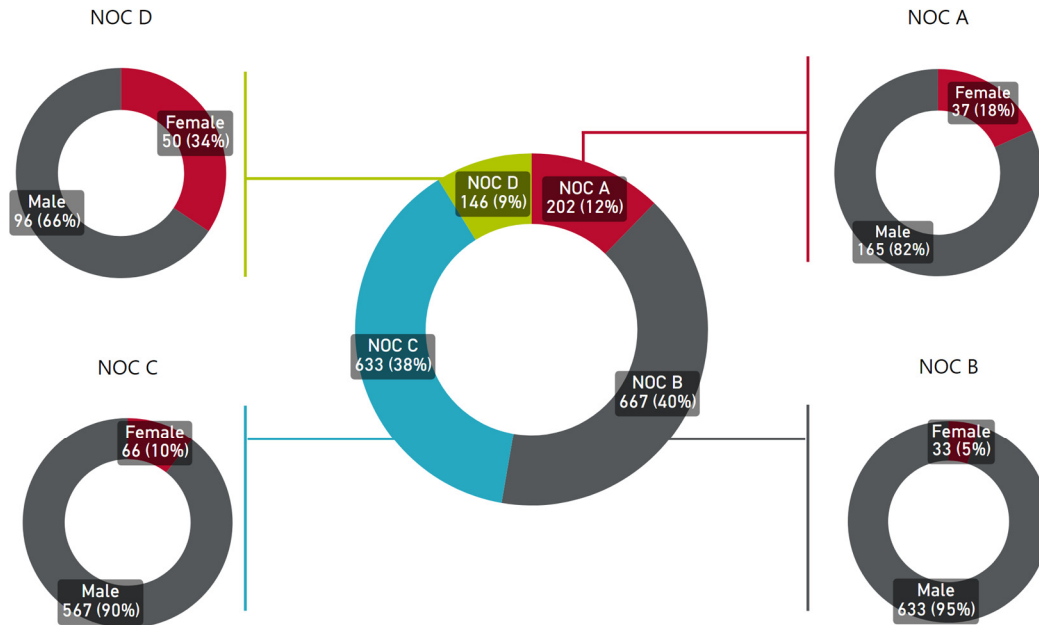
Baffinland uses NOC to guide its classification of jobs required at the Mary River Project. As such, each worker can be described as holding a position of a certain NOC or skill level. Used broadly, this can provide some understanding in the type and proportion of work being done by the workforce at the site. It is important to note that the NOC and skill level is associated with the occupation, as opposed to the worker. It is possible for workers to have qualifications and skills beyond what is required to do the job.

The NOC system is continually updated. This report uses the 2016 version of the NOC system. On November 16, 2022, the Government of Canada launched the 2021 version of the NOC system. Baffinland will continue to use the 2016 system until the Steensby Project is built into the workforce. Baffinland typically refers to occupations by their Skill Level, according to the following system:

- Skill Level / NOC D: labour jobs, usually requiring on-the-job training.
- Skill Level / NOC C: intermediate jobs, usually requiring high school and/or job-specific training.
- Skill Level / NOC B: technical jobs or skilled trades, usually requiring a college diploma or apprenticeship training.
- Skill Level / NOC A: professional or management jobs, usually requiring a degree from a university and/or a high level of responsibility.

Figure 7 shows the breakdown of Baffinland employee and contractor FTEs in 2023, by skill level and gender.

Figure 7. Baffinland and Contractor Employment (FTEs) by Skill Level and Gender (2023)



Source: (Baffinland, 2023)

In 2023, most female workers occupied NOC Skill Level C positions with 66 FTEs, representing 10% of that workforce skill level, and NOC Skill Level D positions with 50 FTEs, representing 34% of that workforce skill level. NOC Skill Level B had the lowest number of female workers, at 33 FTEs, as well as the lowest proportion of a skill level’s workforce at 5%. This is in contrast to 2022, where NOC A Skill Level had the lowest number of female workers (32 FTEs in 2022, compared to 37 in 2023).

Though Baffinland Inuit female employees and contractor Inuit female employees make up a similar proportion of the total workforce (2.6% and 1.7%, respectively), there is a notable difference in the type of work done by female Inuit workers employed by Baffinland and those employed by contractors, as shown in Table 5. The majority (59%) of Inuit women employed directly by Baffinland are in NOC Skill Level C, with an additional 15% in NOC Skill Level B. Comparatively, the majority of Inuit women employed by contracting firms are in NOC Skill Level D (approximately 77%), with only 7% of Inuit women employed by Baffinland working at this level. The proportion of Inuit women employed by Baffinland in NOC Skill Level A increased from 12% to 19% from 2022 to 2023, while the proportion for Inuit women employed by contractors at this level stayed at 0%. The proportion of all other skill levels for Baffinland female Inuit FTEs slightly decreased from 2022 to 2023, indicating that there was no large shift from any other skill level into the NOC A skill level. By contrast, the proportion of contractor female Inuit FTEs in NOC Skill Level C dropped from 25% to 18% from 2022 to 2023, while skill levels NOC B and D experienced a slight increase (from 4% to 6%, and 71% to 77%, respectively).

Table 5: Female Inuit FTEs and Percentage by Skill Level (2023)

NOC Classification	Baffinland		Contractor		Total	
	Female Inuit FTEs	% of Total	Female Inuit FTEs	% of total	Female Inuit FTEs	% of Total
NOC A	8	19%	0	0%	8	11%
NOC B	6	15%	1	6%	8	12%
NOC C	26	59%	5	18%	31	43%
NOC D	3	7%	22	77%	24	34%
Total	43	100%	28	100%	71	100%

Source: (Baffinland, 2023) | 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). At least one reason for Inuit female voluntary termination in 2023 is attributed to the employee moving back to her home community to look after her children, with another being attributed to returning home to take care of a dependent. However, no specific voluntary terminations referenced a lack of childcare availability. Comments on the lack of childcare in LSA communities are regularly made by Project stakeholders and can be found in previous SEMRs (Aglu Consulting; Stratos Inc.).

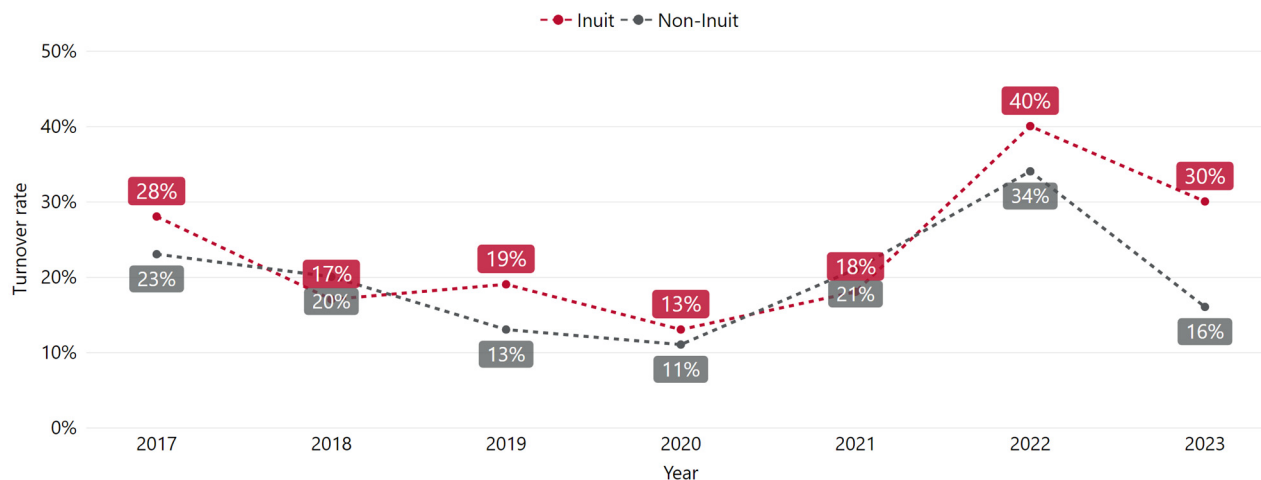
The number and proportion of total female FTEs working at the Project has stayed relatively steady over time, as has the proportion of Inuit and non-Inuit female FTEs within this total. Baffinland’s Inuit Human Resources Strategy provides direction on how to operationalize several employment- and training-related Articles as defined in the 2018 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. Baffinland also developed the Arnait Action Plan which aims to improve the recruitment, retention, and advancement of Inuit women in the workforce. The Plan applies to all Baffinland employees as well as all contractor employees that work at the Mary River Project. The plan focuses on an actions-driven approach towards identified barriers for women in the workforce and contributions the Baffinland team can make in removing these barriers. In 2023, the Arnait Action Committee met twice where they discussed barriers to employment and supports that could be put in place.

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. Compared to other industries, 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 the Mary River Project 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 operators (Government of Nunavut, 2022).

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.

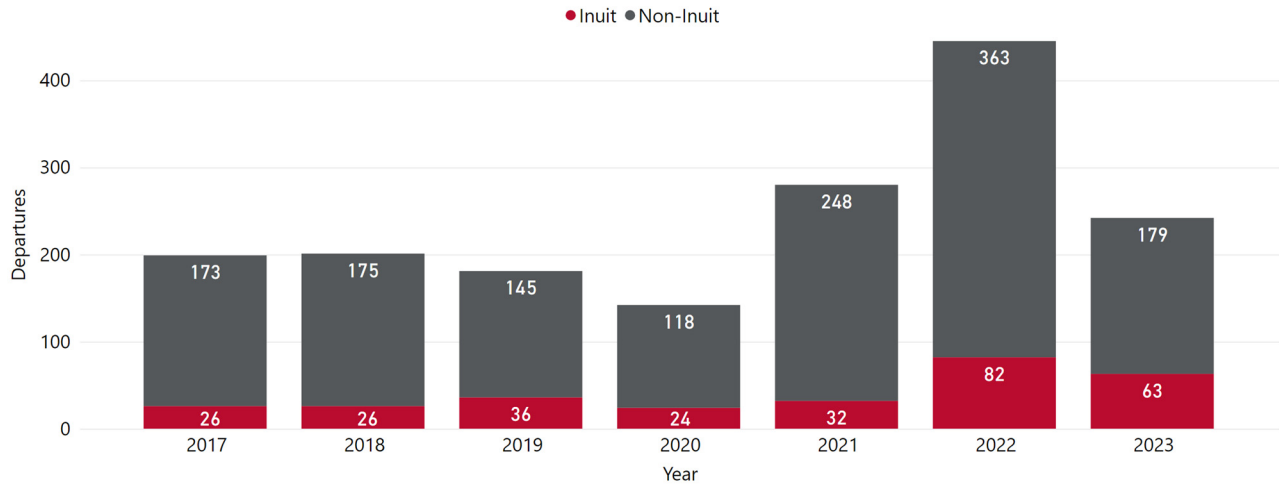
Figure 8. Baffinland Employee Turnover Rate (Inuit and non-Inuit, headcount)



Source: (Baffinland, 2023)

Note: Values do not include contractor turnover.

Figure 9. Baffinland Employee Departures (Inuit and non-Inuit, headcount)



Source: (Baffinland, 2023)

The turnover rate for both Inuit and non-Inuit declined steadily from 2017 to 2020. In 2020, Inuit and non-Inuit turnover rates reached 13% and 11%, respectively. This low turnover rate may be attributed to Inuit employees being placed on standby and remaining off site for much of 2020 due to COVID-19.

Since the low turnover seen in 2020, however, turnover rates for both Inuit and non-Inuit have increased. In 2022, turnover for Inuit and non-Inuit increased significantly, largely due to operational uncertainty and COVID-19-related factors contributing to the voluntary resignation of employees. Turnover rates decreased from 2022 to 2023 for both Inuit and non-Inuit (to 30% and 16%, respectively). However, the non-Inuit rate decreased by much more than the Inuit rate over this period, returning nearly to the 2019 rate, while the Inuit turnover rate remains significantly higher than 2019-2021 rates (Baffinland, 2023).

The most common reasons provided for voluntary Inuit employee resignations for Baffinland’s workforce in 2023 included accepting a position with another organization, health reasons, personal reasons, and family reasons (including wanting to spend more time at home). Voluntary Inuit resignations from Baffinland employees and contractors were relatively consistent in number throughout the year, with the exception of the first quarter of 2023 where there were no voluntary Inuit resignations from Baffinland employees.

Improvement in Baffinland employee turnover rate from 2016 to 2020 can be attributed to a number of factors including increased availability of jobs with competitive compensation, as well as Baffinland IIBA initiatives and the Inuit Human Resources Strategy which include:

- 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 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 2023, 23 Inuit were rehired by Baffinland, compared to 7 in 2022, 12 in 2021, 18 in 2019, and 22 in 2018. For someone to be rehired, there must be an open position. 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. The smaller number of rehires in 2022 is attributed to demobilization of the workforce from December 2021 to early March 2022, and the impacts of operational uncertainty. The majority of Inuit rehires in 2023 (8 Inuit) took place in Q3.



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.” (Baffinland Iron Mines Corporation, 2012, p. 43)

“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.” (Baffinland Iron Mines Corporation, 2012, p. 43)

Key Findings

- The Project supported school-based initiatives in 2023 through its ongoing donations including laptop donations (60 in 2023), as well as IIBA-specific commitments including the annual scholarship fund (4 recipients in 2023), and contributions to school lunch programs.
- Graduation rates steadily declined in the Qikiqtani region from 2009 to 2014 but have risen quickly since then, although there was a decrease from 2017 to 2018. School attendance rates in the North Baffin LSA region have trended downward since 2014, except for an increase in 2019, with similar trends seen in Iqaluit and the rest of the Qikiqtani. Many factors affect school attendance and graduation rates, significantly including the onset of remote learning and absences due to COVID-19 illness or quarantine protocols over the last several years. Given the wide variety of factors impacting these rates, the data does not suggest a significant effect of the Project.
- In 2023, the average hours of training for Inuit workers decreased significantly compared to 2022, at 153 hours per Inuit FTE – a 32% decrease from 2022.
- 21 Inuit advanced in 2023, comparable to the ten advancements seen in 2022. In 2023, Baffinland completed 126 Career Development Plans for Inuit employees (active, inactive, and employees who have left the company).
- In general, Inuit represent a progressively smaller proportion of the workforce at higher skill level positions, with 10% and 5% of Skill Level A and B positions filled by Inuit, respectively, a slight increase from 2022. Inuit represented 53% of workers in Skill Level D positions, compared to 50% in 2022 and 38% in 2021.

1.4 Investments in School-based Initiatives

The Project supported school-based initiatives in 2023 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. Table 6 provides an overview of school-based initiatives supported by Baffinland from 2017 to 2023.

Table 6. Investments in School-based Initiatives (2017 – 2023)

Program	Description	2017	2018	2019**	2020	2021	2022	2023
Laptop donations	Laptops donated to secondary school graduates in the North Baffin LSA communities (number of laptops)	63	38	54	60	61	50	60
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)	\$25,000 (5 recipients)	\$20,000 (4 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)	\$63,601	\$160,330
Nunavut Arctic College donations	Donations to Nunavut Arctic College Programs and graduations		\$25,000	\$5,000	-	-	-	-

Source: (Baffinland, 2023) | *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

Secondary school graduates in the North Baffin LSA communities have received donated laptops from Baffinland since 2017 as part of a broader incentive program to encourage and motivate youth to complete their high school education and pursue post-secondary education. In 2023, a total of 60 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 applicants from the North Baffin LSA communities. Four scholarships totalling \$20,000 (\$5,000/each) were awarded to LSA residents in 2023. Since 2014, Baffinland has cumulatively awarded \$265,000 in scholarships to 53 recipients.

\$300,000 is made available for the North Baffin LSA School Lunch Program annually, as per Article 7.21 of the 2018 IIBA. In 2023, \$160,330 was distributed as part of this program to schools in Arctic Bay, Clyde River, and Igloolik. An ongoing challenge to the administration of the School Lunch Program is the solicitation of proposals from North Baffin LSA communities, which is required to access the funding. Baffinland continues to encourage communities to submit proposals to fulfill this commitment.

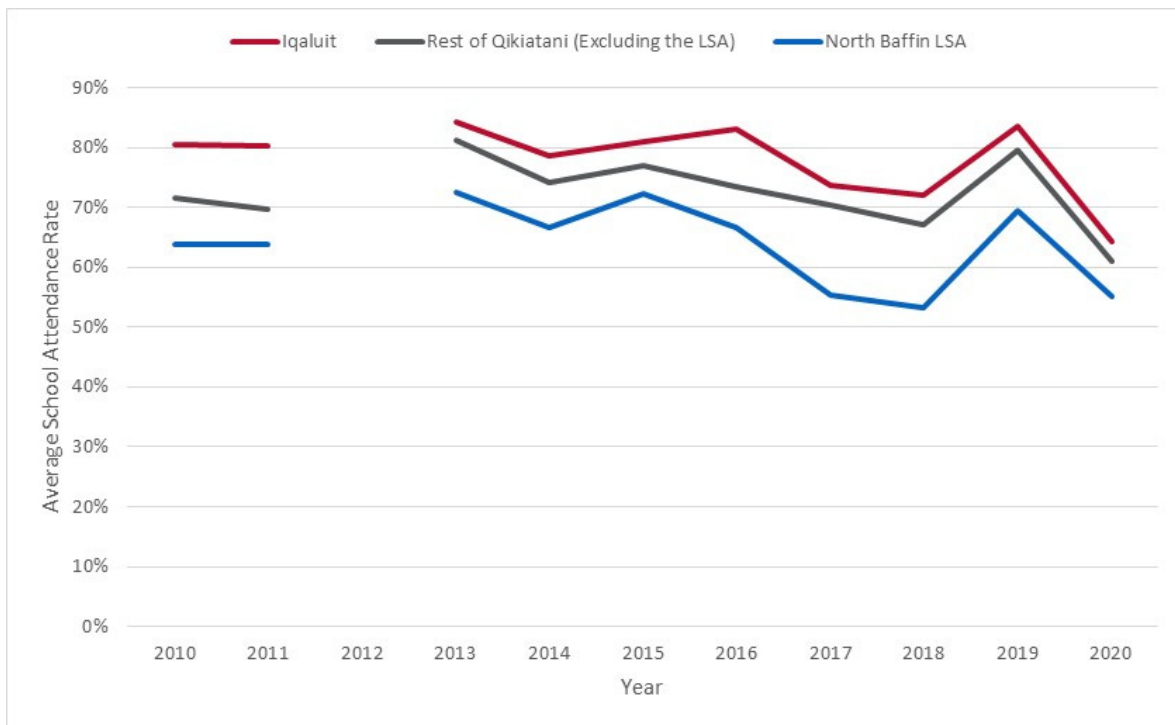
1.5 Secondary School Success

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

Graduating from high school has a large impact on an individual’s future employment prospects. The 2021 Qikiqtani Labour Market Analysis reported that adults with at least a high school diploma had a significantly higher labour force participation rate (73%) than those without (50%) (Mining Industry Human Resources Council (MiHR), 2021).

School attendance rates can affect graduation rates (Fredua-Kwarteng, E., 2016). 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 the rest of the Qikiqtani and Iqaluit. Attendance rates in North Baffin LSA, the rest of Qikiqtani and Iqaluit have been trending downward since 2014, except for an increase seen in 2019. 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 school diploma. However, a wide range of factors may affect school attendance beyond family income and employment prospects, including cultural disconnection from curriculums (Fredua-Kwarteng, 2016), and COVID-19 in recent years (Peterson, 2022). 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. School attendance rates increased from 2018 to 2019 in all three regions and decreased in all three from 2019 to 2020.

Figure 10. Estimated Qikiqtani School Attendance Rates



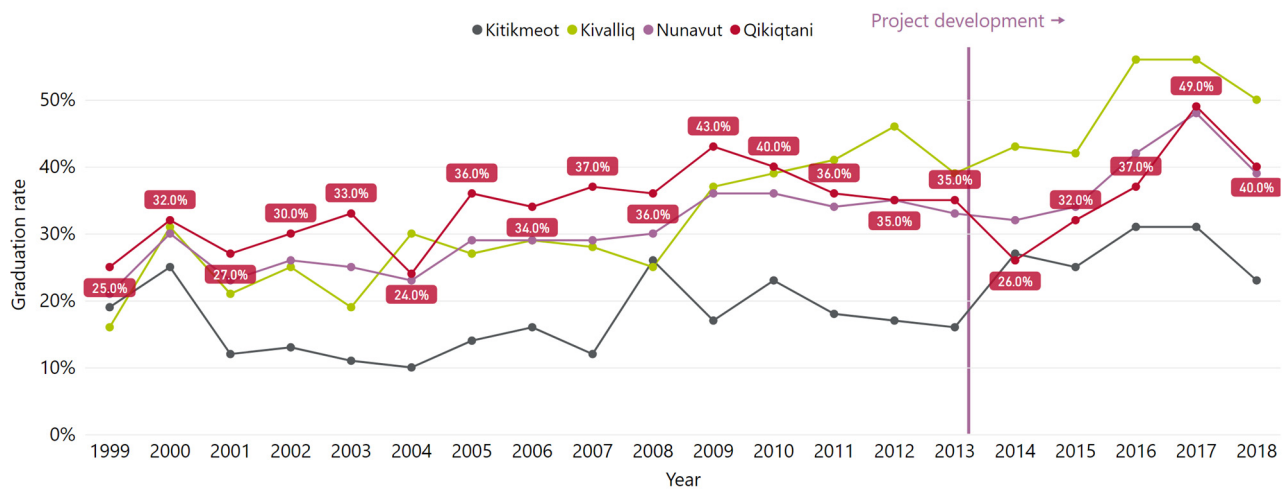
Source: GN Dept of Education Annual Reports, 2010-2012, 2013-2014, 2014-2015, 2015-2016, 2016-2017, 2017-2018. 2018-19, 2019-20, 2020-21. Based on average school attendance rates per region. No disaggregated attendance results were available for 2012-13. Note: values for 2017 going forward have been corrected and updated compared to reported values in previous SEMRs.

The relationship between the Project and attendance rates is further complicated by the onset of distance learning and absence due to COVID-19 illness or quarantine protocols beginning in March 2020 and through the 2019-2020 and 2020-2021 school years. Schools may have seen increased absences due to students contracting COVID-19, caring for family members with COVID-19, additional caregiving responsibilities for vulnerable family members (grocery shopping, helping elders access online services, etc.), or quarantining after encountering someone contagious. Additionally, distance learning had negative impacts on student attendance across Canada, specifically in vulnerable communities. This was due to poor internet connectivity, lack of adequate spaces at home to participate in classes or complete homework, and other social and technological factors (Whitley, Beauchamp, & Brown, 2021). At this time, based on the available data and given the complicating factor of the COVID-19 pandemic, one cannot discern a positive or negative effect of the Project on

school attendance in the North Baffin LSA or the Qikiqtani Region. During the 2021-22 school year, the GN Department of Education prepared to roll out an Attendance and Registration Toolkit created for the District Education Authorities (DEAs) to support improving low attendance and student registration rates in Nunavut (Government of Nunavut Department of Education, 2021).

The latest high school graduation data available are from 2018. Figure 11 shows three trends in graduation rates from 1999 to 2018 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. From the low point in 2014, the Qikiqtani graduation rate rose rapidly, up to nearly 50% in 2017. However, the Qikiqtani graduation rate decreased by 9% to a rate of 40% in 2018, slightly higher than the region's graduation rate of 37% in 2016. Reasons for this decrease are not clear, though a similar decrease was seen in the Kitikmeot and Kivalliq regions during the same time. The Government of Nunavut has instituted several initiatives to increase graduation rates and quality of education over the past several years (Nunavut News, 2020).

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 increased slightly in Iqaluit during the post-development period, while the average number of graduates in the North Baffin LSA has decreased slightly over this 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 – 2021)	44	-2	46	+3

Source: (Nunavut Bureau of Statistics (NBS), 2018), GN Dept of Education Annual Reports 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22

At present, it is difficult to determine whether Baffinland is having any direct effect on graduation rates in the Qikiqtani Region due to the many factors that influence graduation rates. A 2018 Inuit Statistical Profile by Inuit Tapiriit Kanatami reports that some of the factors resulting in low graduation rates for Inuit (compared to non-Indigenous Canadians) include the intergenerational impacts of residential schools, students often having to learn in a second language,

insufficient numbers of Inuit teachers, and curriculums that are disconnected from Inuit culture (Inuit Tapiriit Kanatami, 2018). While the Qikiqtani region saw an approximately 5% increase in graduation rates following Project development, this is similar to 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.

A comparable example is available in the Agnico Kivalliq Projects, which includes three mines operating in the Kivalliq region. The Meliadine mine FEIS predicted a positive impact on educational achievement. However, Agnico Eagle has not been able to report any conclusive effects of the mine on educational achievement since construction began in 2017. No specific predictions were made regarding the Meadowbank and Whale Tail mines, although the 2021 Agnico Kivalliq Projects Socio-Economic Monitoring Program Report notes that the graduation rate in the Kivalliq region has fluctuated, but otherwise experienced an overall upward trend, since the opening of the Meadowbank mine in 2007 (Aglu Consulting and Training Inc. and ERM, 2022).

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 policies 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.
- Monitor and report on the results of IHRS initiatives through quarterly and annual IIBA implementation reports, and the Project's socio-economic monitoring report.

Sallaffie's 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. The study also indicated that financial support from government programs, such as the Government of Nunavut's Financial Assistance for Nunavut Students (FANS) and Adult Learning and Training Support (ALTS) programs, was not sufficient and that this was a barrier to completing post-secondary programs (Sallaffie, 2021). Baffinland's initiatives encourage educational attainment by involving the larger community (e.g. youth forums, engaging with post-secondary institutions) and augmenting financial support for students (e.g. laptop donations, scholarships).

The FEIS 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 (Baffinland Iron Mines Corporation, 2012, pp. 35-36). As a significant employer in the Qikiqtani region, 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 is likely that this effect would be most evident in the children and younger relatives of employees as opposed to the employees themselves. However, community level data on employees' families does not currently exist.

Residual effect	Incentives Related to School Attendance and Success
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 43). 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	<ul style="list-style-type: none"> • 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 2023 Inuit Employee Survey, three people 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.

1.6 Recruitment and Career Support

Baffinland and QIA finalized the Inuit Human Resources Strategy in 2017, required through provisions under the IIBA (Article 7.12, 2018). The IHRS includes goals and initiatives to increase Inuit employment at the Project over time. The IHRS contains eight strategic directions that aim to 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
- Continuous improvement.

To support recruitment, Baffinland implements a number of initiatives, some including the posting of jobs in communities and online (in Inuktitut and English), holding employment and training information sessions in LSA communities to communicate and promote opportunities, and socializing internship and summer student positions with educational institutions. Recruitment efforts also include resume-sharing between Baffinland and contractors. For additional support in recruitment, Baffinland established an Inuit recruitment specialist position in 2019, which is intended to complement efforts of the Baffinland Community Liaison Officers (BCLOs). As of 2023, Baffinland had two Inuit recruiters based in Iqaluit and Pond Inlet, and two Inuit recruiter coordinators based in Clyde River and Arctic Bay. Baffinland's Inuit Success Team supports recruitment efforts through delivery of the Work Ready training on-site and in communities, as well as through working with current and prospective Inuit employees, students and interns on career progression, and engaging with contractors to improve Inuit employment. Table 8 includes further detail and 2023 updates for these initiatives.

Table 8. List of Additional Recruitment and Career Support Initiatives and Resources

Initiative	Description	2023 update
Employment and Training Information Sessions	Employment and Training Information Sessions provide community members an opportunity to meet with Baffinland and Contractor staff, to learn about the mine site, camp life and Baffinland’s core company values. The sessions also introduce a number of different roles available at the mine site, the training program offerings, and learn how the recruitment and hiring process works. The sessions support development of basic employment skills relevant to employment with Baffinland and other employers and industries. These sessions as required as per Article 8.12 of the IIBA.	In 2023, one employment and training information session were held: <ul style="list-style-type: none"> • March 13-18 (full tour) • May 15-23 (full tour) • October 2-10 (targeted tour) • December 12 (was supposed to be full tour – interrupted due to unforeseen circumstance) A full ETIS is held in community centres and set-up similar to a career fair. A targeted ETIS includes a limited number of participants, focussing on interviews, skills assessments, and assistance in updating or creating resumes.
Inuit Recruitment Specialist	A recruitment specialist position was established in 2019. Based in Iqaluit, the specialist communicates with applicants to support recruitment efforts.	As of 2023, Baffinland employed two Inuit recruiters based in Iqaluit and Pond Inlet, and two Inuit recruiter coordinators based in Clyde River and Arctic Bay.
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.	The BCLOs remained in place during 2023.
Inuit Success Team and Career Development Plans	Established in 2019, the Inuit Success 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. Activities include 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. In 2022, Baffinland developed a process, a plan and the associated documents for Career Development Plans for every permanent Inuk employee. These plans are developed through periodic discussions that explore where the employee is now in their career, what they might be interested in doing in the future, and what Baffinland can do to support and assist Inuit employees in advancing at Baffinland. Once the actions and plans are mutually agreed including realistic expectations, the employee will be supported so that they can undertake training and development as required to grow their career.	Baffinland has implemented Career Development Plans for all Inuit employees in 2023 in a systematic approach with 126 plans completed in 2023.

1.7 Workforce Training

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

Table 9. Inuit Involvement in Advancement Programs (2015 – 2023)

Program	2015	2016	2017	2018	2019	2020	2021	2022	2023
Community-based Work Ready Program Participants	-	-	-	59	99	54	62	81	55
On-Site Work Ready Program Participants	-	-	-	-	16	10	-	29	15
Active apprenticeships (average)	4	1	1	9	16	16	12	13	10
Summer students hired	-	-	-	4	7	-	2	-	5
Inuit internship program participants	-	-	-	-	8	8	2	2	2

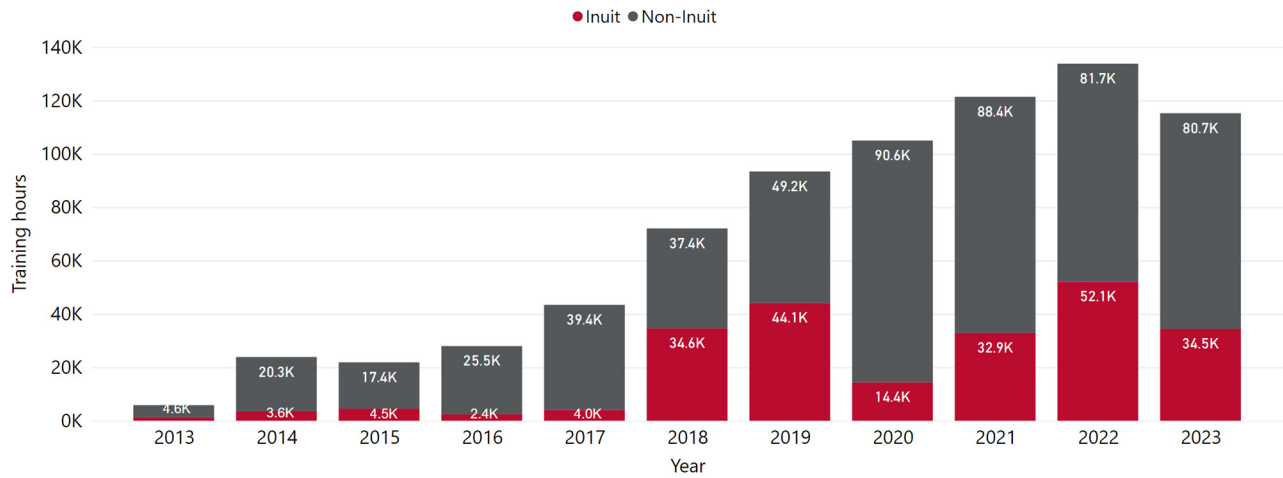
Source: (Baffinland, 2023)

Following operational uncertainties related to the proposed Phase 2 project in 2022, Baffinland was able to continue training programs in communities and on site in 2023. A summary of the status of program delivery in 2023 is as follows:

- QIA and Baffinland are continuing to support Mary River IIBA implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind supports from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Mary River mine site. The funding is providing supports for expenses relate to training, such as wages, accommodations, and travel. This program began in February, 2022, and it is scheduled to continue to March 31, 2028. The target is to hire and maintain 16 Inuit apprentices in various trades, with the end goal that apprentices complete training and advancing in their careers in mining industry trades.
- In 2023, participation in the community-based Work Ready Program continued to rebound to pre-pandemic participation numbers, with the number of graduates remaining nearly the same from 2022 to 2023. The program was offered both in-person and virtually, with a total of 15 sessions delivered in 2023 across the LSA communities. A total of 55 Inuit participated in in-community WRP sessions.
- The On-Site Work Ready Program did not operate during 2021 and into early 2022 (resuming in Q1 2022) due to COVID-19 and the demobilization of Nunavummiut from Mary River site. In 2023, there were three (3) cohorts for on-site Work Ready Program for a total of 15 participants: 5 in each of the three cohorts done in January, March and October 2023. The summer student program resumed in 2023, after it did not run in 2022 due to permitting delays. Five summer students were hired in 2023, with four students in shipping monitoring positions, and one in a senior core technician role.
- In 2023, the Inuit internship program experienced significant delays due to operational uncertainties. As a result, one intern started in September 2023 in translation services (who later resigned due to personal reasons in November), one started in October in the Inuit Success Department, and another starting in November as a mine technician in the op-technical services department.
- In 2023, Baffinland engaged with three educational institutes on the internship program. Baffinland presented the program to students at Algonquin College in July 2023, conducted a classroom visit and email campaign with Nunavut Arctic College, and discussed the program with the director of Nunavut Sivuniksavut who notified students and alumni of the program.

Figure 12 below shows the total number of training hours completed by Baffinland and contractor workers, broken down by Inuit and non-Inuit. In 2023, Baffinland and contractor workers completed over 115,000 hours of training, with approximately 30% of the training hours being completed by Inuit. This represents a departure from the overall upward trend in training hours starting in 2018, as well as rebounding training hours for Inuit from 2020 to 2022. COVID-19 and Nunavummiut demobilization resulted to impacts to training delivery during 2020 and 2021.

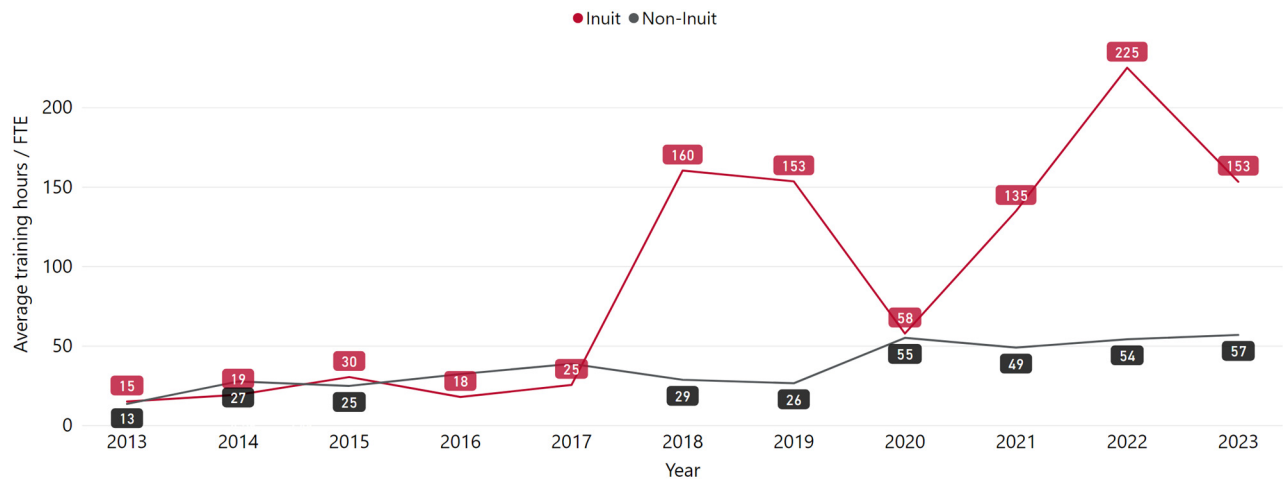
Figure 12. Baffinland and Contractor Training Hours by Inuit Status (2013-2023)



Source: (Baffinland, 2023)

Figure 13 shows the average number of training hours per FTE. In 2023, the average hours of training for Inuit workers decreased significantly when compared to 2022. However, amount of Inuit training hours rebounded to levels comparable to years prior to 2022, with the exclusion of 2020 (year where lowest amount of Inuit training hours was experienced). The average hours of training per Inuit FTE in 2023 was 153 hours, a 32% decrease from 2022. The high number of average training hours per Inuit FTE in 2022 was largely a result of an overall increase in training delivery for Inuit employees, as unspent 2021 training budgets from 2020 and 2021 (part of IIBA commitments) were spent in 2022 to compensate for decreased training during those years. Another factor is that Nunavummiut were demobilized for less time in 2022 than 2021.

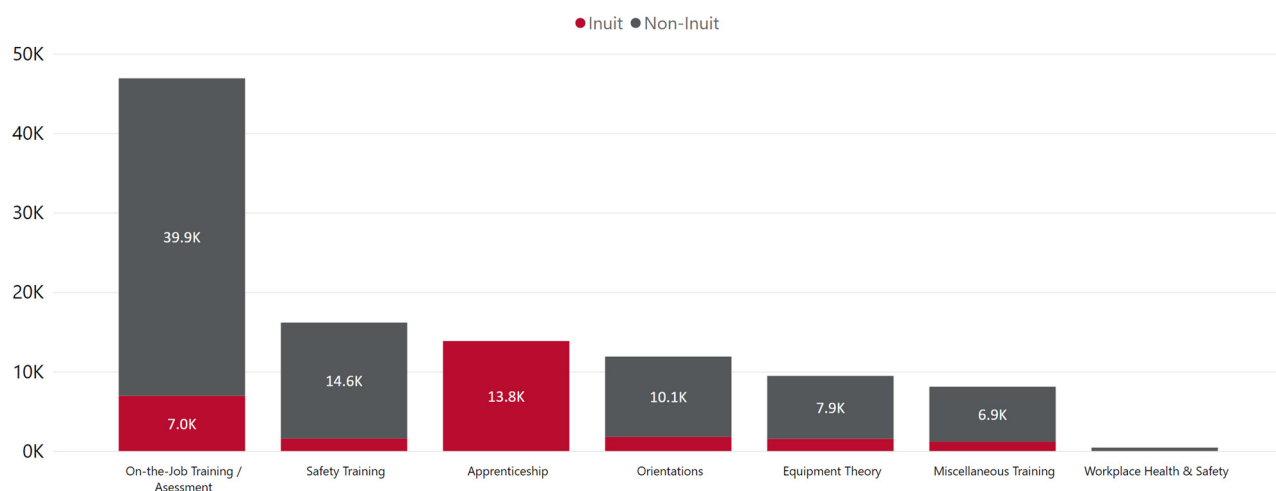
Figure 13. Baffinland and Contractor Average Training Hours / FTE by Inuit Training (2013-2022)



Source: (Baffinland, 2023) | Note: average training hours for 2022 have been corrected since the 2022 SEMR, which calculated average training hours using the outdated number of hours used to calculate FTE (see Section 1, Employment and Livelihood).

Figure 14 shows the types and hours of on-site 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 On-site Training Provided (2023)



Source: (Baffinland, 2023) | note: 1k signifies 1,000 hours

Table 10 below lists the main groupings of training programs offered by Baffinland to support training and upskilling for workers. Depending on the program, eligible participants may include prospective employees (Nunavut community members who are not yet employed by Baffinland or one of its contractors), Baffinland employees, and/or contractor employees. Some training programs are only offered to Inuit community members or workers.

Table 10. List of Training Initiatives

Name of Initiative	Description	2023 Results
In Community Work Ready Program	Five-day training program in LSA communities, with the following areas of focus: 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 is continually revised based on participant feedback. In 2021, improvements made to the program included more focus on essential job application skills (e.g. resume writing and interview skills), and enhanced inclusion and emphasis on traditional knowledge and skills.	In 2023, 15 community sessions of the Work Ready Program were conducted. 55 Inuit participated in the sessions.
Onsite Work Ready	In 2019, Baffinland expanded the Work Readiness Program (WRP) to include an on-site component of training. The program provided participants from LSA communities the opportunity to spend seven days at site, including job shadowing five entry level positions at the mine with both Baffinland and contractors. In 2022 the on-site WRP underwent modification. As the purpose of the WRP is to prepare participants for working at the mine, they now follow the same working schedule as workers at site (i.e. 21 day rotation) to get the full work experience. During this rotation, participants are introduced to the site and the program, complete site orientation training, and job shadow in 3 different departments. The participants spend 5 days in a given department, where they shadow various roles and familiarizing themselves with the activities within the department. The objective of the program is to find a good fit for the participant and the department.	In 2023, there were three (3) cohorts for on-site Work Ready Program for a total of 15 participants: 5 in each of the three cohorts done in January, March and October 2023.

Name of Initiative	Description	2023 Results
Apprenticeship	Participants of the Apprenticeship Program, initially launched in 2017, join Baffinland as trades assistants and participate in job shadowing activities and on-the-job coaching to learn about the trade and Baffinland's operations.	An average of 10 active apprenticeships in 2023.
Summer students	Baffinland makes summer employment opportunities available to Inuit students as per IIBA Article 7.19.	Five summer students were hired in 2023.
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.	3 interns were hired in 2023, one more than 2022 and 2021, but a decrease of 5 compared to 2020.

Source: (Baffinland, 2023)

Other standard training programs include:

- Orientation;
- equipment operation knowledge;
- on the job training;
- safety training;
- cultural awareness training;
- Worker's Safety and Compensation Commission (WSCC) certification; and,
- Leadership training and coaching for success.

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 2023. Table 11 provides an overview of suggested additional training supported by survey respondents. Baffinland continually works to increase, improve, and expand training in many of these areas.

Table 11. Suggested Additional Trainings from Inuit Employee Survey (2023) (n=73)

Education or Training Program	Number of Responses
Finance and Accounting	21
Information Technology	7
Communications	7
Human Resources	15
Corporate Affairs and Strategic Development	3
Project Management	13
Power and Energy	7
Health and Safety	13
Office Administration	16
Traditional Trades	19
Leadership and Management Training	18
University or Diploma and Degree Programs	13
Other	9

Source: (Baffinland (survey), 2023)

Residual effect	Improved Life Skills Among Young Adults
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 43).
Existing mitigation	<ul style="list-style-type: none"> • Pre-employment training (e.g. community-based Work Ready Program, on-site Work Ready 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 an increase in delivery of Inuit cultural programming on site
Monitoring results	<p>Life skills are developed through training and employment, both of which have been made more accessible 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.</p> <p>2023 data include 70 participants in the Work Ready Program (55 in-community, 15 on-site), 225 Inuit FTEs, and 34,450 hours of training completed by Inuit employees.</p> <p>Since Project development, there have been more than 600 participants in Baffinland pre-employment training programs, 3,013,682 hours have been worked by LSA residents, and 229,944 hours of training have been provided to Inuit employees.</p> <p>Beyond the training participation and employment numbers, there is some evidence that life skills are being developed through training programs and employment. Various training initiatives include content on financial literacy, leadership skills, cultural awareness, and safety skills. There has been a total of 99 advancements of Inuit employees since 2014, with some due to employees gaining the skills required for advanced roles through training programs.</p> <p>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.</p>

⁹ 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 FEIS predicted the Project would have a positive effect on education and skills development by providing opportunities for training and skills acquisition among LSA residents (Baffinland Iron Mines Corporation, 2012, p. 38).
Existing mitigation	<ul style="list-style-type: none"> • 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 (plus inflation and engineering and planning costs) toward the Baffinland Inuit Training Centre
Monitoring results	<p>In 2023, Baffinland continued providing training and skills development opportunities to Inuit. This included 34,450 hours of training for Inuit in a wide variety of training programs. 10 Inuit apprentices were also employed by Baffinland, and 3 participants in the Inuit internship program.</p> <p>A total of 229,944 hours of training have been provided to Inuit since Project development.</p> <p>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 this training are evident through the increasing number of LSA Inuit employed with the mine and the promotions of Inuit employees.</p>

1.8 Employee Education and Pre-Mary River Employment Status

Baffinland regularly administers a voluntary Inuit Employee Survey that informs the Socio-Economic Monitoring Report. Discussion on report findings is included in this section. Baffinland administered the most recent survey from October 23rd to December 1st, 2023.¹⁰

¹⁰ Refer to Appendix D for the full 2023 Inuit Employee Survey Report.

Inuit Employee Survey

From October 23rd to December 1st, 2023, the Inuit Employee survey was administered at the Mary River mine site, Milne Port, and in communities with assistance from Baffinland Community Liaison Officers (BCLOs). The following describes the methodology used in administering the survey:

- A month and a half long administration period (from October to December 2023) was used in order to accommodate Inuit employee shift changes and ensure that all Inuit workers had the opportunity to take the survey. However, due to vacation, medical, or other reasons, it is unlikely that all Inuit employees were on-site during this period. In efforts to address this limitation, Baffinland piloted the administering of the survey in North Baffin LSA communities where Company personnel made surveys available at airports prior to/after community flights and in office.
- On-site, the survey was administered through the Baffinland Human Resources and Labour Relations department, and respondents had the option of having a member of the site-based Human Resources and Labour Relations Team (e.g. cultural advisor, Inuit relations advisor, HR representative) support them in filling out the survey (e.g., by reading the questions and explaining the options).
- In communities, the survey was administered through the Community and Strategic Development (CSD) department, which included the Baffinland Community Liaison Officers in each community as well as the manager of CSD and manager of corporate services in Iqaluit.
- Surveys were offered in-paper format and could be completed in English or Inuktitut.
- Participation in the survey was voluntary and respondents were able to skip any questions they did not wish to answer. Respondents were advised prior to the survey that their responses would remain confidential, and their names would not be used publicly by Baffinland, however, Baffinland could use survey information in public reports and/or presentations.
- An incentive was introduced this year to encourage survey participation in addition to existing measures to promote awareness of the survey. Those who participated in the survey received a raffle ticket and were entered into a draw and had chance to win one of two \$250.00 visa credit cards, which took place following completion of survey administration period.

The 2023 Inuit Employee survey resulted in 81 surveys completed, compared to 55 in 2022 and 82 in 2020.

Education Level of Inuit Employees

Figure 15 presents results of the 2021 Census on the highest level of education obtained by Nunavut and North Baffin LSA residents. Figure 16 presents Inuit employee survey results on the highest level of education obtained by Baffinland and contractor Inuit employee survey respondents.

Figure 15. Educational Attainment in the North Baffin LSA

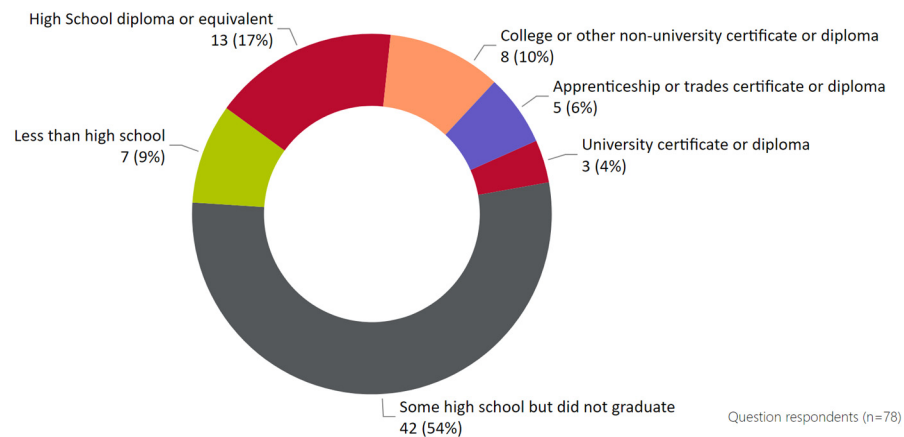
● No certificate, diploma or degree ● Secondary school diploma or equivalent ● Postsecondary certificate, diploma, or degree



Source: (Statistics Canada, 2021). | Note: Education attainment for the age group between 25 and 64 years old

Figure 16. Educational Attainment by the Baffinland Inuit Workforce (2023)

Baffinland Inuit Employee Survey - What is the highest educational level you have obtained?



Source: (Baffinland (survey), 2023)

Comparing Inuit survey respondents at the Project with the broader North Baffin LSA and Nunavut populations (i.e. Census data) yields the following observations:

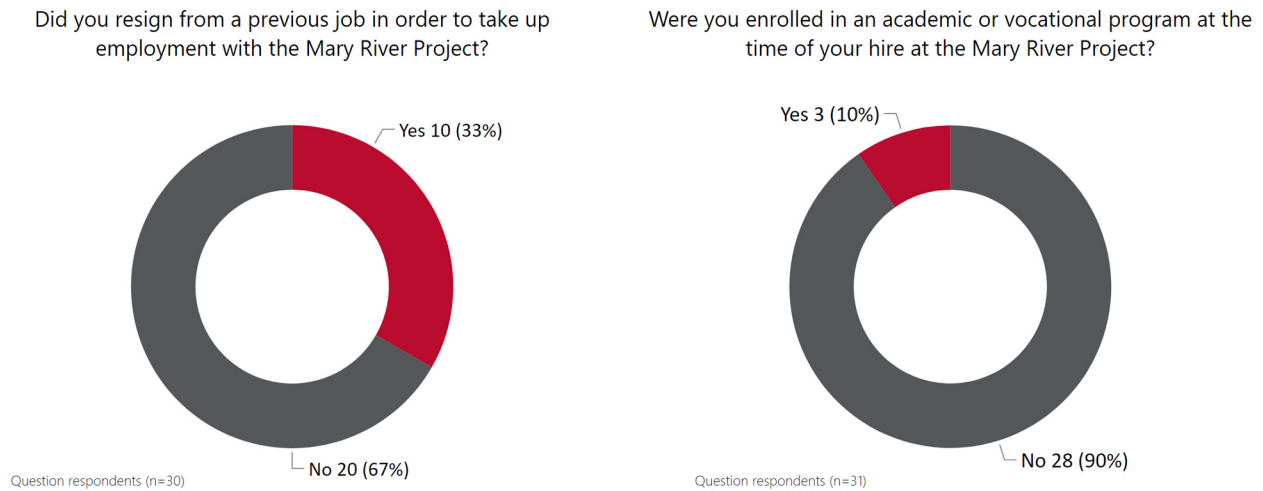
- A smaller proportion of Baffinland Inuit survey respondents have post-secondary education compared to Nunavut and the North Baffin LSA.
- A similar proportion of Baffinland Inuit survey respondents tend to have only a secondary school diploma (17%) compared to both the broader North Baffin LSA (18%) and Nunavut (17%) populations.
- The proportion of Inuit survey respondents that do not have any certificate, diploma, or degree (63%) is significantly higher than both the Nunavut population (45%) and the North Baffin LSA population (56%).

These results do not represent the entire Inuit workforce, as the survey was not completed by all Inuit employees. However, the results align with the skill levels of Baffinland Inuit workers (see Section 2.7). Taken together, these results are in alignment with the Project’s higher proportion of Inuit working in Skill Level C roles (roles that may require secondary school graduates) and Skill Level D roles (roles that would not necessarily require a certificate, diploma, or degree), as opposed to workers in Skill Levels B and A (roles that may require higher levels of education).

Pre-Employment Activities of Inuit Employees

Figure 17 summarizes survey results relating to the employment and academic status of Baffinland and contractor Inuit respondents prior to their employment at Mary River. Ten Inuit survey respondents (33%) reported having resigned from a previous job to join Baffinland or one of its contractors.

Figure 17. Inuit Employee Academic and Employment Status pre-Mary River Employment



Source: (Baffinland (survey), 2023)

There is some evidence that Project employment is pulling from Nunavut and government organizations, including one respondent who specified the Government of Nunavut as their previous employer. 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 governments 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.

Most respondents indicated that they did not leave an academic or vocational program to obtain employment at the Mary River Project. For those who responded they were enrolled in a schooling prior to their time of hire and left their programs for the job, one of the three respondents confirmed they discontinued their education because they were hired at the mine. This is a decrease from previous surveys (down from three respondents in the 2022 survey).

In 2022, Baffinland’s Human Resources team began tracking whether new applicants were employed and/or enrolled in an education program at the time of their application¹¹. In 2023, 37 Inuit employees hired by Baffinland indicated they were currently employed at the time they applied to work with the company. This represents a significant increase in Inuit employees hired while they were employed at the time of application from 2022, where only six employees in these circumstances were hired. In 2023, three Inuit employees hired by Baffinland indicated they were currently enrolled in an education program. One was an apprentice, one was continuing studies while working, and one was withdrawing for financial reasons.

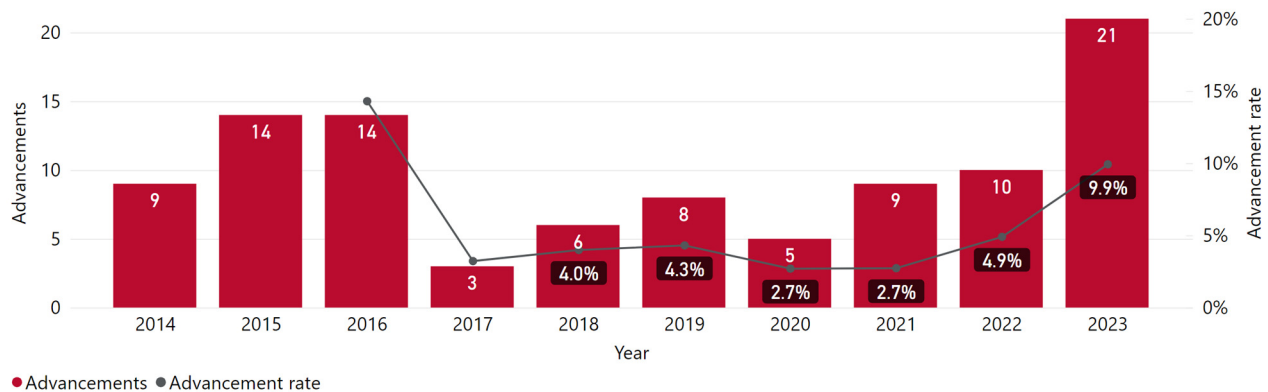
¹¹ There may be discrepancies between the two methods of monitoring pre-employment activities of Inuit employees. Baffinland’s Human Resources team tracks pre-employment activities of applicants to Baffinland only. The Inuit employee survey is open to all workers at Mary River project, which includes Baffinland employees as well as contractors. Additionally, the Inuit employee survey does not specify when the individual resigned.

1.9 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 18 presents Baffinland Inuit employee promotions by year, including the number of advancements and advancement rate (% of total number of Inuit employees). There have been 99 advancements of Inuit employees since 2014. An advancement is defined as a position reclassification (e.g. operator level), lateral transfer, temporary to permanent position, and a promotion.

Figure 18. Baffinland Inuit Employee Advancements: Number and Rate (% of Baffinland Inuit employees advancing)



Source: (Baffinland, 2023) | Note: advancement rate is calculated using headcount

Following a relatively high number and rate of advancements from 2014 to 2016 (>14% in 2016), the advancement rate from 2017 to 2022 ranged from 2.7% to 4.9% based on 5 to 10 promotions per year. In 2023, the advancement rate increased significantly from 2020-2021 levels, at 9.9%, based on 21 advancements. Example of Inuit employee advancements include the promotion of a translator to a lead – translator/interpretation, a 3rd cook becoming a 2nd cook, and community resources lead transitioning into a manager position. With the exception of 2020 and 2021, during which Nunavummiut were demobilized for much of both years, the number and rates of promotions has increased nearly every year between 2017 and 2023.

In 2019, Baffinland struck the **Career Path Working Group** with QIA, tasked with creating career path plans for each Inuit employee. In 2022, Baffinland developed a process, plan, and associated documents for Career Development Plans. A Career Development Plan is a plan established between an Inuk employee and their department focusing on the individual's career aspirations and interest, whether it's skills development, career advancement, change in career, etc. Baffinland began to implement Career Development Plans for all Inuit employees in 2023, which will be monitored by Baffinland to ascertain if these plans provide additional insight into potential barriers to employment. By the end of December 2023 Baffinland had completed 126 career development plans.

Additionally, the 2023 Inuit Employee Survey asked several questions related to employee advancement and interest in training. The Survey found that 29% of surveyed Inuit employees were interested in additional education or training programs in finance and accounting, 26% were interested in traditional trades, and 25% were interested in leadership and management training. These responses indicate interest in improving professional and management skills, as well as interest in improving hard skills such as those offered in traditional trades training.

Residual effect	New Career Paths
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 81).
Existing mitigation	<ul style="list-style-type: none"> • 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, 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 • The launch of Aulatijiit – the new Inuit Leadership Development Program, which is an innovative, culturally-based program that will give Inuit employees the opportunity to advance to leadership roles within the company. • Creation of a supportive work environment (e.g. EFAP, Cultural Advisors, Human Resource Advisors – Inuit Relations, introduction of Inuit Success team, on-site cultural initiatives)
Monitoring results	<p>In general, the Project introduces new jobs and associated career paths to the region and current Inuit employees occupy positions in all four skill level categories, though fewer proportionally in higher skill categories (i.e. Skill Levels A and B).</p> <p>The 99 advancements of Inuit workers since 2014 (including 21 in 2023) 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. 63 Inuit workers departed the Project in 2023 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.</p>

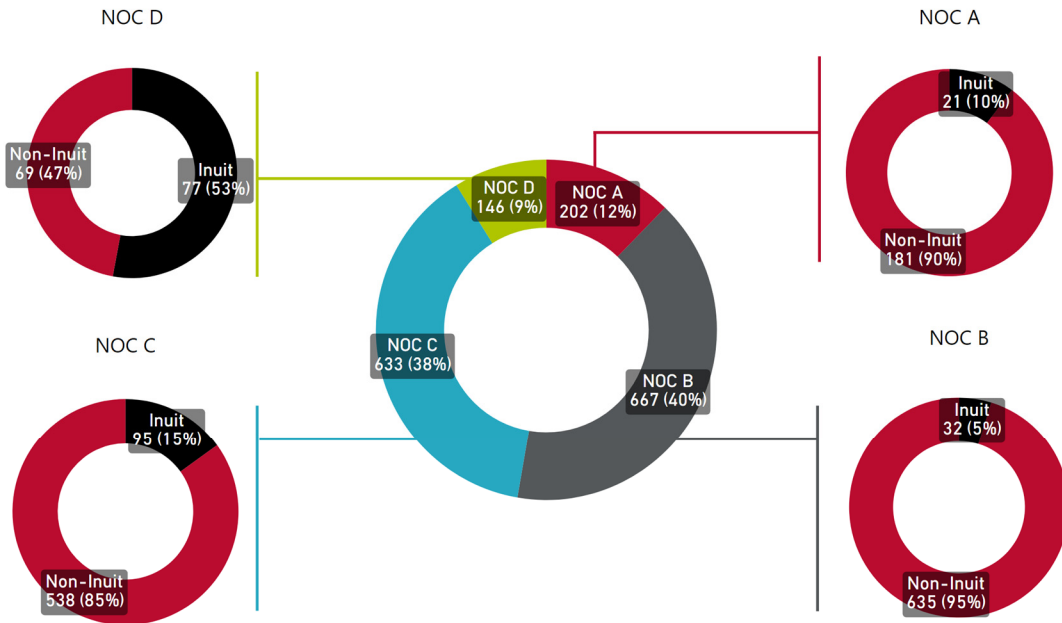
1.10 Inuit Employment by Skill Level

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 19 below shows the overall distribution in 2023 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.). Baffinland typically refers to occupations by their Skill Level, according to the following system:

- Skill Level D / NOC D: labour jobs, usually requiring on-the-job training.
- Skill Level C / NOC C: intermediate jobs, usually requiring high school and/or job-specific training.
- Skill Level B / NOC B: technical jobs or skilled trades, usually requiring a college diploma or apprenticeship training.
- Skill Level A / NOC A: professional or management jobs, usually requiring a degree from a university and/or a high level of responsibility.

Figure 19. Baffinland and Contractor Inuit Employment (FTEs) by Skill Level (2023)



Source: (Baffinland, 2023) | Note: values may not add up due to rounding

Inuit are most represented at Skill Levels D and C, with 172 FTEs combined or 77% of the Inuit workforce. In 2023, Inuit represented 53% of FTEs at the unskilled level, with 77 Inuit FTEs. At the semi-skilled level, Inuit represented 15% of the workforce, with 95 FTEs. Conversely, Inuit represent a smaller proportion of the overall workforce at Skill levels A and B. Inuit represent just 5% of the workforce at the skilled level, and 10% of the workforce at the management and professional level.

According to the most recent regional Labour Market Analysis, as of 2019, Baffinland’s share of the Qikiqtani region labour force was 10%. Based on Baffinland employment projections, the labour market was 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 2021. The purpose of the QLMA is “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 2021 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, meaning that demand for labour at this Skill Level exceeds availability. 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 workforce 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.



2 · 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.” (Baffinland Iron Mines Corporation, 2012, p. 168)

Key Findings

- \$24,555,999 in wages were paid to Baffinland and contractor Inuit employees in 2023, up slightly 2% from 2022. The average pay for Baffinland and contractor Inuit FTEs in 2023 increased 5% from last year, to \$109,138.
- In 2023, the total value of contracts awarded to Inuit Firms increased to \$171.3M, from \$162.2M in 2022, involving 42 individual Inuit firms. The percentage of total contracts awarded to Inuit Firms continued to decrease in 2023, at 36% of the total value of contracts awarded compared to 43% in 2022 and 57% in 2021.
- In 2023, a total of 201 active Inuit Firms were registered in the LSA, an increase of 5 Inuit Firms from 2022. Of the 201, 28% (57) of these firms were based in the North Baffin LSA communities and 72% (144) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 97%, while the number of active Inuit Firms registered in Iqaluit has increased by 71%.

2.1 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 expenditures for Baffinland and contractor employees:

- Figure 20 shows Baffinland and contractor Inuit payroll by year;
- Figure 21 shows 2023 Baffinland Inuit and non-Inuit payroll; and,
- Figure 22 breaks down 2023 Inuit payroll by community.

As shown in Figure 20, Baffinland and contractor Inuit employee income totalled \$24,555,999 in 2023. Of this, over \$14 million went to Inuit employees based in the North Baffin LSA and over \$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. In the absence of recent regional or territorial data on household expenditure, an analysis of 2019 figures from Iqaluit (Statistics Canada, 2024) serves as a provisional benchmark, revealing that a significant portion of household income is allocated towards shelter, transportation, and food. Assuming a similarity in the distribution of household spending patterns throughout the region with those observed in Iqaluit, it is plausible that a portion of this new income will be directed towards consumer goods and services found in the local economy. This includes expenditures in communities through patronage of local and Inuit-owned businesses, such as grocers, convenience stores, and gas stations.

Compared to 2022, Inuit payroll increased slightly by 2%. This increase aligns with the payroll increases seen year-to-year from 2019 to 2021. A larger increase in total Inuit payroll was seen in 2022, which can be partially attributed to a review of the competitiveness of Baffinland’s wages, which resulted in a wage adjustment in October 2022. Based on these new wages, employees also received backpay up to January 1st, 2022. The increase can also be partially attributed to Nunavummiut being demobilized for less time in 2022 compared to 2021 and the impact of standby wages (as standby

wages, representing 75% of normal employee salaries, were used during demobilization in 2021, however Baffinland Nunavummiut employees received full pay in 2022 during demobilization). The hours worked by Inuit decreased slightly from 2022 (505,605) to 2023 (491,330).

The \$17,117,007 paid to Inuit employees (not including contractor Inuit pay) shown in Figure 21, represents approximately 11.5% of the direct employee payroll, down from 12.4% in 2022. For comparison, Inuit represented 12.4% of hours worked by direct Baffinland employees in 2023, compared to 14.2% in 2022. As such, the gap between representation in Baffinland work hours and representation in Baffinland direct payroll decreased slightly from 2022 (1.8 percentage points) to 2023 (0.9 percentage points).

Figure 22 shows Inuit worker payroll in 2023 by LSA community. The difference in payroll between communities is due to the number of employees from each community and the income earned by each individual.

Figure 20. Baffinland and Contractor Inuit Payroll (2017 - 2023)*

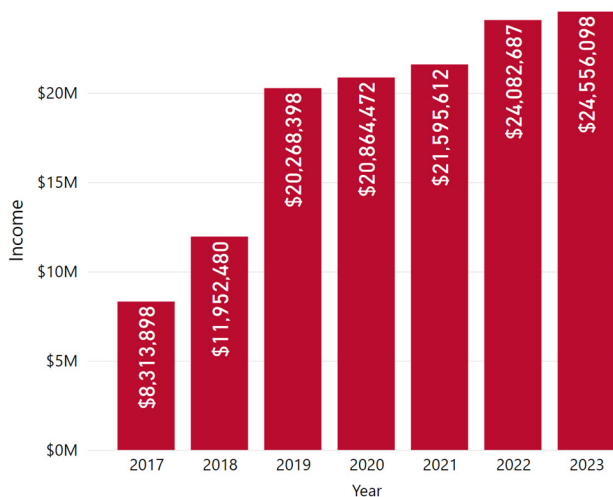
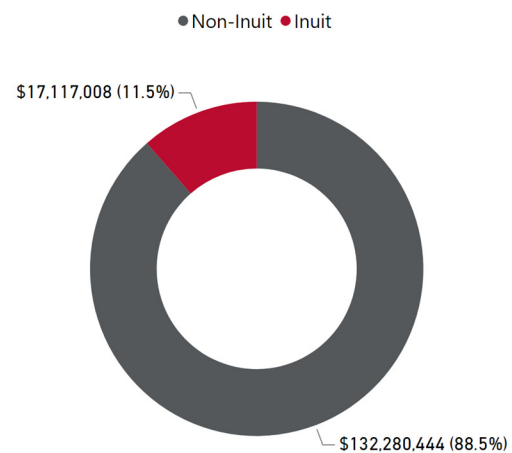
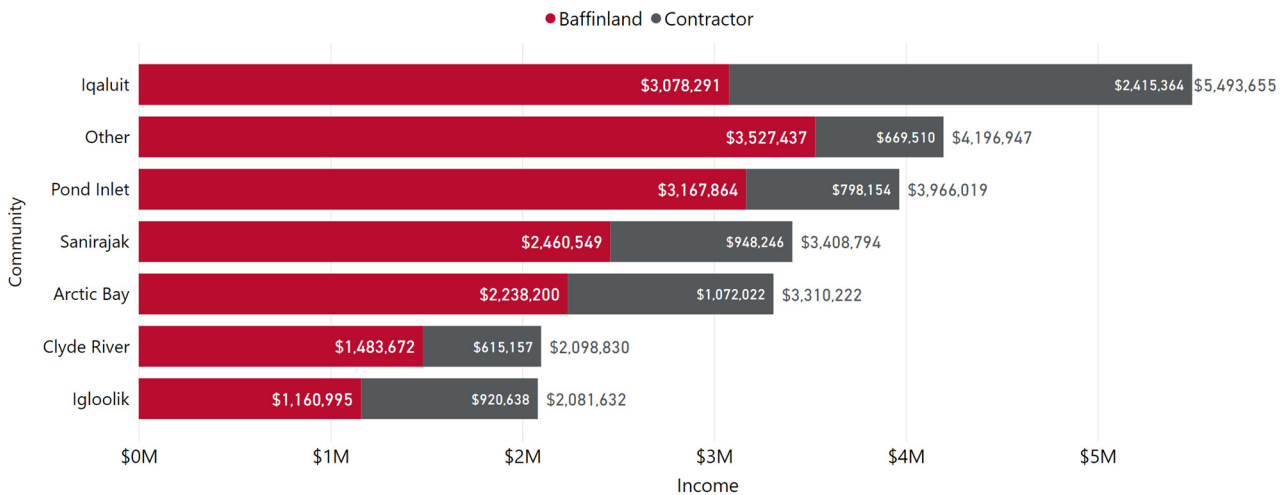


Figure 21. Baffinland Payroll, Inuit and Non-Inuit (2023)*



Source: (Baffinland, 2023) | *Note that the 2019 increase is in part due to the inclusion of contractor income, which was not included in previous years

Figure 22. Baffinland and Contractor Inuit Payroll by Community (2023)



Source: (Baffinland, 2023)

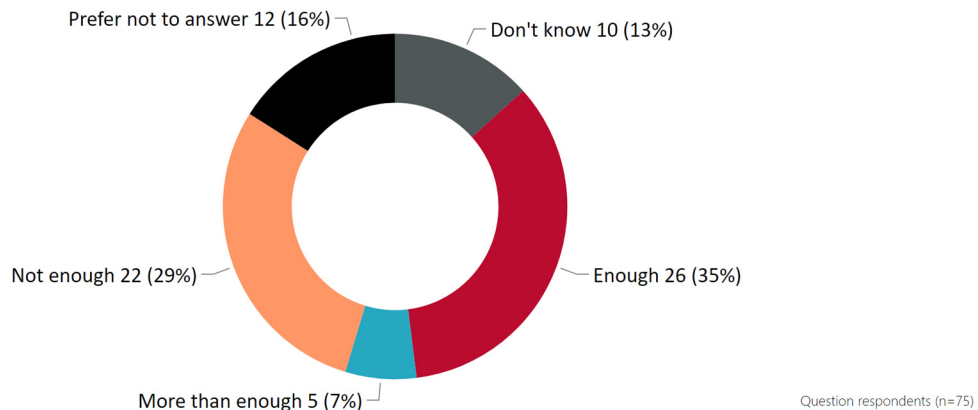
The average pay for Baffinland and contractor Inuit FTEs in 2023 was \$109,138. This is calculated by dividing the total Inuit payroll by the total number of Inuit FTEs. This represents an increase of approximately 5% from 2022, where the average pay was \$103,805. For comparison, between 2021 and 2022, average pay increased by 17%, and between 2020 and 2021, average pay increased by 5%. As such, the increase in 2022 is an outlier which is mainly attributed to the remobilization of Nunavummiut employees who had been on standby pay for much of 2021, as well as an overall market adjustment in salary for all employees in 2022 impacting overall Inuit employee payroll.

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, 99 Inuit have advanced in their roles at the Project. Many of these represent promotions from Skill Level D positions to Skill Level C positions. It is likely that Baffinland has contributed to increased availability of opportunities for career advancement in the general Qikiqtani labour market.

Based on the results of the 2023 Inuit Employee Survey, there is also positive feedback from Project Inuit employees on the ability of their total household income to meet their families’ needs. This question replaced the question included in previous years’ Inuit Employee Surveys: “How has your ability to provide for you and your family changed since obtaining Project employment?” In response to this previous question, 31% of Inuit respondents to the 2022 survey reported that their ability to provide for themselves and their family had been “very improved” and 46% said their ability has “improved”. In response to the new question, “Has your total household income been enough to meet your families’ needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment?”, 35% of respondents reported having “enough” income and 7% reported “more than enough” income. A slightly smaller proportion of respondents reported having “not enough” income (29%), while 29% of respondents indicated that they preferred not to answer (16%) or didn’t know (13%).

Figure 23. Perceptions on Adequacy of Total Household Income to Meet Employees’ Families’ Needs since Obtaining Project Employment

Has your total household income been enough to meet your families’ needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment?



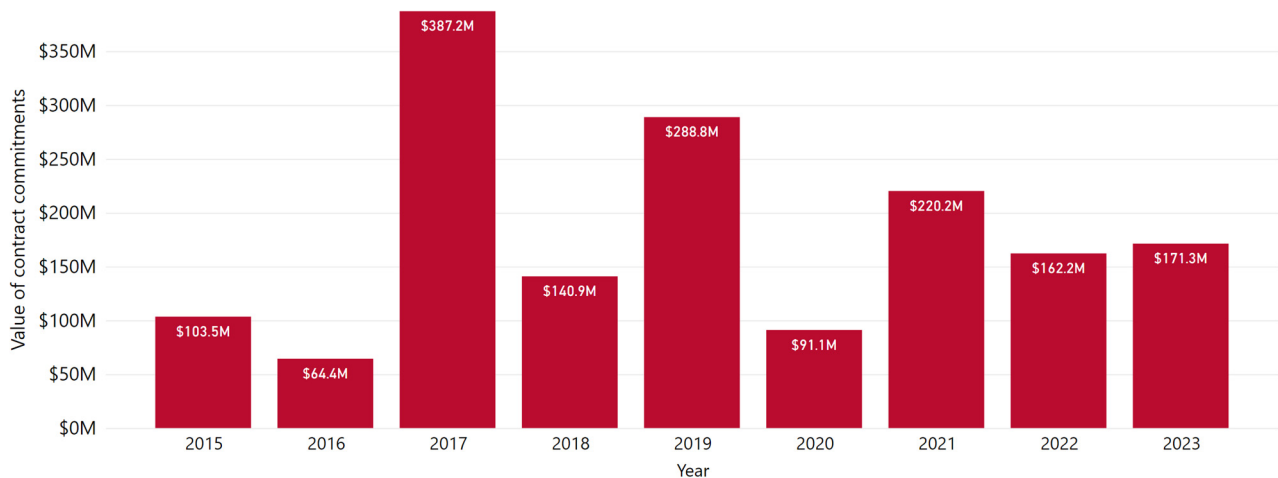
Source: (Baffinland (survey), 2023)

Residual Effect	Expanded Markets for Consumer Goods and Services
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 166).
Existing mitigation	Company commitments related to Inuit employment and contracting (e.g. in the IIBA) 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	<p>The Project continued to expand the market for consumer goods and services across the LSA in 2023. Over \$20.4 million was spent on LSA Inuit Baffinland and contractor employee payrolls in 2023; the LSA payroll includes North Baffin LSA and Iqaluit. In addition, the \$171.3 million in contracts awarded to Inuit Firms would likely have created demand in business-to-business goods and services.</p> <p>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.</p>

2.2 Value of Contracting with Inuit Firms

Figure 24 shows the value of contracts awarded to Inuit Firms¹² since 2015. Since Project development, a total of \$1.89 billion worth of contracts has been awarded to Inuit Firms.¹³

Figure 24. Value of Contracts Awarded to Inuit Firms



Source: (Baffinland, 2023) | Note: 2021 SEMR reported data in above Figure as expenditures instead of commitments; contract commitments are the value of contracts awarded.

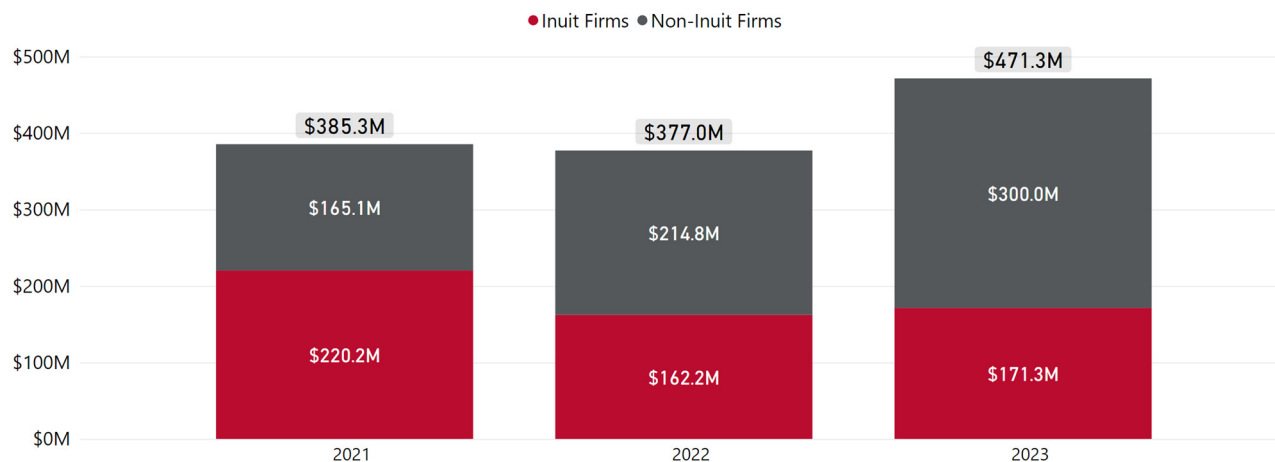
¹² As noted by (NTI, 2024), ‘Inuit Firm’ means an entity which complies with the legal requirements to carry on business in the Nunavut Settlement Area, and which is a limited company with at least 51% of the company’s voting shares beneficially owned by Inuit, or a cooperative controlled by Inuit, or an Inuk sole proprietorship or partnership.

¹³ The 2022 SEMR incorrectly reported this value as \$1.68 billion, whereas the correct value as of 2022 was \$1.72 billion since 2013.

In 2023, the total value of contracts awarded to Inuit firms was \$171.3M, an increase from \$162.2M in 2022. However, value of contracts awarded to Inuit firms still remains below 2021 levels of \$220.2M. Actual contract expenditure with Inuit firms in 2023 was \$173.4M, down from \$213.8M of expenditure in 2022.

Figure 25 shows the proportion of 2023 contracting going to Inuit and non-Inuit firms. Total value of contracts awarded in 2023 was \$471.3, a large increase from 2022 at \$377M.

Figure 25. Value of Contracts Awarded to Inuit and Non-Inuit Firms in 2021, 2022 and 2023



Source: (Baffinland, 2023)

In 2023, the percentage of contract value awarded to Inuit firms continued to decrease as it has in previous years, at 36% of the total value of contracts awarded compared to 43% in 2022 and 57% in 2021. However, the percentage of actual contract expenditure with Inuit firms in 2023 was 37%, only a slight decrease from 2022 at 38%. In 2023, Baffinland had 42 contracts with Inuit firms, and 50 contracts with non-Inuit firms.

Reasoning for decrease in percentage of contract value awarded to Inuit firms over time is due to the suspension and/or termination of most non-essential contracts due to COVID-19 in 2021. As Baffinland prioritized awarding core, essential contracts to Inuit Firms, the non-essential contracts were held largely by non-Inuit Firms. Due to the suspension/termination of non-essential contracts, non-Inuit Firm (as a percentage) decreased, resulting in an effective increase to the percentage of contracts with Inuit Firms. Throughout 2022 and 2023, Baffinland has been re-engaging with the aforementioned non-Inuit Firms. This has led to a reduction in the percentage of contracts with Inuit Firms.

As noted above, many of Baffinland’s core services are currently provided by Inuit Firms, including camp services for all camps on site, all fixed-wing and rotary-wing chartered aviation services, mining equipment maintenance services, and sealift. Baffinland is currently pursuing the following initiatives in efforts to further increase contracting with Inuit Firms:

1. Identifying opportunities to enter into Master Service Agreements with Inuit Firms for construction works, such as civil earthworks and MEIP (mechanical, electrical, instrumentation, piping) projects;
2. Identifying opportunities to contract with Inuit Firms for the supply of key goods/products, such as perishable and non-perishable food and other camp supplies; and,
3. Organizing various Inuit Firm workshops, such as the Bid Simulation Workshops (delivered in 2023), and the Inuit Women and Youth Entrepreneurship Workshop (planned for 2024), which are aimed at Inuit Firm business development and capacity building.

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. Impacts on contract commitments and expenditure due to COVID-19 and the reduction of non-essential contract work in 2020 was largely resolved in 2021, which saw an increase in

contract activity and values paid to Inuit Firms. In 2023, the value of contracts awarded to Inuit Firms decreased when compared to 2022 and 2021 values; however, 2023 values are larger than those awarded in 2020. Table 12 provides descriptions and 2022 results of Baffinland initiatives to promote Inuit Firm participation.

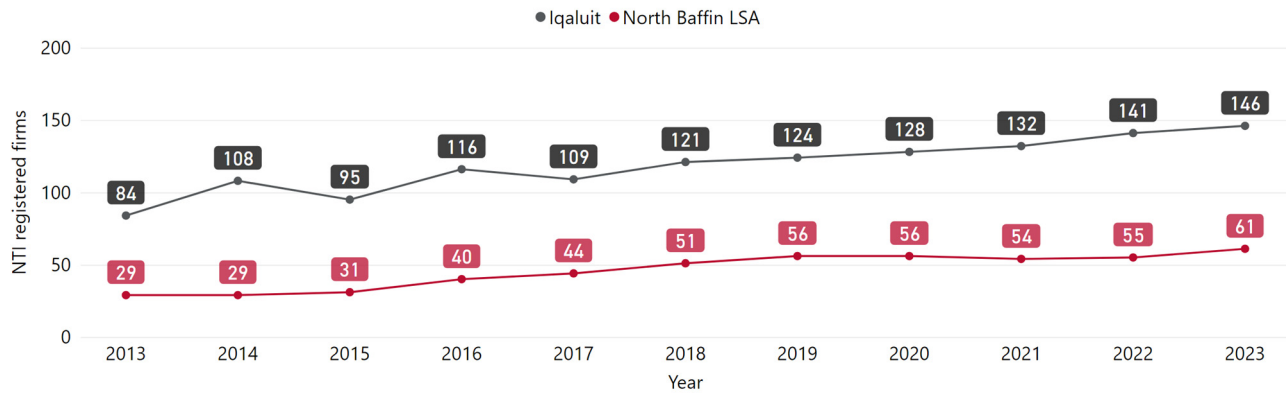
Table 12. List of Initiatives to Promote Inuit Firm Participation

Name of initiative	Description	2023 results
Contractor Information Sessions (CIS)	To support Inuit Firms in accessing contracting opportunities at the Project, Baffinland will hold Contractor Information Sessions (CIS). Baffinland will publish virtual introductory presentation for Inuit Firms on how to participate in Baffinland’s bidding process. Inuit Firms 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.	<p>In 2023, the in-person CIS was temporarily postponed due to a reported tuberculosis outbreak in Pond Inlet. However, a replacement virtual CIS was finalized in April 2023, and subsequently released to Inuit Firms. By the end of the year, Baffinland completed accommodations and facilities bookings for the 2024 in-person CIS.</p> <p>In addition to the CIS, Baffinland has developed several business development workshops for Inuit Firms. Baffinland delivered the Bid Simulation Workshop in Iqaluit in March 2023, which was attended by 9 Inuit Firms. This workshop guided participants through the typical contracting process at Baffinland and provided participants with guidance on how to pre-qualify and bid on contracts.</p> <p>Throughout 2023, Baffinland engaged with a contractor to deliver the Inuit Women and Youth Entrepreneurship Workshop. Baffinland worked to finalize the commercial arrangements near the end of 2023 and planned to deliver a full plan for the workshop to the Contracting Committee in Q4 2023 (January-March 2024).</p>
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 2023, Baffinland contributed \$275,000 to the fund. To date, Baffinland has contributed \$2.13 M 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, issuing Advanced Contract Notifications (ACNs), applying Inuit criteria in the bid evaluation, and following the regional contracting benefits process for contracts less than \$1M whereby Baffinland solicits proposals only from pre-qualified Inuit Firms.	The total value of contracts awarded to Inuit Firms was \$171.3M in 2023.

2.3 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 2016 is presented in Figure 26.

Figure 26. Registered Inuit Firms in Iqaluit and the North Baffin LSA



Source: (NTI, 2022) | Note that data was retrieved on March 14, 2024.

In 2023, a total of 207 active Inuit Firms were registered in the LSA, an increase of 11 Inuit Firms from 2022. Of the 207, 29% (61) of these firms were based in the North Baffin LSA communities and 71% (146) were based in Iqaluit. Since 2013, the number of active Inuit Firms registered in the North Baffin LSA communities has increased by 32, while the number of active Inuit Firms registered in Iqaluit has increased by 62. Growth in the number of firms generally indicates 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).

During the 2023 QSEMC several participants noted they are interested in seeing data regarding contracting activity by location. Table 13 provides contracting data for NTI-registered firms by Inuit living in Nunavut vs. out-of-territory. The majority of the 38 NTI-registered firms currently contracted by Baffinland are located in Nunavut, with only one firm located outside of the territory in Calgary. Nine (9, 24% of all firms) firms are located in the North Baffin LSA in Arctic Bay (2), Clyde River (2), Igloolik (1), Pond Inlet (4), and nineteen (19, 50%) firms are located in Iqaluit.

Table 13. Number of NTI-registered Firms Currently Contracted by Baffinland, by Location

Location	Arctic Bay	Arviat	Calgary	Cambridge Bay	Clyde River	Igloolik	Iqaluit	Pond Inlet	Rankin
Number of NTI-registered firms currently contracted by Baffinland	2	1	1	3	2	1	19	4	5

Residual Effect	Expanded Markets for Business Services to the Project
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 168).
Existing mitigation	<p>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.</p> <p>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.</p>
Monitoring results	<p>Since Project development, a total of \$1.89 billion worth of contracts have been awarded to Inuit Firms. \$171 million in contracts were awarded to Inuit Firms in 2023.</p> <p>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.</p>



3 · 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.” (Baffinland Iron Mines Corporation, 2012, p. 22)

Key Findings

- The average annual population growth rates over the post-development period were 2.3% for North Baffin LSA communities, 1.7% for Iqaluit, and 1.6% for Nunavut – all higher than the Canadian average growth rate of 1.2%. 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.
- Thirty-one Inuit workers have migrated out of the North Baffin LSA since 2015.

3.1 Population and Migration

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

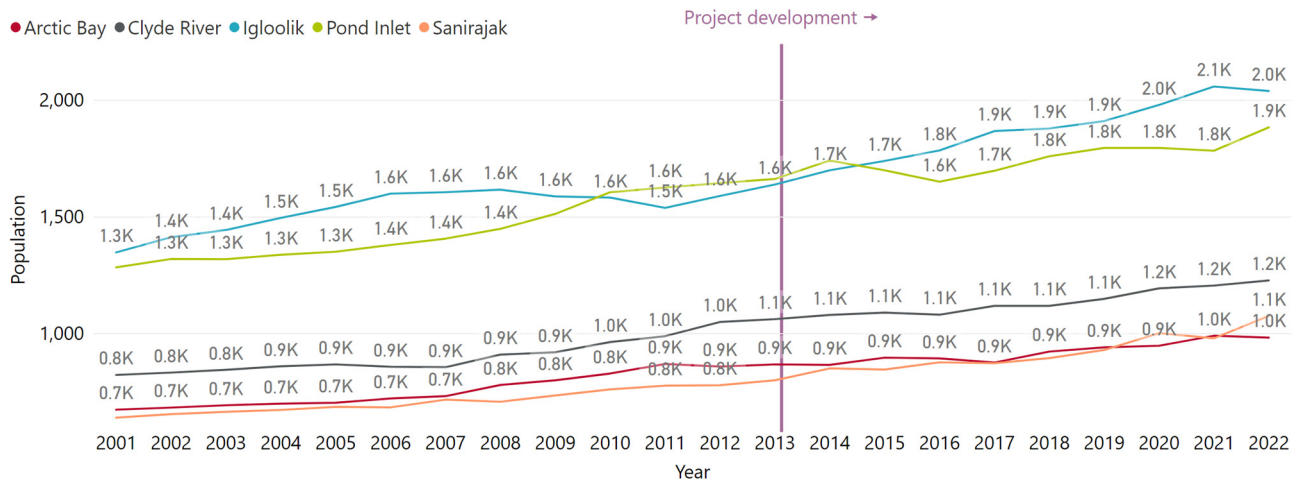
The North Baffin LSA communities, Iqaluit, and Nunavut have all shown positive population growth since Project development. From 2013 to 2022, the North Baffin LSA communities grew from a population of 6,022 to 7,201 (a 19.6% increase). Over the same time, Iqaluit’s population increased 14.9% from a population of 7,409 to 8,513, while Nunavut’s overall population increased 14.7% from 35,337 to 40,526 (Figure 27 shows the most recent LSA community populations).

The average annual growth rates over the post-development period were 2.3% for the North Baffin LSA communities¹⁴, 1.7% for Iqaluit, and 1.6% for Nunavut. These rates are all higher than the Canadian average growth rate of 1.2% over the 2013-2022 period (Statistics Canada). However, Figure 27 shows that population growth trends 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 the Project has been a major influence on these trends.

Data from the most recent national census in 2021 show the overall population of Qikiqtani was 19,355, an increase of 1.9% from 2016. Steady growth has also occurred in the North Baffin LSA, as illustrated in Figure 27, without an apparent significant change in the rate of growth post-Project development.

¹⁴ Note that this is calculated by summing the average growth rate of each North Baffin LSA community over the post-development period, and taking the average of these numbers.

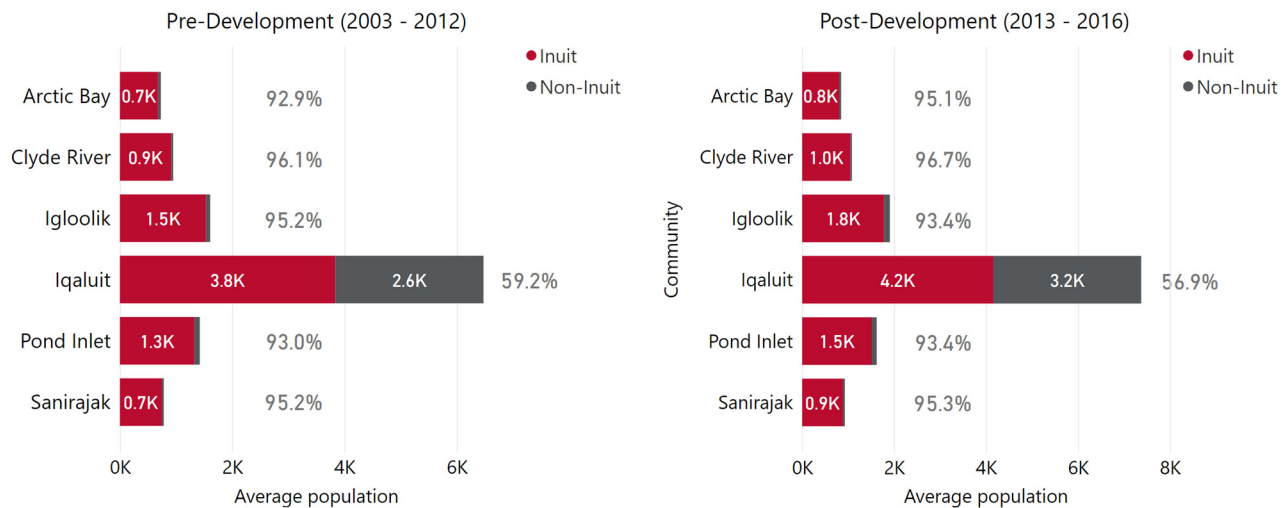
Figure 27. North Baffin Community Populations, Pre- and Post-development



Source: (Nunavut Bureau of Statistics (NBS), 2021) | 2001 to 2020 NBS; 2021 Statistics Canada

Figure 28 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 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 of non-Inuit in Iqaluit. As of Q3 2023, there were two non-Inuit Project employees based in Iqaluit (one employed directly by Baffinland, one employed by a contractor); therefore, it is unlikely that Baffinland has been a significant driver of non-Inuit in-migration to the capital.

Figure 28. Average Inuit and Non-Inuit LSA Community Population as a Percentage, Pre- and Post-development



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

3.2 Project-induced Migration

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

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 can have a negative demographic effect, when considering the “brain drain” of losing trained workers and the departure of accompanying family members. While the 138 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 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 communities during the previous year. Inuit or non-Inuit status was 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.

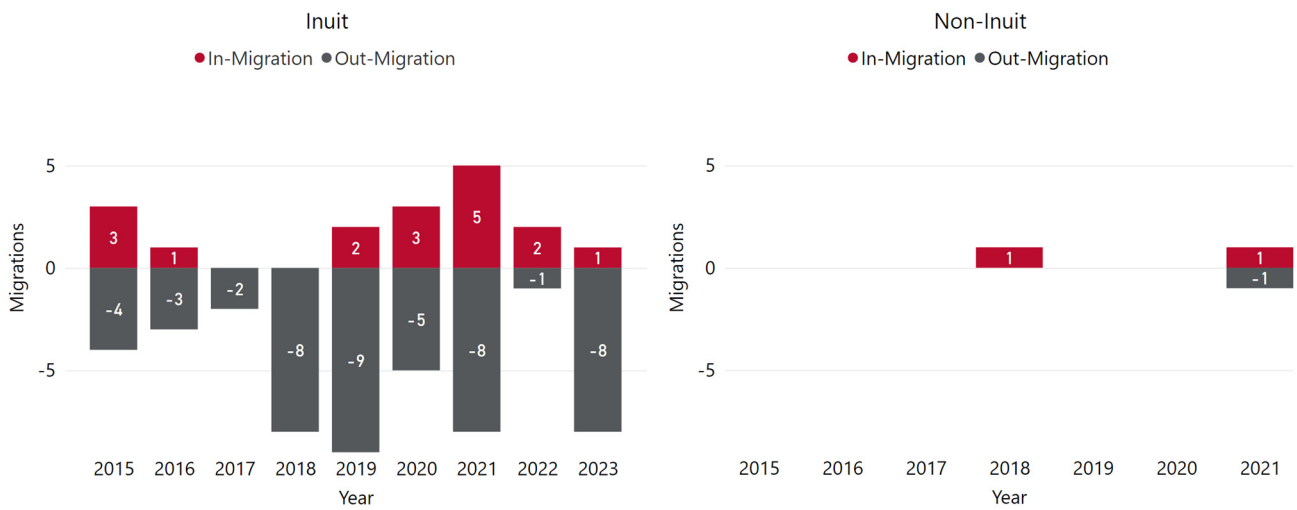
Starting in 2021, data for migration of Baffinland employees was collected by Baffinland’s Human Resources department, who track change of address requests. BCLO data is still used to track contractor migration, and for comparative purposes.

Figure 29 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, 48 workers (cumulatively) have out-migrated since 2015, with several having moved to Iqaluit. Comparatively, 17 workers have in-migrated during the same time frame. This amounts to a net change of 31 workers who have out-migrated from the North Baffin LSA since 2015.

Migration intentions shared in the 2023 Inuit Employee Survey responses suggest a similar trend to the past several years of movement, with 5 respondents (7%) expressing an intention to move from one community to another in the next year. Of the 5 respondents who expressed an intention to move in the next year, no respondents indicated that they planned to move back to the Qikiqtani from outside of the territory (i.e. in-migration) and 3 respondents indicated that they planned to move from the Qikiqtani to outside the territory (i.e. out-migration) or within the Qikiqtani. Of the three respondents considering out-migration, one respondent indicated plans to move from Sanikiluaq to Iqaluit, one indicated plans to move from Iqaluit to Montreal or Winnipeg, and one indicated plans to move from Igloolik to Iqaluit or Ottawa. The remaining two respondents did not specify which community they planned on moving to. Reasons for declared

migration intentions included better housing, being closer to friends and family, cost of living, being closer to work, to find a job, and better access to services.

Figure 29. Known LSA Migration of Baffinland and Contractor Employees (Inuit and non-Inuit) *

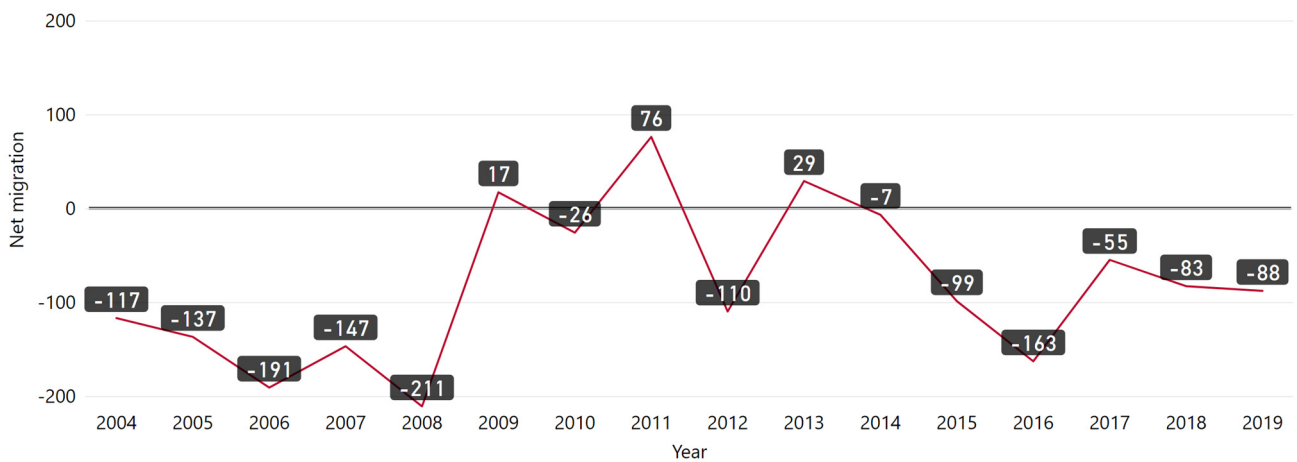


Source: (Baffinland, 2023) | *Note: See text box 'Monitoring Migration'. Migration data collected prior to 2015 is not presented due to concerns with accuracy.

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.. Data on births and deaths indicate that there were on average four live births for every death in Nunavut prior to 2020 (Nunavut Bureau of Statistics, 2020) (Nunavut Bureau of Statistics (NBS), 2021). The ratio of birth-to-death strongly suggests that the population has been increasing through natural growth, both in the LSA and in Nunavut, however, this trend may have changed since data was last available.

Figure 30, below, shows that Nunavut net migration has been negative for the past number of years for which data is available. In other words, more people were moving out of Nunavut than moving into Nunavut in the few years before 2020.

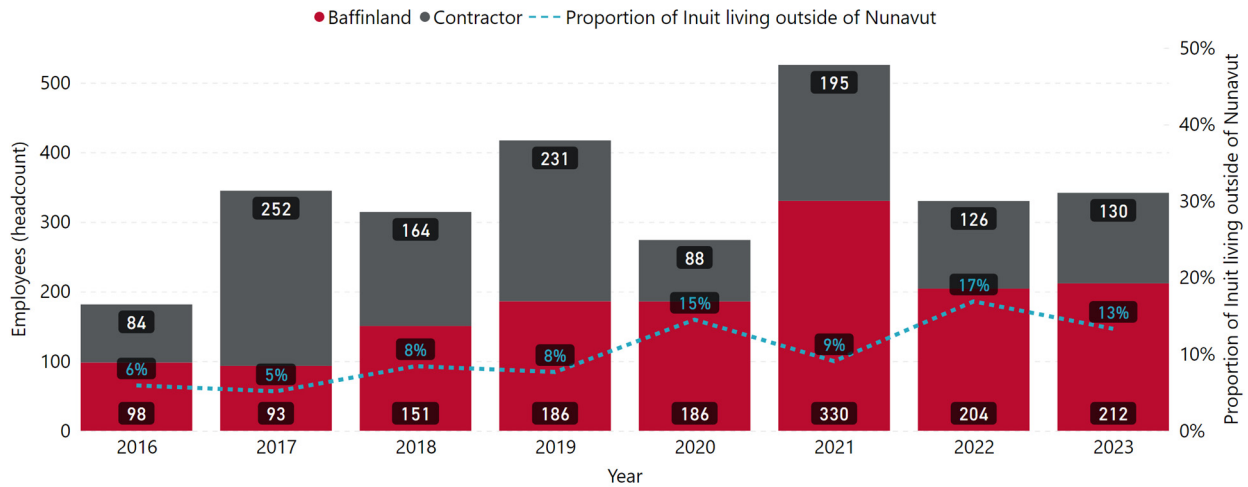
Figure 30. Annual Nunavut Net Migration (2004 – 2019)



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

Figure 31, below, shows the percentage of Inuit Baffinland and contractor employees living outside Nunavut. The increase in the proportion of Inuit workers living outside of Nunavut from 2019 to 2020 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 were based outside of Nunavut. The 2023 proportion of Inuit workers living outside of Nunavut remains above 2016 to 2019 levels, however, still represents a decrease from 2020 and 2022 levels.

Figure 31. Baffinland and Contractor Inuit Employees (headcount) and Proportion Residing outside of Nunavut



Source: (Baffinland, 2023) | Note: Based on average headcount

Residual Effect	In-Migration of Non-Inuit Baffinland Employees to the North Baffin LSA
Summary	The FEIS 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) (Baffinland Iron Mines Corporation, 2012, p. 16). 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” community 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 FEIS predicted some out-migration of Inuit residents from the North Baffin LSA could occur (i.e. 1% to <5% of the total population) (Baffinland Iron Mines Corporation, 2012, p. 16). 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, including Iqaluit, as 'points of hire', with no-cost transportation provided to Project employees from these points of hire to the mine site.
Monitoring results	<p>Baffinland data, including Human Resources data and BCLO survey, indicates a net negative migration (i.e., out-migration) of 31 Inuit workers from the North Baffin LSA since 2015, accounting for 0.7% of 2012 North Baffin LSA population. This is lower than the lower end of the out-migration estimate from the FEIS (i.e. 1%).</p> <p>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 unknown whether out-migration from the North Baffin LSA might have been any different if the Project was not there.</p>



4 · Human Health and Well-being

The well-being 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.” (Baffinland Iron Mines Corporation, 2012, p. 148)

“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.” (Baffinland Iron Mines Corporation, 2012, p. 148)

“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.” (Baffinland Iron Mines Corporation, 2012, p. 148)

Key Findings

- Based on the results of the 2023 Inuit Employee Survey, there is also positive feedback from Project Inuit employees on the ability of their total household income to meet their families’ needs, with 42% of respondents saying they had enough or more than enough income to meet their needs.
- Self-reported worker and family health and well-being has also improved. While less respondents reported that their health and well-being had been *very improved* (6% in 2023 compared to 14% in 2022), the proportion of respondents who indicated that it had *improved* stayed the same between these two years at 36%. As well, no respondents reported a negative effect to well-being in the 2023 survey compared to 9% in 2022. The same proportion of respondents reported a variable impact on their well-being (i.e., both improved and worsened) in both years (7%).
- 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 up until 2017, the last year for which data are available. 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 and, as such, Project effects are difficult to discern or may not be significant.
- An increase in violations for a number of crime-related metrics can be observed in the North Baffin LSA post-development. Similar trend can be seen throughout the Qikiqtani. 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 average annual impaired driving violations per 1,000 people in the North Baffin LSA, Iqaluit and Nunavut have increased from pre- to post-development. Compared to a 38% increase for both Iqaluit and Nunavut, the average annual impaired driving violations in North Baffin increased by 100%, however similar increases can be observed across the Qikiqtani. This trend can also be seen at the national level as law enforcement reported impaired driving violations, especially for operation of impaired (drugs), has experienced a steady increase over the past decade with a sharp increase following the legalization of marijuana in 2018 (Public Safety Canada, 2022).

- North Baffin LSA, Iqaluit, and Nunavut have all seen rapid decreases in drug violations during the post-development period of between approximately 50-60%.
- Average crime rates have increased by approximately 36% in the North Baffin LSA between the pre-development and post-development periods, with a similar trend observed across the Qikiqtani. Nunavut also experienced a modest increase (8%) between the same periods, whereas Iqaluit’s average annual crime rate decreased during this time.
- 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.

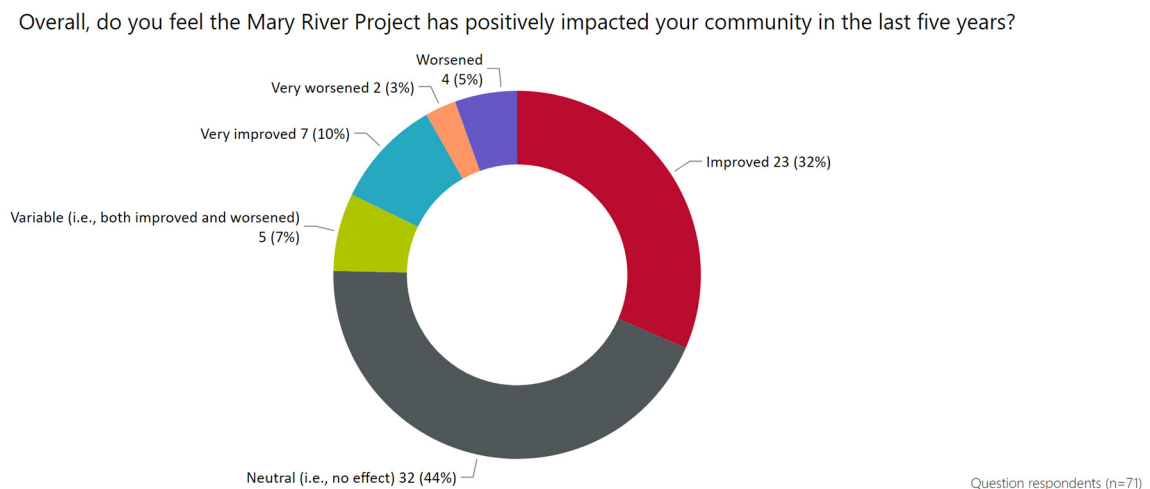
4.1 Employee and Community Health and Well-being

The health and well-being 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 well-being is therefore challenging. This section presents a variety of indicators for discussion, including the perspectives of Inuit employees who responded to well-being-related questions in the Inuit Employee Survey, which was most recently administered by Baffinland in Q4 of 2023. This section also draws on available community-level data that provide proxy indicators of health and well-being (i.e. indirect indicators of health and well-being).

As shown in Figure 32, most respondents to the 2023 Inuit Employee Survey stated that that the Project has had a *neutral* (45%), *improved* (32%), or *very improved* (10%) impact on their communities’ well-being. Respondents provided comments indicating variable impacts, including, for example, positive impacts of hiring of local Inuit and negative impacts of the Project on narwhals. To determine broader community-level perceptions of the Project’s impact on well-being, a community survey for non-Baffinland employees /contractors would need to be conducted.

Inuit Employee Perceptions on Health and Well-being

Figure 32. Perceived Impact of Project on Community (2023)

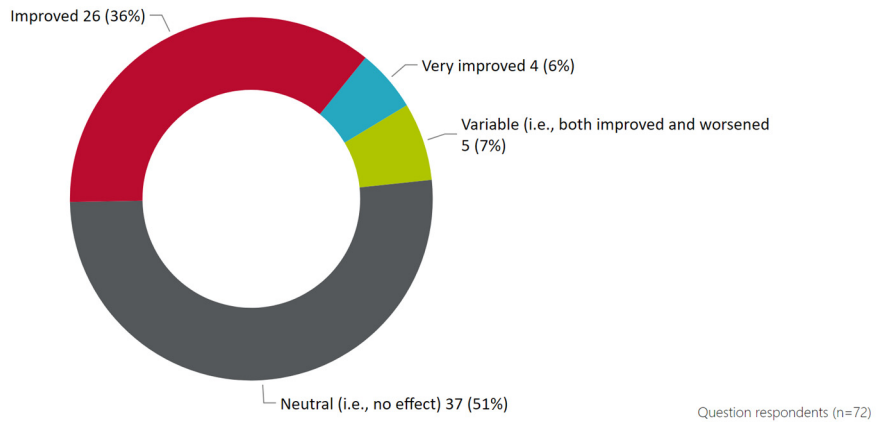


Source: (Baffinland (survey), 2023)

Baffinland does not have access to data on Inuit workers’ families’ well-being, making it difficult to draw conclusions on Project impacts on family well-being. However, as seen in Figure 33, there are positive indications from the survey, where 42% of respondents said that worker and family well-being had been *improved* or *very improved* since starting work at the Project. No respondents (0%) reported a negative impact on well-being, and five respondents (7%) reported a variable impact on their well-being (i.e., both improved and worsened).

Figure 33. Perceived Impact of Project on Health and Well-being

How has the health and well-being of you and your family changed since obtaining Project employment?



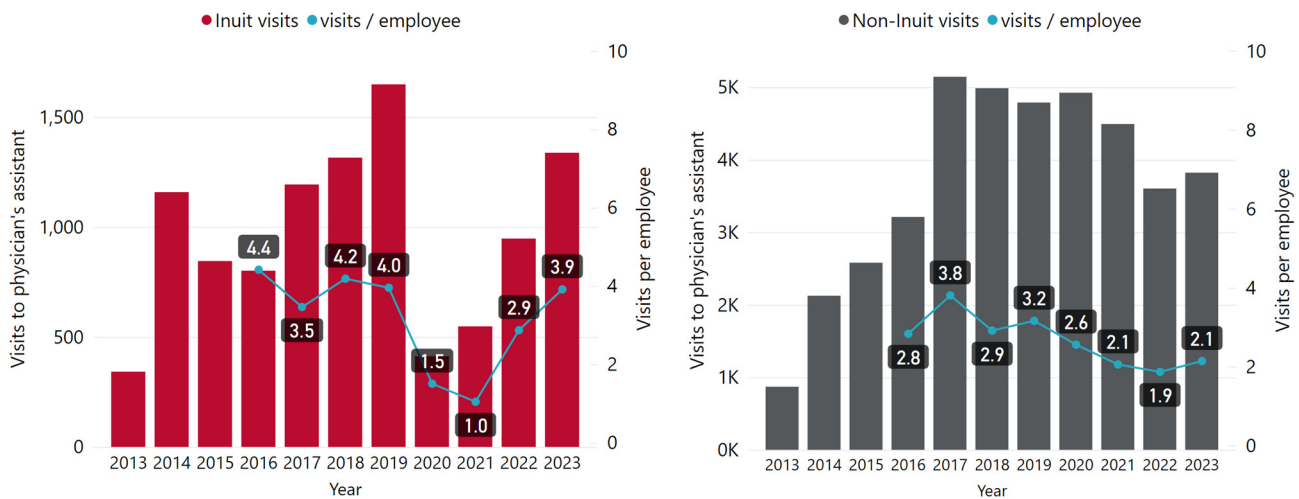
Source: (Baffinland (survey), 2023)

Inuit Employee Mental and Physical Health

Visits to the Project site physician’s assistant provide some insight into Inuit employee mental and physical health. 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 centres. Improving access to health care would be a positive impact, but it would be difficult to quantify the extent.

Figure 34 displays the number of recorded visits to the Project site physician’s assistant since 2013, for both Inuit and non-Inuit employees (Baffinland and contractors).

Figure 34. Visits to Project Site Physician’s Assistants by Inuit Status



Source: (Baffinland, 2023) | Note: visits per employee is calculated using headcounts

Figure 34 shows a predictable drop in visits to the site physician in 2020 and 2021, followed by a rebound of visits for Inuit employees (in total number and per employee). This was a result of Nunavummiut residents being demobilized from site due to the COVID-19 pandemic. In 2023, this rebound from early pandemic levels continued, with the number of visits per Inuit employee increasing to 3.9 (from 2.9 in 2022). While the total number of visits by Inuit has not rebounded to 2019 levels, the 1,337 visits by Inuit in 2023 is comparable, or more than, all years prior to 2019. For non-Inuit employees, the number of visits per employee steadily decreased each year from 2019 to 2022, increasing slightly in 2023 to 2.1 visits per employee (from 1.9 in 2022). The total number of visits by non-Inuit employees is comparable between 2022 and 2023.

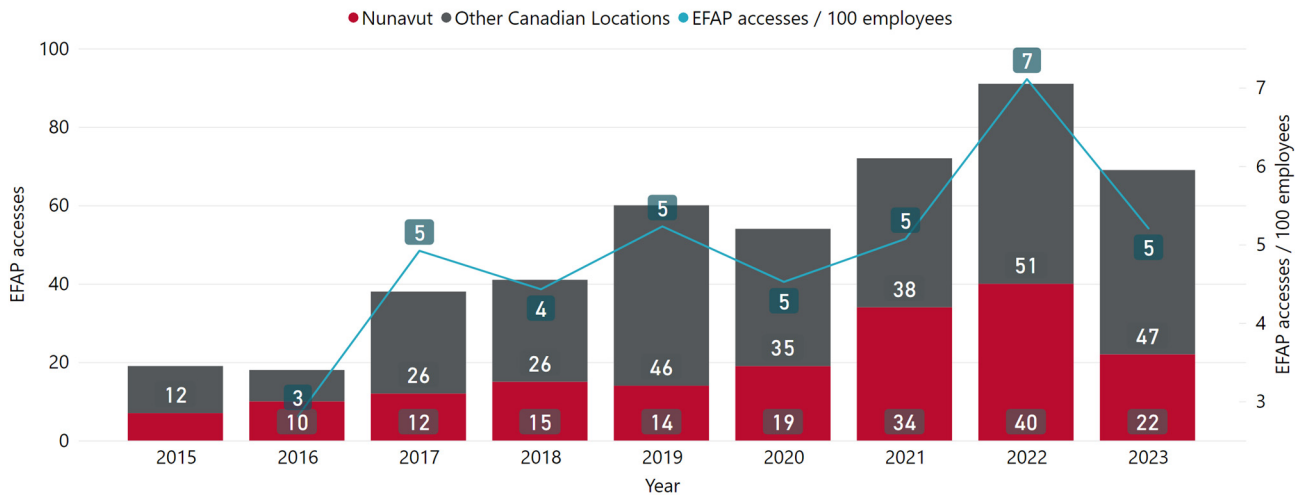
Without data on the prevalence (proportion of people) and incidence (number of new cases) of specific indicators of Inuit health status such as non-communicable and communicable diseases and mental health, and any changes over time compared to the general comparable population, it is not possible to draw quantitative conclusions on Project effects on Inuit worker health.

Baffinland’s Employee and Family Assistance Plan

Members of the SEMWG previously requested that data on the number of times Baffinland’s Employee and Family Assistance Plan (EFAP) is accessed be included in Baffinland’s socio-economic monitoring program. Baffinland implemented its EFAP in 2015 to provide its employees and their families 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, and work-life balance. The program offers counselling as well as lifestyle and specialty coaching. The program can be accessed both over the phone and online, with the phone service being offered in both English and Inuktitut. The program is made available to Baffinland employees, their spouses, and their dependents.

Figure 35 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 per employee continues to be relatively consistent, continuing from several years where EFAP usage has remained at approximately 5 accesses per 100 employees (with the exception of 2022, at 7 accesses).

Figure 35. Number of Times Baffinland’s Employee and Family Assistance Plan (EFAP) was Accessed



Source: (Baffinland, 2023)

The usage of EFAP by Nunavut-based employees decreased in 2023, with 22 EFAP accesses, a decrease of 18 from 2022. For non-Nunavut based employees, EFAP access also decreased by a lesser degree from 51 accesses in 2022 to 47 in 2023. It is possible that in 2022, increased promotion of the program for Baffinland’s employees and their families, coupled with the ongoing impacts of the COVID-19 pandemic and operational uncertainty, influenced high use of the service during this year.

Similar to the number of visits to the site's physician assistant, increased or decreased EFAP usage does not necessarily indicate negative effects. The majority of EFAP counselling service usage was conducted over the phone or through video.

On-site Cultural Advisors are available for all Baffinland and contractor Inuit employees. In 2022, Baffinland hired two on-site mental health counsellors whose services are available to all employees throughout 2022 and 2023. Baffinland began tracking usage of these services in 2023. From January to December 2023, a total of 1,752 counselling sessions were administered to Baffinland employees and contractors. Sessions for Inuit employees and contractors made up 62.5% (1,095 sessions) of total sessions, with non-Inuit employees and contractors making up 37.5% (657) of total sessions.

Baffinland has received positive feedback regarding its on-site mental health counselling services. For instance, many Inuit employees have indicated that these services have helped them, especially for those who do not have consistent mental health counsellors in their home communities. Inuit employees have also reported that, since introducing these services on site, they have been able to learn more about mental health in general and how to cope with anxiety, depression, grief, etc. The on-site counsellors have also been able to provide assistance on matters falling outside of mental health. For example, counsellors have been able to connect Inuit employees to services provided through other organizations for issues relating to housing, government-issued IDs, etc.

The hiring of on-site mental health counsellors may be a factor influencing the decrease in EFAP use in 2023 by Baffinland employees and contractors. As Baffinland started tracking the number of counselling sessions in 2023, not enough data exists to suggest causation. As such, Baffinland will continue to monitor these data in efforts to determine the effect of introducing on-site mental health counsellors on the frequency of EFAP usage.

Per Article 11.7 of the IIBA, a Community Counsellor Program has been established by Baffinland in the North Baffin LSA communities. In partnership with Ilisaqsivik Society, Inuit counsellors have been hired to work within Clyde River and Pond Inlet. The program offers culturally and linguistically relevant counselling services in Nunavut while also increasing the number of trained Inuit counsellors who are able to provide counselling services in Inuktitut. Ilisaqsivik provides the in-community support services and also provides virtual services, this partnership enables counselling support for all individuals living in Impacted communities.

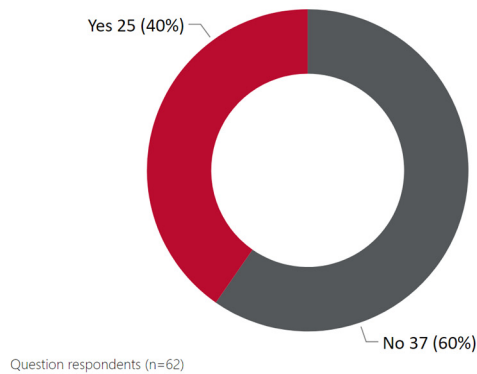
Child Care

An increase in childcare can have a positive impact on women's participation in the labour force (Rogers, 2016). In the 2023 Inuit Employee survey, when respondents were asked whether they use childcare services (formal and informal) in their community so that they can go to work, 10 respondents (13%) answered yes, with most of these respondents living in the North Baffin LSA (7 respondents out of the 10 who answered yes).

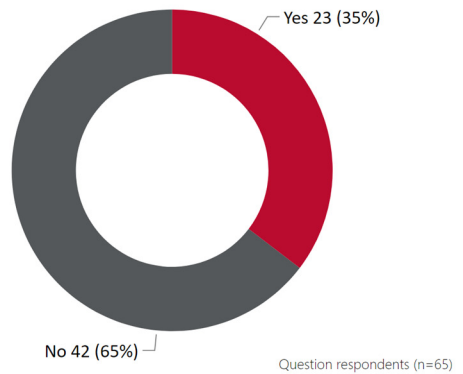
In previous years of the Inuit Employee survey, opinions on childcare were solicited through the question: "Do you feel there are sufficient and affordable options and access to childcare in your community?" In the 2023 survey, this question was split into two questions to ascertain more specific concerns, including the questions: "Do you feel there are affordable options and access to childcare in your community?" and "Do you feel there are sufficient options and access to childcare in your community?". As seen in Figure 36, when asked if they feel there are sufficient and affordable options and access to childcare in their community, the majority of respondents answered that there were not sufficient (65%) and/or affordable (60%) options. This indicates similar sentiment to responses from 2022, where 65% of respondents answered that there were not sufficient and affordable options in their community. Both years (2023 and 2022) represent an increase in this sentiment from 2020 (44%). When reviewing responses of Nunavut-based respondents, 33 (61%) reported feeling there were no affordable options and access to childcare in their community, and 38 (67%) reported that there were no sufficient options. This suggests childcare accessibility for Inuit employees may be more limited in Nunavut compared to other geographic locations, although this is a smaller geographic gap than previous years.

Figure 36. Perceptions on Access to and Affordability of Childcare

Do you feel there are affordable options and access to childcare in your community?



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



Source: (Baffinland (survey), 2023)

In the 2020 Qikiqtani Labour Market Analysis, which included an Inuit Labour Force Barriers Analysis, a key barrier identified related to a weak social infrastructure, including lack of affordable childcare and housing (Mining Industry Human Resources Council (MiHR), 2020). Baffinland’s 2023 Inuit turnover exit interviews included reasons related to family and working closer to home, as well as two specific rationales related to caregiving. One employee moved back to her home community to look after her children, with another being attributed to returning home to take care of a dependent. However, no employees who resigned specifically referenced a lack of childcare availability.

Inuit Employee Housing Status

As shown in Table 14, Inuit employee survey results over the last several years suggest that most Inuit workers live in public housing, with only a small fraction owning their own home. From 2022 to 2023, the proportion of respondents who are considering purchasing a home more than doubled, from 25% to 52%. This represents a rebound to 2020 levels of interest following a significant decrease in reported interest from 2020 to 2022. However, given the small sample size of the 2022 survey compared to the 2020 and 2023 surveys, as well as the potential impact of the COVID-19 pandemic and operational uncertainty on the 2022 survey, it is difficult to draw conclusions related to changing interest in home ownership.

Table 14. Inuit Employee Survey Responses on Housing

Percentage of respondents that...	2020	2022	2023
Live in public housing	55%	49%	53%
Own their own home	6%	7%	6%
Are considering purchasing a home	44%	25%	52%

Source: (Baffinland (survey), 2023)

Note: No survey was conducted in 2021 due to COVID-19 and logistical constraints.

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 survey responses to the question: “If you have not purchased your own home, please explain why? (select all that apply)” Many respondents indicated financial concerns, with 45% indicating that they had not been able to save enough

money for a down payment, 18% indicating that maintaining a home is too expensive, and 7% indicating that the mortgage payments would be too high. Another key theme was housing availability, with 23% of respondents saying that there were no homes for sale in their community and 18% saying that there were no homes that met their and/or their families' needs.

A slightly increased proportion of respondents to the 2023 survey (27%) reported that they did not know how to go about buying a home, compared to 22% in 2022. However, this is still much lower than the 67% of respondents who indicated this in the 2020 survey. A similar proportion of respondents in both 2023 and 2022 (72% and 75%, respectively) were not aware of the Nunavut Down Payment Assistance Program offered by the Nunavut Housing Corporation.

There is potential for Baffinland to play a role in helping Inuit workers better understand the process and costs in purchasing a home. Baffinland will look to engage with the NHC to connect employees to housing-related resources to increase knowledge of available housing-related programming.

Absence from Community due to Work Rotation

Residual Effect	Absence from the Community During Work Rotations
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 141).
Existing mitigation	<ul style="list-style-type: none"> • A three week in/three 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. The Fund was created to address special needs such as creating opportunities for capacity building and maintain consistency with community development goals, as defined in Article 12.2 of the 2018 IIBA. • 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.

4.2 Income and Social Assistance

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

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

Figure 37 below shows the proportion of tax filers with employment income in Iqaluit, the North Baffin LSA and Nunavut, while Figure 38 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 slowed down in 2014, where 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 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 in median employment income, to which the Project likely contributes (Figure 38). The FEIS predicted that the Project could improve household income in the LSA over time (Baffinland Iron Mines Corporation, 2012, pp. 142-143). These indicators will continue to be monitored for emerging trends.

Figure 37. Proportion of Tax Filers with Employment Income (2006 – 2017)

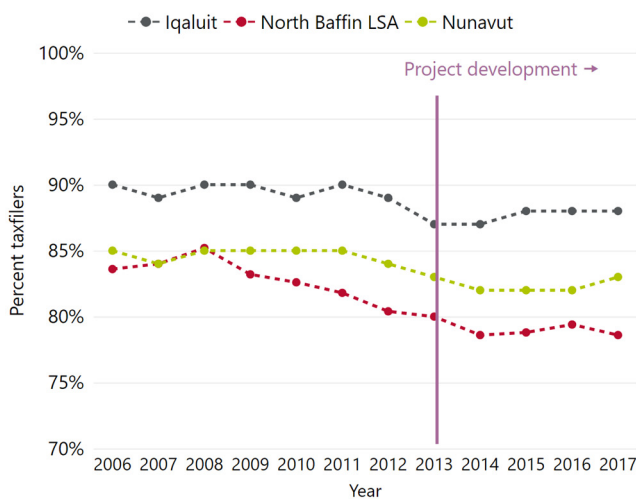
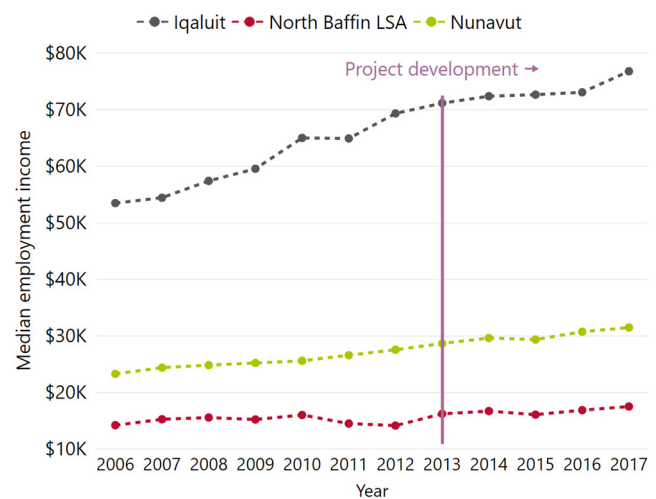


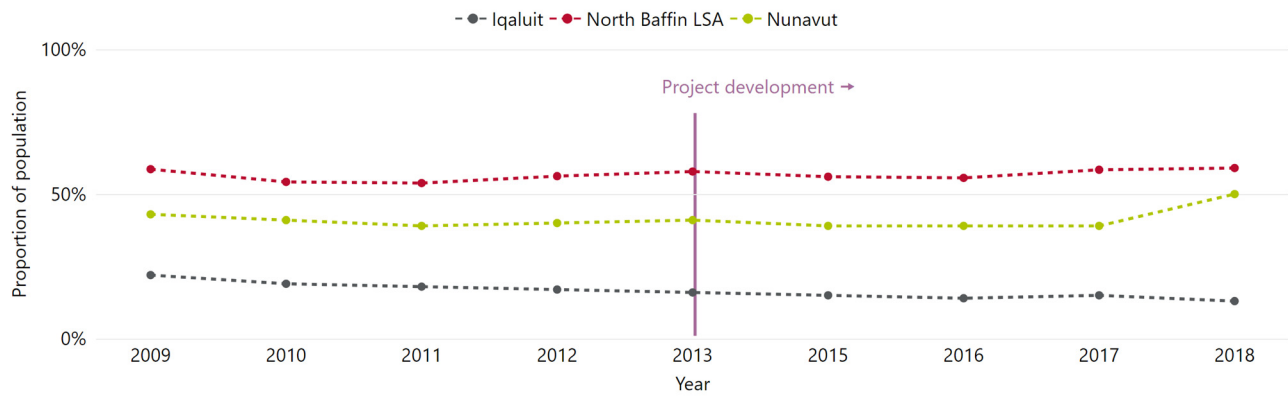
Figure 38. Median Employment Income (2006 – 2017)



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

Figure 39 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 was 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 assistance 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, gradual decline in Iqaluit).

Figure 39. 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 this period suggests that the labour market has grown as well. The Project has likely had a positive effect on preventing social assistance levels from growing more during this time.

Residual effect	Household Income and Food Security
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 130).
Existing mitigation	<ul style="list-style-type: none"> • Meaningful employment and incomes • Work readiness training, which includes a financial literacy component • 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 9.2)
Monitoring results	<p>77% of 2022 Inuit Employee Survey respondents reported an improved or very improved ability to provide for themselves and their families, up from 67% in 2020. In response to the new question on the 2023 survey, “Has your total household income been enough to meet your families’ needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment?”, 35% of respondents reported having “enough” income and 7% reported “more than enough” income. This may be an indication that food security has improved for these families. A slightly smaller proportion of respondents reported having “not enough” income (29%), while another 29% of respondents indicated that they preferred not to answer (16%) or didn’t know (13%).</p> <p>Nearly \$15 million was paid to 138 Inuit FTEs in the North Baffin LSA in 2023 by Baffinland and contractors, with an average salary of nearly \$108,000 in 2023. Considering the large number and high proportion of NOC Skill Level C and NOC Skill Level D 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.</p> <p>An improved ability to provide for their families is apparently having a positive impact, as 42% of Survey respondents reported improved or very improved health and well-being in their families (51% reported a neutral impact). No respondents reported a worsened or very worsened impact.</p> <p>Finally, while there have not been highly significant changes to 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. However, these data are outdated and further conclusions require updated data.</p>

4.3 Infractions and Criminal Violations

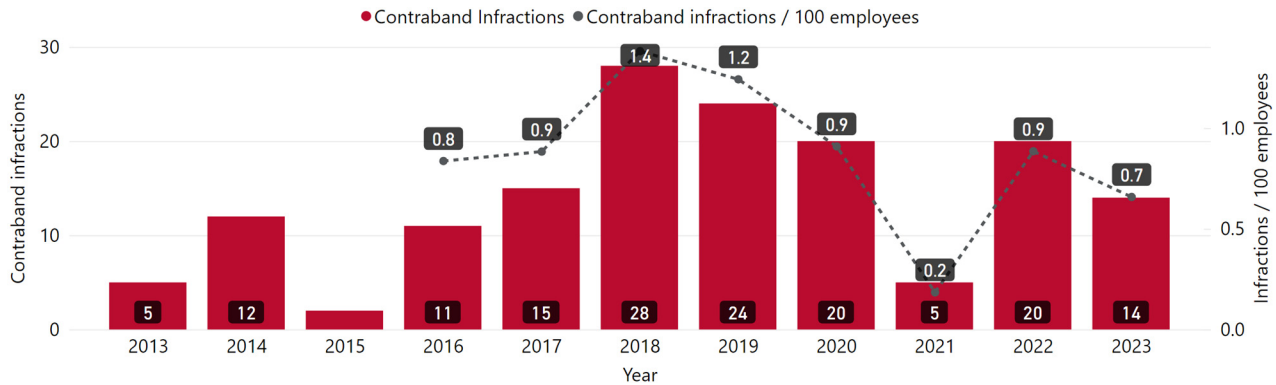
Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

Drug and Alcohol Contraband Infractions

The number of drug and alcohol related contraband infractions at the Project is a useful indicator for the presence of illicit substances. 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.

Figure 40 depicts the number of drug and alcohol related contraband infractions at Project sites, including confiscated drugs, alcohol, or related paraphernalia. In 2023, 14 drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees – a decrease of 6 infractions from 2022 and representing the second lowest overall number of infractions since 2017. This topic will continue to be monitored for emerging trends.

Figure 40. Drug and Alcohol related Contraband Infractions at Project Sites



Source: (Baffinland, 2023)

Following a dip and subsequent rebound in contraband infractions (total and per 100 employees) in 2021 and 2022, total number of contraband infractions decreased from 2022 to 2023. The number of contraband infractions per 100 employees similarly decreased from 2022 to 2023, from 0.9 to 0.7. This represents the lowest rate per 100 employees since this indicator was first tracked in 2016. It is possible that the low rates in 2021 are due to restrictions related to COVID-19 that would have limited the movement of contraband at the Project sites. Without more disaggregated data, it not possible to measure the effects the Project has had 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).

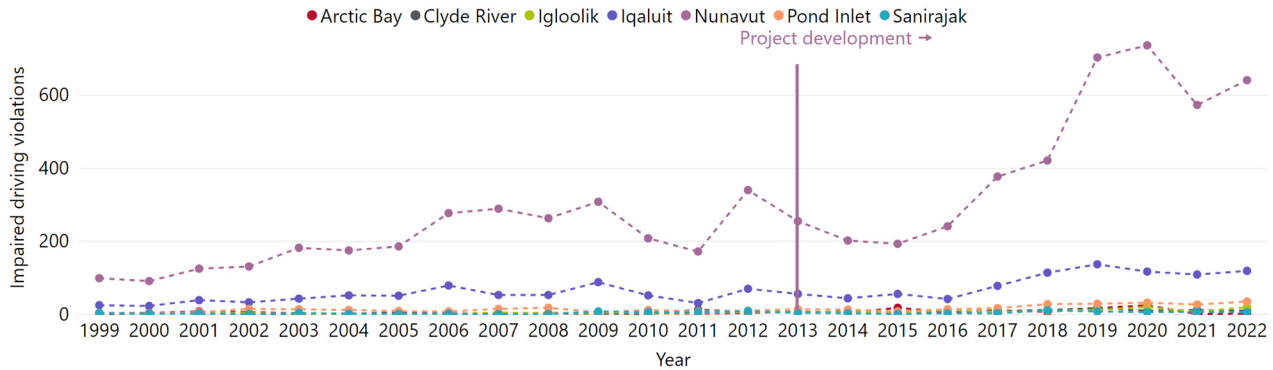
During the post-development period, there were two noteworthy developments in the LSA related to drugs and alcohol. The first is the 2017 opening of the territory’s first beer and wine store in Iqaluit, which was done as part of the Government of Nunavut’s decision to try a ‘harm reduction approach’ in addressing alcohol behaviours by making low-alcohol content beverages more accessible (Government of Nunavut, Department of Finance, 2020). The second is the legalization 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. A second store was seeking government approval to open in Iqaluit as of late 2022, however, a review of secondary sources indicate that this store did not open in 2023 (Venn, 2022).

Residual effect	Transport of Substances Through Project Site
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 134).
Existing mitigation	<ul style="list-style-type: none"> • 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 2023, accompanied by a decrease in the rate of infractions per 100 employees.

Impaired Driving Violations

The number of impaired driving violations, defined as impaired operations with alcohol or drug use, in the LSA may provide insight into whether rates of alcohol abuse are changing. Impaired driving violations within Nunavut and communities are shown in Figure 41 (total numbers) and Table 15 (number per 1,000 people).

Figure 41. Impaired Driving Violations within Nunavut and Communities



Source: (Statistics Canada, 2023; Nunavut Bureau of Statistics (NBS), 2018d) | Note: Nunavut Bureau of Statistics 1999-2018, Statistics Canada 2019-2022

The number of impaired driving violations within Nunavut and communities has generally increased over most of the post-development period for Nunavut, Iqaluit and the North Baffin LSA. In Iqaluit, the number of impaired driving violations began a downward trend starting in 2019, although there was an increase of 10 violations from 2021 to 2022. Nunavut-wide data shows a large increase from 2015 to 2020 (with 735 impaired driving violations in 2020), followed by a decline to 572¹⁵ violations in 2021, and a return to the trend of increasing violations in 2022 with 640 violations (Statistics Canada, 2023). The increase in impairment violations may be due to a variety of factors including changes in legislation that facilitate investigation and charging of drug-impaired driving (DID) incidents, a significant increase in law enforcement awareness and training on how to detect and investigate DID (Public Safety Canada, 2022), while at the same time strengthening administrative sanction regimes geared toward fines and/or the banning of impaired drivers from roads (i.e. licence suspension) for a period of time. An increase in such violations may also be attributed to increased access to alcohol and/or drugs. According to MADD Canada (2019), an increase in the availability of alcohol (or any other drug(s)) is associated with increased substance consumption and increased health and/or social harms.

While infractions in Nunavut in 2022 were still lower than 2020 levels, the number of infractions in 2022 are the third highest since 1999, behind 2020 and 2019. Several public officials across Nunavut indicated their own and their constituents' concerns regarding increases in impaired driving in 2023, particularly in Iqaluit. In December 2023, in response to growing frustration with impaired driving, the Nunavut Liquor and Cannabis Commission distributed thousands of vouchers for free taxi rides Iqaluit, Rankin Inlet and Cambridge Bay to encourage residents not to drive impaired (Pelletier, 2023). The city has started discussions with the territorial government and RCMP about creating a public safety program and plan regarding impaired driving (Nunatsiaq News, 2023). As this trend appears to exist across the territory, further engagement and research are needed to conclusively determine a possible relationship between the Mary River mine and impaired driving violations.

The average annual driving violations per 1,000 people in the North Baffin LSA, Iqaluit and Nunavut have all increased from pre- to post-development, however average annual impaired driving violations in North Baffin increased by 100%, compared to a 38% increase for both Iqaluit and Nunavut.

¹⁵ This number has been corrected since the 2022 SEMR (previously reported as 574) as the source data is periodically updated by Statistics Canada as cases evolve over time.

Table 15. Average Annual Impaired Driving Violations per 1,000 People

	North Baffin LSA	Iqaluit	Nunavut
2001-2007	3	8	6
Pre-development (2008-2012)	4	8	8
Post-development (2013-2022)	8	11	11

Source: (Statistics Canada, 2023; Nunavut Bureau of Statistics (NBS), 2018d) | Note: numbers have been rounded.

In the North Baffin LSA, the community of Arctic Bay has the highest change in average rate of impaired driving violations, nearly tripling from pre- to post-development periods. Other North Baffin communities have also experienced increases in the average rate of impaired driving violations in the post-development period, with increases between approximately 84% and 106% compared to the pre-development average. Sanirajak is the only community in the North Baffin LSA to have experienced a decrease in the rate of impaired driving violations between the pre-development and post-development periods.

At the 2023 QSEMC, multiple community members expressed concern about increased disposable income leading to alcohol use (ERM and Aglu Consulting, 2023). However, increases can be observed across the Qikiqtani and Nunavut in general. Average annual impaired driving violations have increased between the pre-development and post-development periods by 72% for non-North Baffin Qikiqtani communities¹⁶, compared to 79% for North Baffin LSA communities. This trend can also be seen at a larger scale where, nationally, the number of police reported impaired driving incidents for operating a vehicle while impaired (drugs) has steadily increased over the past decade, with a spike in impaired driving incidents in 2018 following the legalization of marijuana (Public Safety Canada, 2022).

The opening of beer and wine stores in Iqaluit (which became permanent in June 2020) and Rankin Inlet (which opened in December 2021) has significantly increased access to alcohol across Nunavut (McKay, 2022). When comparing four-year time period averages pre-store opening and post-store opening (2014-2017 and 2017-2021), both the North Baffin LSA and non-North Baffin Qikiqtani communities saw increases in impaired driving violations (84% and 166%, respectively). At the 2023 QSEMC, as noted above, multiple community members expressed concern about increased access to alcohol across the territory, with the issue of increased access to alcohol in dry communities being raised specifically. However, one discussion group at the QSEMC noted that some Inuit employees continue to abstain from drugs and alcohol when returning to their communities, which some participants attributed to Baffinland’s zero-tolerance policy for drugs and alcohol use at site (ERM and Aglu Consulting, 2023). 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, including changes in restrictions and access to alcohol, effects of COVID-19, changes in law enforcement, as well as community-specific factors. However, similar trends (i.e. increase in police reported impaired driving incidents) can be observed at a national level.

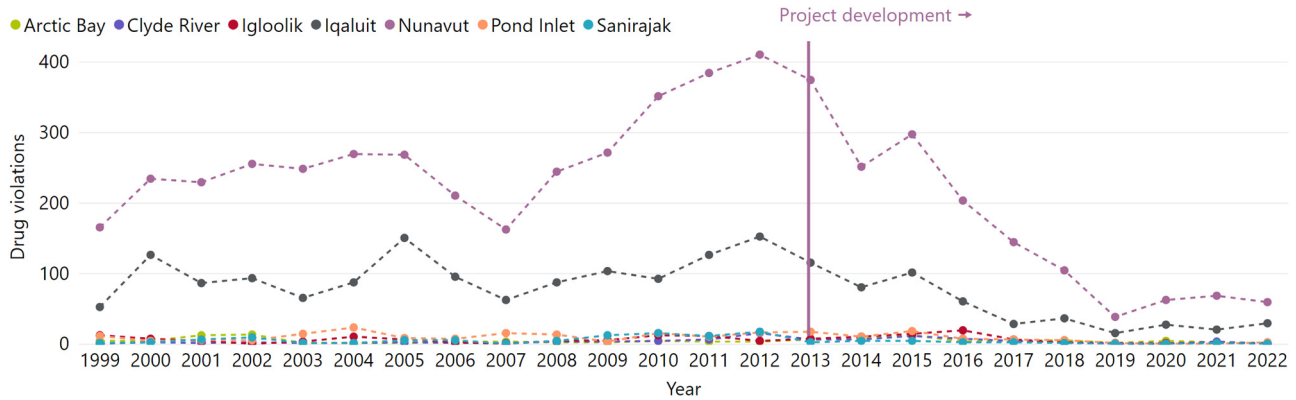
While the rate of impaired driving violations in the North Baffin LSA remains lower than the Iqaluit and Nunavut averages, due to significant increase in the post-development period, this topic will be closely monitored by Baffinland and the QSEMC, including the RCMP.

Drug Violations

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. Figure 42 (total drug violations) and Table 16 (average annual drug violations per 1,000 people) shows the number of drug violations processed by local RCMP detachments within Nunavut and the communities. 2022 was the most recent year for which data on the number of drug violations was available (Statistics Canada, 2023). The average number of drug violations discussed in this report, including in Figure 42 and Table 16, include those related to possession, trafficking, production and/or distribution of cannabis until the Nunavut Cannabis Act was passed on June 13, 2018.

¹⁶ Not including Iqaluit

Figure 42. Drug Violations Processed by Local RCMP within Nunavut and Communities



Source: (Nunavut Bureau of Statistics (NBS), 2018d; Statistics Canada, 2023) | Note: Nunavut Bureau of Statistics 1999-2018, Statistics Canada 2019-2022; Drug violations in above figure include those related to possession, trafficking, production and/or distribution of cannabis until the Nunavut Cannabis Act was passed on June 13, 2018.

All three areas (North Baffin LSA, Iqaluit, Nunavut) have followed a similar pattern when looking at the three time periods – increase from 2001-2007 to the pre-development period, and then a decrease during the post-development period. The North Baffin LSA, Iqaluit, and Nunavut have all seen rapid decreases in drug violations during the post-development period of between approximately 50-60%. Drug violations increased slightly in Nunavut from 2019 to 2021, and in Iqaluit from 2019 to 2022, however, these increased numbers still much lower than the amount of violations from the beginning of the post-development period.

Table 16. 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 (2013-2022)	4	7	4

Source: (Nunavut Bureau of Statistics (NBS), 2018d; Statistics Canada, 2023) | Note: Numbers are rounded. Iqaluit average drug violations for each time period have been corrected compared to what was reported in the 2022 Socio-Economic Monitoring Report. Drug violations in above table include those related to possession, trafficking, production and/or distribution of cannabis until the Nunavut Cannabis Act was passed on June 13, 2018.

The data do not currently suggest negative Project effects, as the average number of drug violations and annual drug violations per 1,000 people has declined in the LSA since Project development and the trends are generally similar across all areas. However, like other criminal violations, there are multiple factors and the legalization of cannabis in 2018 may also be contributing to a decrease in drug violations.

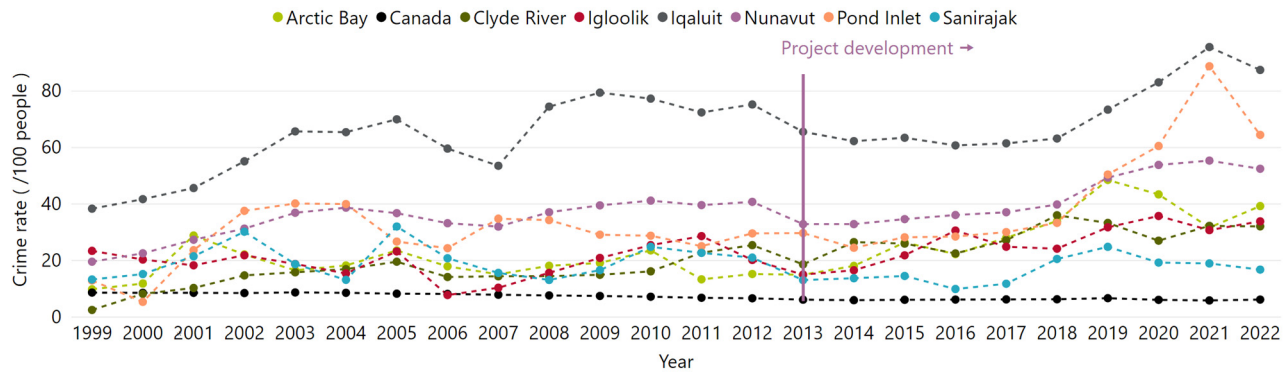
Residual effect	Affordability of Substances Attitudes Toward Substances and Addictions
Summary	The FEIS predicted increased income from employment at the Project could increase the ability of LSA residents to afford substances such as alcohol and illegal drugs. However, the FEIS also predicted the Project could improve attitudes toward substances and addictions in the LSA (i.e. by providing positive incentives for individuals to reduce substance abuse) (Baffinland Iron Mines Corporation, 2012, p. 135). The overall effect of the Project on substance abuse was expected to be determined by the balance between these two effects. The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 138).
Existing mitigation	<ul style="list-style-type: none"> • 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, on-site mental health counsellors, 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	<p>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 lower than Iqaluit's and Nunavut's and similar growth has been seen throughout the Qikiqtani. While it is 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.</p> <p>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.</p>

Crime Rate

The crime rate within Nunavut and the communities is represented in Figure 43 and Table 17 (violations per 1,000 people)¹⁷. Pre- and post-development trends have typically seen North Baffin LSA crime rates lower than Iqaluit's rate, and generally lower than the Nunavut average, though Pond Inlet crime rates met or exceeded the Nunavut crime rate in 2019 to 2022.

¹⁷ 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.

Figure 43. Crime Rate within Nunavut and Communities



Source: (Statistics Canada, 2023; Nunavut Bureau of Statistics (NBS), 2018c; Statistics Canada, 2023) | *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. | 1999 to 2018 crime rate is directly from Nunavut Bureau of Statistics 1999-2018; 2019-2022 crime rate is calculated using violations and population data from Statistics Canada |

As seen in Table 17, average crime rates have increased by approximately 36% in the North Baffin LSA between the pre-development and post-development periods. Nunavut also experienced a modest increase (8%) between the same periods, whereas Iqaluit’s average annual crime rate decreased during this time. From 2018 to 2022, crime rates noticeably increased in Nunavut, Iqaluit, and most North Baffin LSA communities.

Table 17. Average Annual Crime Rate (violations per 1,000 people)

	North Baffin LSA	Iqaluit	Nunavut
2001-2007	213	592	336
Pre-development (2008-2012)	213	759	395
Post-development (2013-2022)	290	714	425

Source: (Statistics Canada, 2023; Nunavut Bureau of Statistics (NBS), 2018c) | Note: Numbers are rounded. Average annual crime rate has been corrected for 2001-2007 and pre-development periods for North Baffin LSA from what was reported in the 2022 Socio-Economic Monitoring Report.

Similar to impaired driving violations data, in the North Baffin LSA, the community of Arctic Bay has the highest change in average crime rate, with a 73% increase between pre-development and post-development periods. Other North Baffin communities have also experienced increases in the average crime rate in the post-development period, with increases between approximately 22% and 52% compared to the pre-development average. Sanirajak is the only exception to have experienced a decrease in average crime rate between the pre-development and post-development periods.

While there appears to be a positive correlation between the Project and the increase in the available crime rate metrics in the North Baffin LSA post-development, a similar trend can be seen throughout the Qikiqtani. A similar increase in crime rates can be seen between the pre- and post-development periods for both North Baffin LSA communities and non-North Baffin Qikiqtani¹⁸ communities (36% and 39% increases, respectively). Similar to impaired driving rates, a Project-related negative effect is difficult to discern from other factors, including effects of increased access to alcohol, effects of COVID, changes in law enforcement, and community-specific 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. While the crime rate in the North Baffin LSA remains lower than the Iqaluit and Nunavut averages, due to the increase in the post-development period, this topic will be closely monitored by Baffinland and the QSEMC.

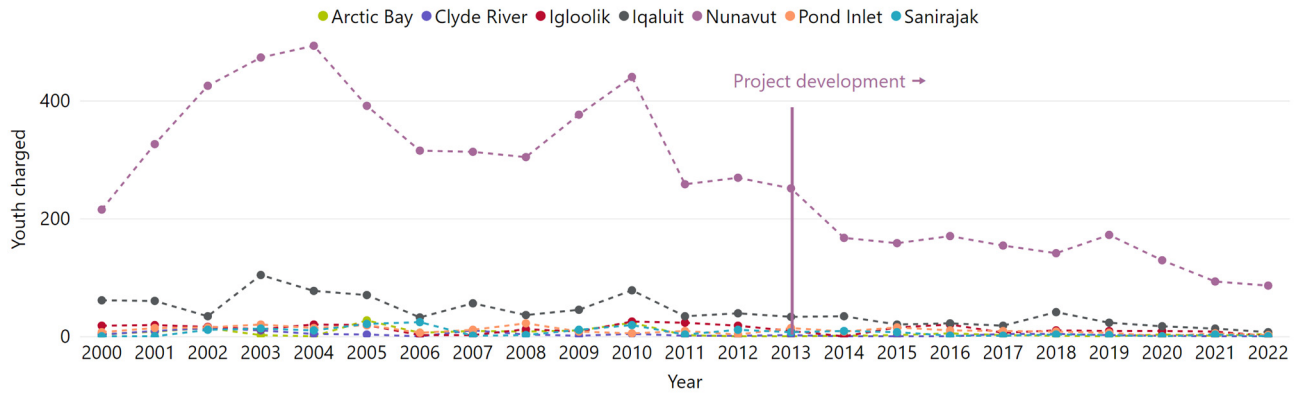
¹⁸ Excluding Iqaluit

Youth Arrests

The number and rate of youth 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. Figure 44 shows the number of youths charged by local law enforcement within Nunavut and the LSA.

There has been a drop in youth arrests over the past two decades in all geographic areas examined, with this trend particularly noticeable at the territory level. Decreasing trends in the LSA were evident in the pre-development period as well as the post-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 in Nunavut can be influenced by several factors, including social service and programming availability, substance abuse, and generational trauma (particularly related to residential schools) (Hwang, 2017) (Government of Nunavut, 2017). The legalization of cannabis has also impacted the amount of drug-related youth arrests. According to the Canadian Center of Substance Use and Addiction (2021) there has been a dramatic reduction in the number of youth charged with cannabis-related offences following its legalization in 2018. In fact, nationally, cannabis possession charges decreased by an approximate 97 per cent following its legalization (CCSA, 2021).

Figure 44. Youth Charged by Local Law Enforcement within Nunavut and Communities



Source: (Statistics Canada, 2023)

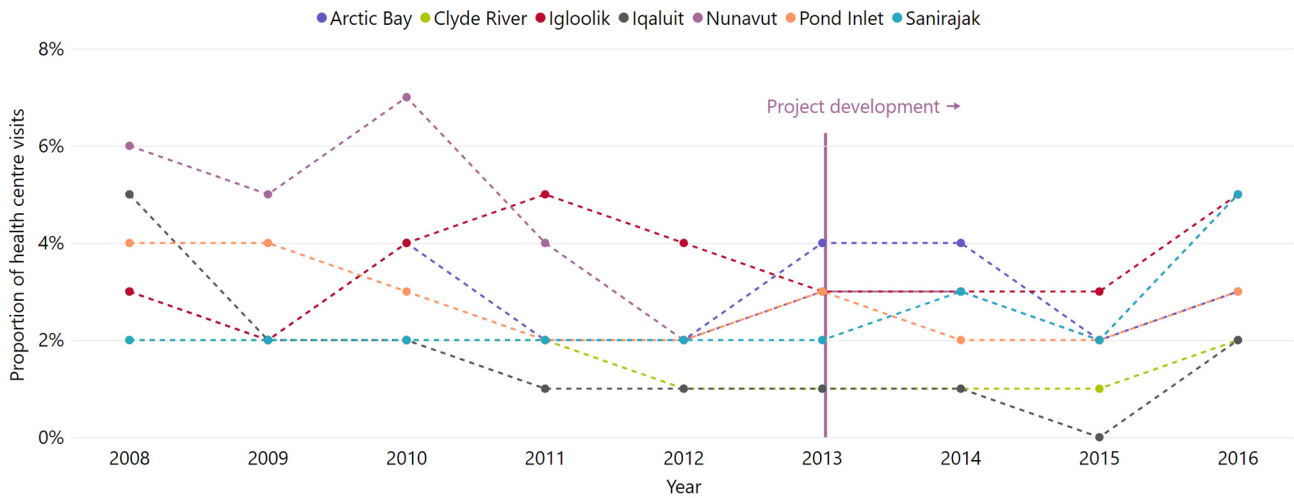
Residual effect	Changes in Parenting
Summary	The FEIS predicted the Project would have a positive effect on parenting (particularly as it applies to well-being of children) in the LSA communities (e.g. due to increased parental confidence and financial independence gained through employment, and improved mental well-being from having a job and income) (Baffinland Iron Mines Corporation, 2012, p. 131). The FEIS also predicted the Project could have some negative effects on parenting (Baffinland Iron Mines Corporation, 2012, p. 132).
Existing mitigation	<ul style="list-style-type: none"> • 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, on-site mental health counsellors, 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	<p>There are several indicators that can be used as proxies for improved parenting, including school attendance and graduation rates, and youth charges (or arrests).</p> <p>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.</p> <p>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.</p>

4.4 Public Health

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

Figure 45 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 45. 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 non-work-related issues).



5 · Community Infrastructure and 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.” (Baffinland Iron Mines Corporation, 2012, p. 167)

Key Findings

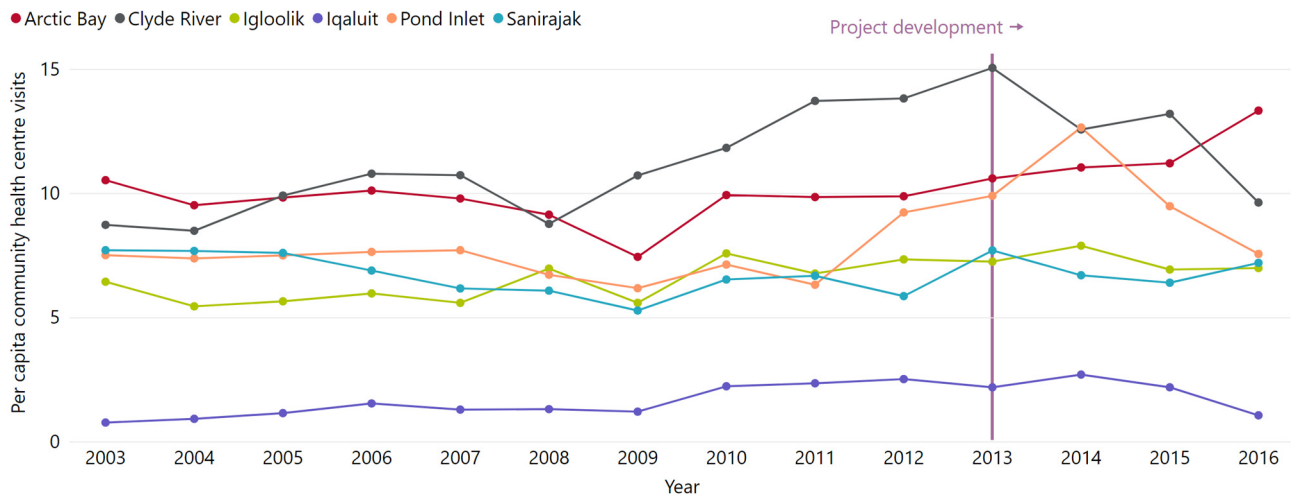
- It does not appear that the Project has had a significant effect on the number of clinic visits in the North Baffin LSA communities. While clinic visits increased in the pre-development and post-development periods, they also increased in Iqaluit. However, the last available data is from 2016. As such, analysis on this topic is limited.
- Baffinland’s utilization of community infrastructure in 2023, particularly airports, increased slightly compared to 2022, though remained significantly lower than pre-pandemic years.

5.1 Use of Community Health Centres

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

Health centre visits per capita is used as an indicator of the project’s potential effects on community public services. Figure 46 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 46. Per Capita Health Centre Visits by Community (2003 – 2016)



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

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

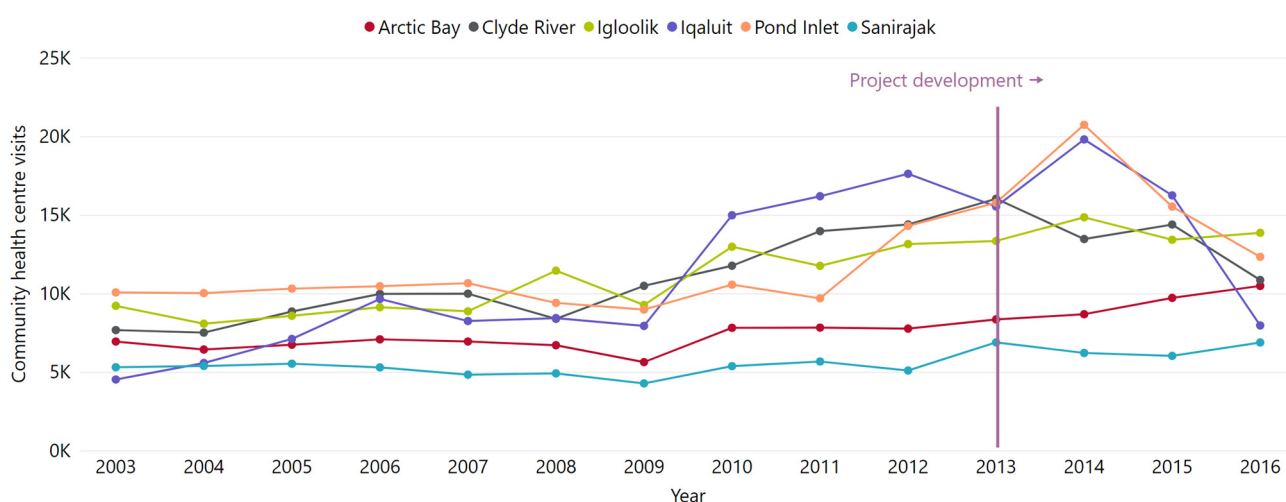
Table 18. Health Centre Visits per Capita in the North Baffin LSA and Iqaluit Averaged over Selected Time Periods

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

Figure 47. Visits to Community Health Centres by Community (2003 – 2016)



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

Table 19 displays average values for health centre visits in the North Baffin LSA and Iqaluit for both pre- and post-development periods.

Table 19. 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.

Health-related evacuations from the Project sites also result in admissions to Nunavut health facilities (health centers or Iqaluit hospital). Table 20 outlines 2023 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 20. Health-related Evacuations and Charters from Baffinland Project Sites (2023)

Site	Evacuation Type	Number
Milne Port	Air evacuation to the Iqaluit Regional Hospital	12
	Charter to the Iqaluit Regional Hospital	4
	Charter to other Nunavut health centre	5
	Charter to other out-of-territory facility	16
Mary River	Air evacuation to the Iqaluit Regional Hospital	2
	Charter to the Iqaluit Regional Hospital	1
	Charter to other Nunavut health centre	2
	Charter to other out-of-territory facility	7

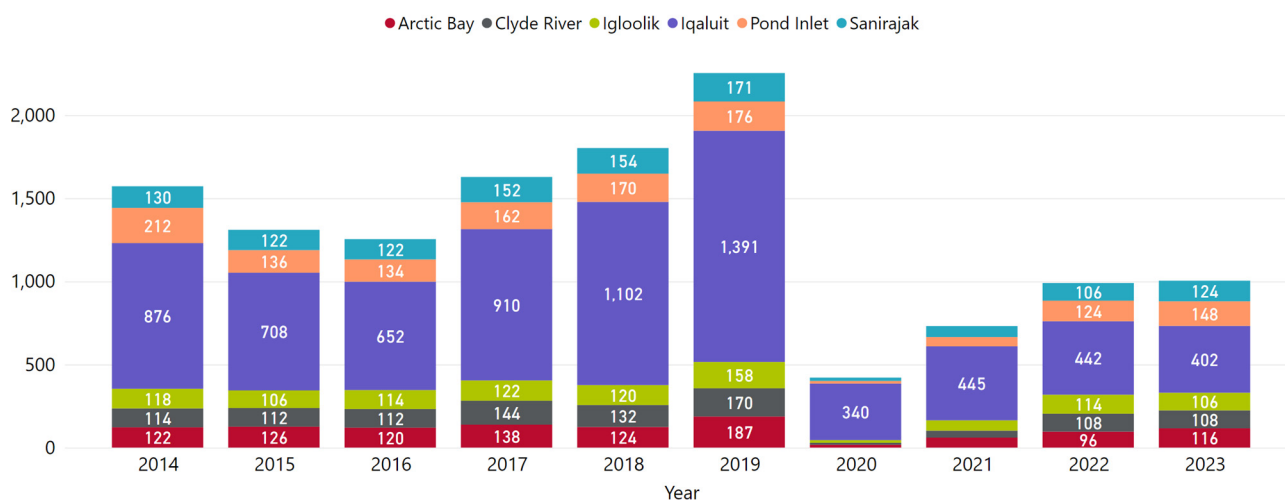
Source: (Baffinland, 2023)

In 2023, there were 49 health-related evacuations by aircraft, 19 of which were to the Iqaluit Regional Hospital and 7 to other Nunavut health centres, while the remainder (23) were to out-of-territory facilities. Most of these evacuations (35) involved aircraft chartered by Baffinland, and the remainder (14) involved medevac aircraft (air ambulance) coordinated by the Government of Nunavut.

5.2 Baffinland Use of LSA Community Infrastructure

Figure 48 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 as an indicator of the project’s potential effects on community infrastructure.

Figure 48. Project Aircraft Movements at Iqaluit and North Baffin LSA Community Airports



Source: (Baffinland, 2023) | Note: The flights for health-related evacuations (see section 6.1) are included in the aircraft movements shown.

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 due to the impacts of COVID-19. In 2022 and 2023, a slow upward trend continued, with 1,004 Project aircraft movements at LSA community airports, up from 990 movements in 2022, and 731 and 421 movements in 2020 and 2021, respectively. However, total aircraft movements remain significantly lower than pre-pandemic levels. The change in schedule to a three-week-in/three-week-out rotation, as well as travel restrictions resulting from public health orders, were contributing factors influencing Baffinland’s utilization of community infrastructure in 2022 and 2023, particularly airports. The change in rotation schedule resulted in a decrease in jet service from an average of five flights per week to three flights per week.

Project-related aircraft movements add some incremental pressure on LSA community airport facilities. However, even in 2018 (the last year with public data available), LSA community airports regularly accommodated 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 total¹⁹.

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, Igloodik, 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 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). Table 21 lists some of the meetings and events held in LSA communities in 2023 related to the Mary River Project.

Table 21. In-person Meetings and Events Held in LSA Communities (2023)

Month	In-person Meeting or Event
January	<ul style="list-style-type: none"> Meeting in Iqaluit with the Mayor of Pond Inlet on SOP
February	<ul style="list-style-type: none"> Meeting in Pond Inlet with Hamlet on Production Increase Proposal Renewal (PIPR) Public open drop-ins (2) in Pond Inlet on PIPR Meeting in Pond Inlet with Mittimatalik Hunters and Trappers Organization (HTO), Hamlet, QIA, and Legislative Assembly of Nunavut on end of 2022 shipping season Public radio show in Pond Inlet on 2022 shipping season and PIPR Meeting in Arctic Bay with Hamlet and Ikajutit Hunters and Trappers Association (HTA) on Milne Port Fish Habitat Offsetting Meeting in Iqaluit with QIA on Steensby and SOP engagement plans Meeting in Iqaluit with Mayor of Pond Inlet on SOP Meetings (2) in Iqaluit with Government of Canada, QIA, GN, NIRB, HTOs (Mittimatalik, Ikajutit, Sanirajak, Igloodik, and Clyde River), and Hamlets (Pond Inlet, Arctic Bay, Sanirajak, Igloodik, and Clyde River) on Project Monitor Terms of Reference
March	<ul style="list-style-type: none"> Meeting in Igloodik with Hamlet Council and HTO on Steensby and SOP Meeting in Pond Inlet with Mittimatalik HTO on Milne Inlet Freshwater Fish Health Program Meeting in Sanirajak with Sanirajak HTO on Steensby and SOP Meeting in Sanirajak with Hamlet Council on Steensby and SOP Public radio shows in Igloodik (1) and Sanirajak (1) on Steensby and SOP Youth engagement in Iqaluit at Nunavut Arctic College’s Environmental Technology Program

¹⁹ 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).

Month	In-person Meeting or Event
April	<ul style="list-style-type: none"> Meeting in Iqaluit with Mayor of Igloolik on SOP Meeting in Iqaluit with QIA on Steensby Meeting in Iqaluit with Mayor of Pond Inlet on SOP
May	<ul style="list-style-type: none"> Public radio shows in Igloolik (1) and Sanirajak (1) on Steensby and fish habitat offsetting Meeting in Pond Inlet with Mittimatalik HTO on IIBA Meetings (3) in Sanirajak with Sanirajak HTO, Hamlet, and DFO on Steensby and fish offsetting options Meetings (2) in Pond Inlet with NIRB, DFO, and Pond Inlet community members on PIPR and shipping Meetings (3) in Igloolik with Igloolik HTO, Hamlet, and DFO on Steensby Annual Project Review Forum in Pond Inlet
June	<ul style="list-style-type: none"> Public radio show in Pond Inlet on SOP Meeting in Pond Inlet with Hamlet on Steensby Pre-shipping season meeting in Pond Inlet with Mittimatalik HTO and Hamlet
July	<ul style="list-style-type: none"> Meeting in Pond Inlet with Mittimatalik HTO, Hamlet, and QIA on Steensby Public radio show in Pond Inlet on Steensby and fish habitat offsetting Meetings (4) in Iqaluit with QIA on Steensby, IIBA engagement planning, and SOP
August	<ul style="list-style-type: none"> QIA Annual Audit at Mary River Employment Committee meeting with QIA and ARKTIS Meeting in Iqaluit with GN
September	<ul style="list-style-type: none"> Meetings (2) in Iqaluit with Arctic Co-operatives Limited on contracting benefits Meetings (2) in Iqaluit with Indspire on youth engagement Meetings (2) in Iqaluit with QIA on Steensby engagement
October	<ul style="list-style-type: none"> Meeting in Pond Inlet with Hamlet Council and Mittimatalik HTO on Steensby Meeting in Sanirajak with Hamlet Council and Sanirajak HTO on Steensby Meeting in Igloolik with Hamlet Council and Igloolik HTO on Steensby Meeting in Igloolik with GN on 2024 archaeology program and Steensby Open house in Pond Inlet for Geo-Diversity Day Meetings (6) in Iqaluit with QIA on IIBA (JEC and contracting committee) and Steensby Meeting in Iqaluit with Mayor of Igloolik on engagement plans Meeting in Iqaluit with Government of Canada and QIA on Project Monitor Terms of Reference
November	<ul style="list-style-type: none"> Meeting in Sanirajak with Hamlet and Sanirajak HTO on Steensby Meeting in Igloolik with Hamlet and Igloolik HTO on Steensby Public radio shows in Igloolik (1) and Pond Inlet (1) on Steensby
December	<ul style="list-style-type: none"> Meeting in Pond Inlet with Hamlet and Mittimatalik HTO on Steensby Meeting in Arctic Bay with Hamlet and Ikajutit HTA on Steensby Meeting in Clyde River with Hamlet and Clyde River HTO on Steensby Public radio shows in Clyde River (1) and Pond Inlet (1) on Steensby and post-shipping season updates Post-shipping season meetings with Pond Inlet Hamlet Council (1) and Mittimatalik HTO (1) in Pond Inlet Meeting in Iqaluit with GN Meeting in Iqaluit with QIA on IIBA School Lunch Program Marine Environment Working Group Meetings (2) in Iqaluit Terrestrial Environment Working Group Meetings (2) in Iqaluit

Note: This table captures the in-person meetings or meetings held in LSA communities in 2023.

Residual Effect	Competition for Skilled Workers
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 152).
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	2023 Inuit Employee Survey results continue to indicate the Project may be having some negative effect by increasing the competition for workers in local communities. 10 Inuit survey respondents indicated that they left a previous job to join Baffinland or one of its contractors. None of these respondents specified that a Hamlet was their previous employer, although, several respondents specified working for governmental or local employers. These included a coordinator for the Government of Nunavut, stock clerk at the local store, and employment at a community food distribution centre. 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 and/or QSEMC members could support monitoring of this effect.

Residual Effect	Labour Force Capacity
Summary	The FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 152).
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.
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 2023 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.



6 · 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.” (Baffinland Iron Mines Corporation, 2012, p. 244). No residual effects were identified in the FEIS.

Monitoring related to this VSEC has been conducted through the Archaeology Status Update Report. The Archeology 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.

Archaeological survey and mitigation work conducted on the Project was completed in 2023, where such work focused on the southern half of the Project, from the Mary River Mine to Steensby Port. The 2023 field season was divided into three types of archaeological work: (1) Survey, (2) Site Revisits and Protection, and (3) Site Data Recovery. Three Inuit field assistants participated in the 2023 archaeological program.



7 · 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 Iron Mines Corporation, 2012, p. 244)

“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.” (Baffinland Iron Mines Corporation, 2012, p. 244)

Key Findings

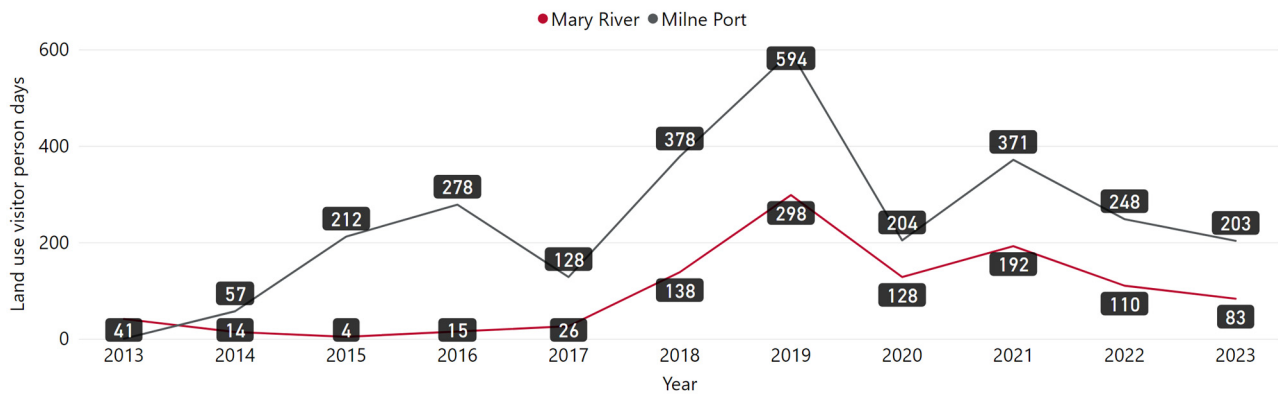
- In 2023, a total of 286 land use visitor person-days were recorded at Project sites, a 20% decrease from 2022, the lowest levels since 2017.
- The QIA reported that 29 claims were paid from the Wildlife Compensation Fund in 2023, totaling \$187,351.
- Project employment appears to largely have a neutral or positive effect on Inuit employees' ability to participate in harvesting and other land-based activities: 21% of Inuit Employee Survey respondents reported an *improved* ability to participate, 69% reported a neutral effect (i.e. no effect).

7.1 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. Person-days are used to capture the extent of site visits in a year because groups of individuals may travel together and/or use Project sites over multiple days (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 below 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, 2023)

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 2023, a total of 286 land use visitor person-days were recorded at Project sites, a 20.1% decrease from 2022, the lowest levels since 2017. It is difficult to draw conclusions when comparing to 2020 and 2021 due to restrictions around COVID-19 and impacts on access log data. In 2023, Baffinland continued providing support to land users upon request and when possible, such as providing food and drink, vehicle maintenance and supplies (e.g. gas, oil), and escort and transportation support. It should be acknowledge that activities are only logged if a person(s) calls and checks in with Baffinland security. For this reason, there is chance that visitor-person days reported on are not a true representation of actual visitor person-days at project sites.

Common reasons for visits identified in the hunter and visitor log include hunting and caribou hunting; fishing; collecting fuel; having a meal; requesting supplies; and repairing / picking up snowmobiles. Additional detail on group sizes and timing can be found in Table 22 below.

Table 22. Number of Groups of Land Use Visitors to Project Sites by Size and Month (2023)

Group Size	Jan	Mar	Apr	May	June	Aug	Sep	Oct	Dec
1-person group									
2-person group	1				1	1		4	
3-person group			11		1		1	1	3
4-person group		2	4					1	
5-person group			3						1
6-person group		1	2	1					
7-person group			7						3
8-person group			1						
9-person group			1						
10-person group			1						
11-person group						1	1		
12-person group			1						
18-person group			1						
Totals	1	3	32	1	2	1	2	6	7

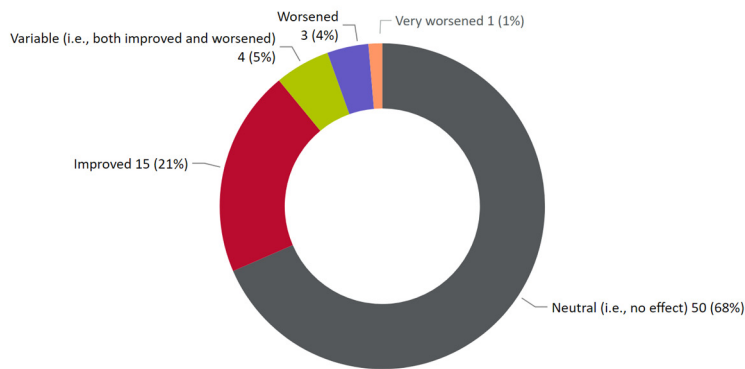
Source: (Baffinland, 2023)

In addition to land use for recreational or harvesting purposes, Baffinland recorded visits for the purposes of collecting samples of fish, stopping for rest on the way to another destination, and delivering fuel for rescue. These land use records are not included in Figure 49 and Table 22.

Based on the results of the 2023 Inuit Employee Survey, approximately 21% of respondents reported their and their family's ability to participate in harvesting or other land-based activities has *improved* since obtaining project employment. Most respondents (69%) reported that obtaining Project employment has had no effect (*neutral*) on their and their family's ability to participate in harvesting or other land-based activities, and 5% reported that it has *worsened* or *very worsened*. A similarly small proportion of respondents (6%) indicated that it had a *variable* effect (both improved and worsened). Overall, the response to this survey question indicates a neutral or positive effect of project employment on the ability to participate in harvesting and other land-based activities, although the proportion of responses indicating a positive effect decreased from 2022 to 2023 (from 38% in 2022 to 21% in 2023).

Figure 50. 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?"

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



Question respondents (n=72)

Source: (Baffinland (survey), 2023)

7.2 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 2023, there were 31 claims submitted to QIA, 29 of which were approved, totalling \$187,351 disbursed from the Fund during the QIA Fiscal Year 2022-23. This represents an increase in both total claims and funds disbursed compared to 2022 (19 claims and \$99,824 disbursed). Baffinland's community engagement records from previous years note that applying to the WCF can be time consuming and challenging to have the application approved, although this topic was not raised in 2023 engagement records.

Residual Effect	Caribou Harvesting Marine Mammal Harvesting Fish Harvesting
Summary	<p>The FEIS predicted the Project could have a negative effect on caribou harvesting. Negligible effects on marine mammal and fish harvesting were also predicted (Baffinland Iron Mines Corporation, 2012, p. 211).</p> <p>*While not all these effects were considered residual effects in Project FEIS documents, they are included here for completeness.</p>
Monitoring results	<p>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.</p> <p>Additional discussion relevant to Project harvesting interactions and food security is provided in Section 9.1 of the Socio-Economic Monitoring Report, which acknowledges that some stakeholder concerns have been expressed about Project effects on harvesting. 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 26). 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).</p>

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 FEIS 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 (Baffinland Iron Mines Corporation, 2012, p. 219).
Existing mitigation	<p>Shipping-related mitigation developed and/or proposed by Baffinland includes:</p> <ul style="list-style-type: none"> • Hiring 12 Shipping Monitors based in Pond Inlet throughout the 2023 shipping season who are the primary liaisons between Baffinland’s shipping activities and the community. • Provision of community communications protocol (e.g. informing the community of vessel movements, tracking the route and timing of passage, VHF announcements and radio announcements, daily Facebook updates and live tracking). • 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. • Establishing “no-go zones” that have been identified as culturally and ecologically significant. • Not breaking land fast ice and confirming that hunters are off the floe edge before shipping begins. <p>Road and rail-related mitigation developed and/or proposed by Baffinland includes:</p> <ul style="list-style-type: none"> • 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. • Trail improvements identified by the MHTO. <p>Mine site-related mitigation developed by Baffinland includes:</p> <ul style="list-style-type: none"> • Various public safety mechanisms (e.g. establishing signage and access barriers, restrictions on entering industrial sites). • A Hunter and Visitor Site Access Procedure, which describes how land users can safely access 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. <p>Community compensation and support:</p> <ul style="list-style-type: none"> • \$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. There has been a net increase in visitor person-days since 2014. However, visitor person-days continued to decrease in 2023 after peaking in 2019 (and increasing 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.



8 · 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.” (Baffinland Iron Mines Corporation, 2012, p. 228)

Note to readers

Given the FEIS prediction of "no significant impact is assessed," there are no dedicated indicators related to cultural well-being in the current SEMP. In the absence of formal indicators, this section summarizes observations related to cultural well-being from recent engagement activities and studies related to the Project, as well as Baffinland initiatives, events, and programming aimed at supporting and celebrating Inuit culture and promoting cross cultural awareness.

In 2019, Baffinland introduced the Inuit Cultural Engagement (ICE) Workshop for all Baffinland and contractor employees working at the Mary River site, run by the Inuit Success Team. The purpose of the program is to create awareness and understanding of Inuit customs, history and traditions. Unfortunately, due to COVID-19, the ICE workshops were not delivered in 2020 and 2021, but resumed in 2022, with sessions held at Mary River and Milne Port in July 2022 for 195 workers total. Overall, 195 workers attended ICE training in 2022. Sessions were held throughout 2023, with a total of 42 sessions delivered to a total of 301 workers.

Since 2020, Baffinland has continued to run cultural events and programming to support cross-cultural awareness amongst all workers and to provide opportunities for Inuit workers to participate in Inuit cultural activities while at work. The following cultural events and programming were held at site/in-communities in 2023:

- Nunavut Day celebrations
- National Indigenous Peoples Day celebrations
- International Inuit Day celebration
- Orange Shirt Day
- Bannock making
- Inuktitut classes
- Iron ore drying rack (Innisa)
- Doll making
- Seal skin scraper making
- Seal skin board making
- Christmas games

Baffinland continues to maintain 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, where equipment required to prepare traditional meals is provided. In addition to country food on site, Baffinland accommodates local requests to transport country food between communities on an ad-hoc basis to facilitate sharing of country food among the five North Baffin LSA communities.



9 · Economic Development and Self-reliance

The combined effects of the project on economic development, Inuit autonomy and general well-being

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.” (Baffinland Iron Mines Corporation, 2012, p. 240)

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 well-being, and
8. Resource and land use.

As noted in the FEIS, 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 are somewhat aligned with results of the 2023 Inuit Employee Survey, in which the majority of respondents (89%) indicated some degree of food insecurity, with 8 respondents (11%) indicating that they were never worried that food would run out before they got money to buy more. Most respondents (69%) reported that obtaining Project employment has had no effect (*neutral*) on their and their family's ability to participate in harvesting or other land-based activities.

9.1 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. The following list outlines a selection of Baffinland's donations, sponsorships, and IIBA commitments provided in 2023:

- 60 laptops to high school graduates in the North Baffin Communities.
- \$20,000 (\$5,000/each) to four (4) recipients as part of the 2023 annual scholarship fund.
- \$300,000, adjusted annually for inflation based on 2018 dollars, is made available for the North Baffin LSA School Lunch Program annually, as per the IIBA. In 2023, \$160,330 was distributed as part of this program to schools in Arctic Bay, Clyde River, and Igloolik.
- Over \$500,000 towards the Harvesters Enabling Program in Pond Inlet, which was established through the IIBA, to support a gas program to enhance Inuit travel in the area.
- \$497,023 in community benefits distributed as a result of the contracting with Arctic Co-Op.
- Contributed a total of \$25,000 (\$5,000 per community) as a Holiday donation to support celebrations and community wellness.
- Provided a \$5,000 sponsorship at the Qikiqtani Charity Gala to support Breakfast Programs for schools in the Qikiqtani Region.
- Contributed a total of \$25,000 (\$5,000 per community) for the Nunavut Day Community BBQ celebrations.
- Provided a food hamper donation to Grise Fiord.
- \$270,000 provided to the Tasiuqtiit Working Group to support community wellness initiatives selected by the Hamlet of Pond Inlet and the MHTO in Pond Inlet.
- In-kind Logistical and/or monetary support for specific events, initiatives, and infrastructure, such as:
 - The delivery of a food hamper to Grise Fiord; and
 - The facilitation of delivery for donated hockey gear from multiple sources to Clyde River (over 500 pounds of gear) and Pond Inlet (over 2,500 pounds) through Baffinland's shipping port in Quebec and subsequent sealift and airlift transportation.

In 2023, Baffinland and its business partners such as Arctic Co-Ops (through quarterly benefits, food banks, other initiatives) contributed over \$1,500,000 towards various social, recreational, educational and cultural initiatives throughout North Baffin Communities and Iqaluit, further enhancing Baffinland's commitment to creating a positive benefit to Nunavummiut communities.

9.2 Project Harvesting Interactions and Food Security

Outdated Data! This section relies on annual data from public institutions. Some of these data have not been updated in over 2 years. The lack of recent or updated data limits the ability to monitor impacts, to compare impacts to predictions, and to identify the need for mitigation. As such, the analysis presented in parts of this section is limited and unchanged from previous years.

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 the 2023 Inuit Employee Survey, as well as national surveys of First Nations living off reserve, Metis, and Inuit people, called the Aboriginal Peoples Survey (APS).

The Aboriginal Peoples Survey, which monitors the social and economic conditions of Inuit in Canada, includes questions on both food security and harvesting. These surveys recorded responses from members the North Baffin LSA, Iqaluit, as well as Nunavut as a whole. It should be noted that participation in the APS is voluntary, and the questions vary between surveys which are conducted only every 5 years, with the last survey conducted in 2017. The 2022 Indigenous Peoples Survey was conducted in 2022 and 2023, and the results will be released in July 2024.

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 23 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.

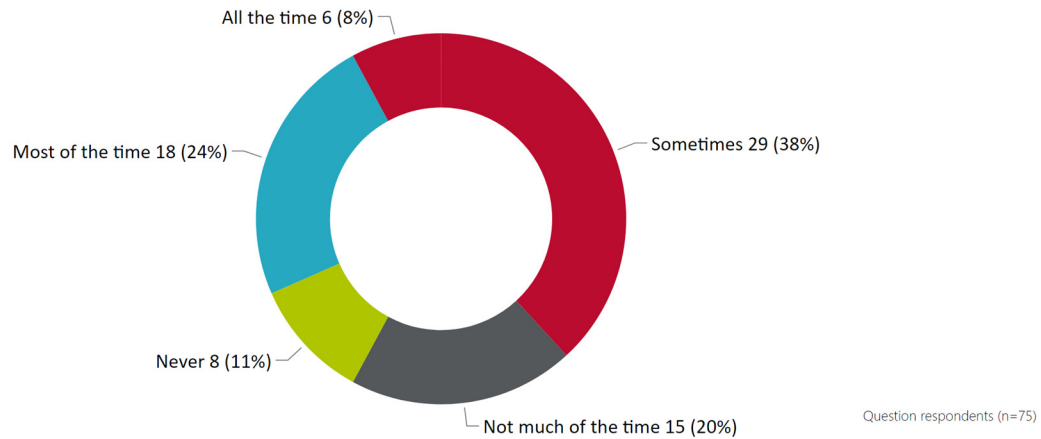
A large proportion of Nunavummiut reported experiencing food insecurity (went hungry), and this proportion increased across Nunavut from 2012 to 2017. In the North Baffin LSA, a majority of survey respondents reported skipping meals and going hungry for a lack of money to buy food.

In previous years, the Inuit Employee Survey did not ask direct questions regarding food insecurity, but did include questions regarding employees' change in ability to provide for their family. In 2022, 77% of respondents reported an improved or very improved ability to provide for themselves and their family. To specifically capture experiences of food insecurity within the Inuit workforce, a new question was added to the 2023 Inuit Employee Survey, asking respondents "Since working for Baffinland, how often have you and other household members worried that food would run out before you got money to buy more?" The results of this question are presented in Figure 51. The majority of respondents (89%) indicated some degree of food insecurity, with 8 respondents (11%) indicating that they were never worried that food would run out before they got money to buy more. The most common response (39%) was that respondents felt that they were *sometimes* worried that food would run out before they got money to buy more. While the response options for this question do not align exactly with the questions asked in the Aboriginal People's Survey, these survey results indicate that many Inuit employees do experience food insecurity to varying degrees.

Respondents were also asked if they had any comments, suggestions or concerns they would like to share related to this question. Several respondents indicated that high food costs contributed to food insecurity, noting that "My pay is too small now from bills and high cost.", "High cost of living up north is hard to keep up with bills and groceries", and "Groceries (cost price) too high in Nunavut". Some respondents specifically noted that food costs were rising, describing that "Everything is getting more expensive each year." and "Prices keep rising especially up north". Multiple respondents noted that they provide financial support for other households in addition to their own: "Because I support 4 to 5 families, with food + cell phones", "Yes, it's so much better to support my grandkids and my children", and "I live alone but help out family".

Figure 51. Project Employees' Ability to Afford Food (2023)

Since working for Baffinland, how often have you and other household members worried that food would run out before you got money to buy more?



Source: (Baffinland (survey), 2023)

Table 23. 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 24 and Table 25 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 2012-2017, 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. This decline in traditional harvesting activities can be attributed to various interrelated factors, such as: decreased frequency and number of harvests due to shifts in climate affecting local flora and fauna; higher costs and logistical challenges making harvesting less viable; younger generations facing educational and employment commitments; and a cultural shift towards readily available, albeit less nutritious, store-bought foods. An important aspect of this decline is the decreasing number of skilled harvesters and a generational skill gap as older generations pass away, with younger generations developing fewer harvesting skills and showing less engagement in traditional activities (Gilbert et al., 2021).

Table 24. 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 25. 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 7.1, the number of land use visitor person-days recorded at both Mary River and Milne Port decreased in 2023. While Baffinland maintains a log to track land use parties in the Project areas, the purpose of land use is not recorded or provided in all cases. However, a common reason for visit identified in the log includes hunting and caribou hunting.

Also described in Section 7.1, in the 2023 Inuit Employee survey, when asked “How has your and your family's ability to participate in harvesting or other land-based activities changed since obtaining Project employment”, most respondents (69%) reported that obtaining Project employment has had no effect (*neutral*) on their and their family's ability to participate in harvesting or other land-based activities, with 21% of respondents reporting that their and their family's ability to participate in harvesting or other land-based activities has *improved* since obtaining project employment. In contrast to the 2022 survey, a larger proportion of respondents indicated no effect (*neutral*) and no respondents reported *very improved* harvesting ability.

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 due to 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. Concerns have also been expressed elsewhere about declining rates of country food consumption and the lack of food security in Nunavut, generally. According to the QIA's report on food sovereignty and harvesting, more than 70 per cent of Inuit are food insecure (QIA, 2019).

In the QIA's 2021 Tusaqtavut report, participants confirmed the importance of country food to cultural, physical, emotional, and mental health. Participants in the study raised several concerns related to direct impacts of the Project on food security, such as reduced availability of country food due to needing to travel further for a successful harvest, and associated increased costs, and contaminant concerns. Participants also noted indirect impacts to Inuit food sovereignty resulting from the transition to a cash- and wage-economy, which has influenced the social landscape of food sharing and trade. Concerns that decreasing availability of country food mean that Inuit are relying more on store-bought food, which participants felt had impacts on their personal health (Qikiqtani Inuit Association (QIA), 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 26). 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 26), as outlined 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 26. Food Security Components and Baffinland’s Role

Components of Food Security	Factors Affecting Each Component (1)	Baffinland’s Role (2)
Availability	<ul style="list-style-type: none"> Family size Human population size Grocery supplies Wildlife stocks Distribution of wildlife Environmental conditions 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Cost of food Income levels Gambling and substance abuse Transportation effectiveness Strength of sharing networks Access to hunting grounds Climate change 	<ul style="list-style-type: none"> 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, ad-hoc support for country food exchange between communities, community food bank donations, community feasts, and indirect contributions to the QIA Legacy Fund and QIA Benefits Fund). This includes support of community-based food security initiatives in the form of in-kind donation and/or sponsorship. Employee support through the EFAP, on-site Cultural Advisors and mental health counsellors, 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). Ad-hoc accommodation of local requests to transport country food between communities via aircraft.
Quality	<ul style="list-style-type: none"> Nutritional knowledge Health of store-bought food Wildlife health Food spoilage Environmental contaminants 	<ul style="list-style-type: none"> 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).

Components of Food Security	Factors Affecting Each Component (1)	Baffinland's Role (2)
Use	<ul style="list-style-type: none"> • Traditional knowledge • Food preparation skills • Budgeting skills • Literacy rates • Language barriers 	<ul style="list-style-type: none"> • Completion of a comprehensive Inuit Qaujimagatuqangit 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: Food security components and factors affecting each component were sourced from the Nunavut Food Security Coalition (2014).

No residual effects specific to the Economic Development and Self-Reliance VSEC were assessed in the FEIS. 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.



10 · 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.” (Baffinland Iron Mines Corporation, 2012, p. 245)

Key Findings

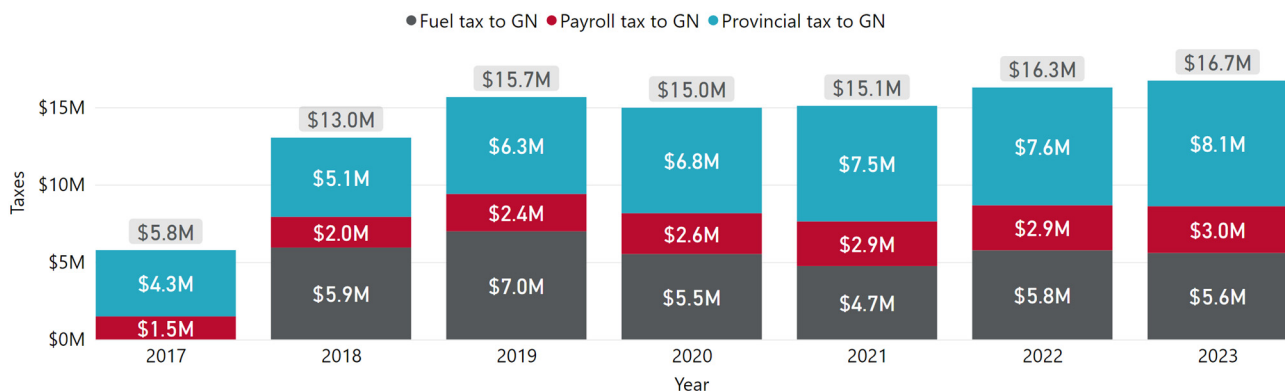
- Baffinland paid a total of \$33,357,151 in federal and provincial/territorial income tax.
- A fuel Excise Tax of more than \$2.5 million and Carbon Tax payment of approximately \$900,000 was paid to the Federal government.
- The value of tax payments made by Baffinland to the Government of Nunavut increased in 2023 to approximately \$16.7 million.
- In 2023, Baffinland paid a total IIBA royalty to QIA in the amount of \$6,859,465, land leases and fees payment of \$4,349,315, as well as payments for the Pond Inlet Training Centre, and historical reconciliation and payment of invoices.

10.1 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 2023, Baffinland paid a total of approximately \$16.7 million in taxes to the Government of Nunavut: \$11.1 million in employee payroll tax and \$5.6 million in fuel tax. This represents a moderate increase from 2022, and the largest amount of taxes paid to the Government of Nunavut by Baffinland in one year since 2017. The Canada Revenue Agency (CRA) administers and collects Nunavut’s income taxes on behalf of the GN, accounting for approximately \$8.1 million of the \$11.1 million categorized as payroll tax to the GN.

Figure 52 below provides an overview of taxes paid to the Government of Nunavut since 2017, including payroll tax and fuel tax.

Figure 52. Baffinland Taxes Paid to the Government of Nunavut



(Baffinland, 2023)

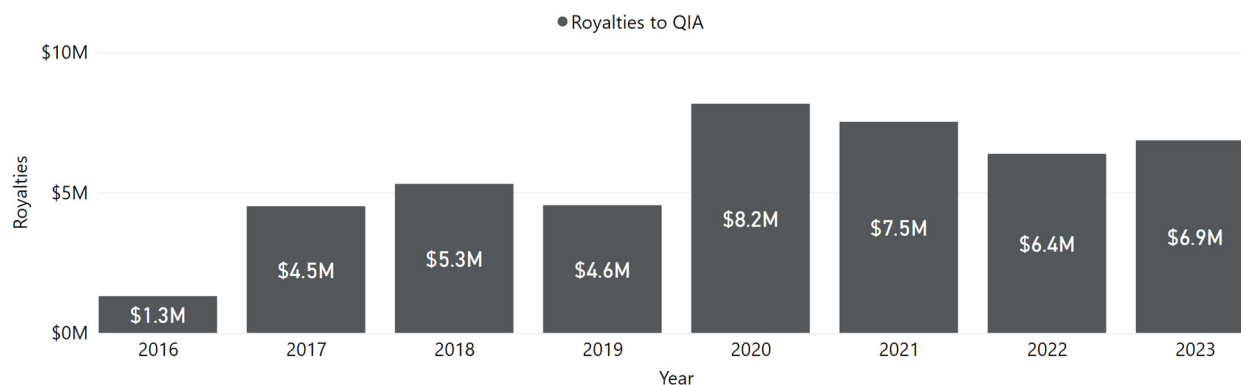
In addition to taxes paid to the Government of Nunavut, in 2023 Baffinland paid a total of \$33,357,151 in federal and provincial/territorial income tax (i.e. Nunavut employee federal income tax of just over \$25 million and more than \$8.3 million in Ontario employee federal and provincial income tax), a fuel Excise Tax of more than \$2.5 million, and a carbon tax of approximately \$900,000 to the federal government.

Residual Effect	Project Revenues Flowing to the Territorial Government
Summary	The FEIS predicted the Project would have a beneficial effect on revenues (e.g. through taxes) flowing to the territorial government (Baffinland Iron Mines Corporation, 2012, p. 232). No specific mitigation measures were developed to support this prediction.
Monitoring results	The Project paid \$16.7 million in taxes to the Government of Nunavut in 2023. This is consistent with the FEIS prediction of positive effects from the Project occurring on revenues flowing to the territorial government.

10.2 Royalty Payments to QIA

In addition to taxes paid to the government of Nunavut, in 2023 Baffinland paid a total IIBA royalty to QIA of \$6,859,465. Figure 53 provides an overview of total royalties paid by Baffinland to QIA from 2016 to 2023.

Figure 53: Royalty Payments to QIA



(Baffinland, 2023) |

Additional payments Baffinland made to the QIA in 2023 include:

- \$4,349,315 for land leases and fees payments.
- A total of \$15,261,379 (\$10 million plus inflation and engineering and planning costs) has been paid to the QIA for the Pond Inlet Training Centre, \$3,092,879 of which was paid to the QIA in the 2023 year.
- \$500,000 for historical reconciliation and payment of invoices dating back to 2020.



11 · 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." (Baffinland Iron Mines Corporation, 2012, p. 245)

11.1 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 2023 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 FEIS 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 FEIS.
- 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. 225 Inuit FTEs were employed by the Project in 2023, earning \$17,117,007. \$171.3 million was awarded to Inuit Firms in 2023. A total of \$1.89 billion has been awarded 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 2022 was \$3,741.4 million, an increase of 0.2% from 2021. Of this amount, 'iron ore mining' was responsible for contributing \$439.3 million (or 11.7%, an increase from 11.0% in 2021). Iron mining may also make economic contributions to supporting industries such as 'construction' (\$214.8 million contribution to the Nunavut economy in 2022), 'transportation and warehousing' (\$72.4 million contribution to the Nunavut economy in 2022), and 'accommodation and food services' (\$49.9 million contribution to the Nunavut economy in 2022), among others (Statistics Canada, 2023).

No negative regional or cumulative socio-economic effects directly associated with the Project were identified in 2023, although several indicators will continue to be closely monitored and discussed with the QSEMC, including crime rates and impaired driving violations. 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 FEIS predictions. However, some monitoring data has revealed unclear, inconsistent, or otherwise negative trends. Trends of note identified for adaptive management are discussed below. 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. Adaptive management efforts will be further enhanced by the socio-economic monitoring plan's trigger, action, response plan (TARP, see draft in Appendix E). Baffinland will report on performance against the TARP, once finalized.

Contracting and Business Opportunities

In 2023, the percentage of contract value awarded to Inuit firms continued to decrease as it has in previous years, at 36% of the total value of contracts awarded compared to 43% in 2022 and 57% in 2021. Reasoning for decrease in percentage of contract value awarded to Inuit firms over time is due to the suspension and/or termination of most non-essential

contracts due to COVID-19 in 2021. As Baffinland prioritized awarding core, essential contracts to Inuit Firms, the non-essential contracts were held largely by non-Inuit Firms. Due to the suspension/termination of non-essential contracts, non-Inuit Firm (as a percentage) decreased, resulting in an effective increase to the percentage of contracts with Inuit Firms. Throughout 2022 and 2023, Baffinland has been re-engaging with the aforementioned non-Inuit Firms. This has led to a reduction in the percentage of contracts with Inuit Firms.

As noted above, many of Baffinland's core services are currently provided by Inuit Firms, including camp services for all camps on site, all fixed-wing and rotary-wing chartered aviation services, mining equipment maintenance services, and sealift. Baffinland is currently pursuing the following initiatives in efforts to further increase contracting with Inuit Firms:

1. Identifying opportunities to enter into Master Service Agreements with Inuit Firms for construction works, such as civil earthworks and MEIP (mechanical, electrical, instrumentation, piping) projects;
2. Identifying opportunities to contract with Inuit Firms for the supply of key goods/products, such as perishable and non-perishable food and other camp supplies; and,
3. Organizing various Inuit Firm workshops, such as the Bid Simulation Workshops (delivered in 2023), and the Inuit Women and Youth Entrepreneurship Workshop (planned for 2024), which are aimed at Inuit Firm business development and capacity building.

2023 Inuit Employee Survey Results

Baffinland administered its annual Inuit Employee Survey in Q4 of 2023. A total of 81 Inuit (direct employees and contractors) completed the survey, representing a survey response rate of 22%. Although an increased response rate was observed in 2023 (2022 had a response rate of 18%), Baffinland would like to see an increased response rate for the 2024 year. Baffinland implemented suggestions received by SEMWG members with the administration of the 2023 Survey, such as the piloting of administering the survey in the North Baffin communities as well as providing incentive for completing the survey. In efforts to increase the 2024 survey response rate, Baffinland will engage with SEMWG members on additional efforts that could be employed.

When comparing 2023 Inuit Employee Survey results to those from previous years, it is apparent that Inuit employees are not aware of the full suite of housing-relating programming available through the Nunavut Housing Corporation, and many employees indicated struggles with housing affordability and quality. For example, 53 (or 72%) of 2023 survey respondents identified they are not aware of the Nunavut Down Payment Assistance Program offered by the Nunavut Housing Corporation. Baffinland will look to engage with the Nunavut Housing Corporation to connect employees to housing-related resources to increase knowledge and access to available programming.

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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. 3), Section Socio-economic Monitoring Indicators (pg. 110), and Appendix B. Socio-economic Monitoring Indicators	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. 3), Appendix B. Socio-economic Monitoring Indicators (pg. 110).	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 outgoing employees in order to assess the potential effect the Project has on migration.	In-Compliance	Section 3 (pg. 50); Appendix D. 2023 Inuit Employee Survey Report	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.	In-Compliance	Throughout report; Appendix D. 2023 Inuit Employee Survey Report	Baffinland has implemented an Inuit Employee Survey, which collects information related to employee and contractor changes of address, housing status, and migration intentions. 2023 survey results are presented where relevant throughout the report.




#	Description	Status	Concordance	Summary
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 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.	In-Compliance	Table 3 (pg. 11); Appendix C. Headcount Data	Baffinland has presented employee and contractor origin information in the Socio-Economic Monitoring Report.
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 1.10 (pg. 39)	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.16) Section 4.1 (pg. 59)	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 7 (pg. 86), Section 9 (pg. 95)	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 4.1 (pg. 56), Section 4.3 (pg. 64), Section 4.4 (pg. 72)	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 4.1 (pg. 56), Section 4.3 (pg. 64), Section 5.1 (pg. 74)	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 5.1 (pg. 74), Section 5.2 (pg. 76)	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 1.1 (pg.9), Section 1.2 (pg. 16) Section 1.5 (pg. 23), and Section 9.2 (pg. 89); 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. 98)	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 SEMR are not in perfect alignment. This table is intended to allow readers to easily find the relevant information based on the currently approved SEMP.

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	<ul style="list-style-type: none"> Known in-migrations of non-Inuit Baffinland and contractor employees In-migration of non-Inuit to the North Baffin LSA 	3.2 (p. 51) BIMC Limited
RE	Out-migration of Inuit residents from the North Baffin LSA	<ul style="list-style-type: none"> Known out-migrations of Inuit Baffinland and contractor employees Out-migration of Inuit from the North Baffin LSA 	3.2 (p. 51) BIMC Limited
T&C	Demographic Change	<ul style="list-style-type: none"> Population estimates Nunavut net migration 	3.1 (p. 49) NBS StatsCan NBS
T&C	Employee changes of address, housing status, and migration intentions	Employee and contractor changes of address, housing status, and migration intentions	3.1 (p. 49) BIMC Survey
T&C	Employee origin	Employee and contractor origin	Appendix B (p. 110) 1.1 (p. 9) BIMC
 0 Education and Training			
RE	Improved life skills among young adults	<ul style="list-style-type: none"> Participation in pre-employment training LSA employment and on-the-job training 	1.1 (p. 9) 1.6 – 1.7 (p. 22 – 27) BIMC
RE	Incentives related to school attendance and success	<ul style="list-style-type: none"> Number of secondary school graduates Secondary school graduation rate Investments in school-based initiatives 	1.4 – 1.5 (p. 22 – 27) NBS** NBS BIMC
RE	Opportunities to gain skills	<ul style="list-style-type: none"> Hours of training completed by Baffinland and contractor Inuit employees Types of training provided to Baffinland and contractor Inuit employees Apprenticeships and other opportunities 	1.7 – 1.9 (p. 28 - 39) BIMC BIMC BIMC
T&C	Employee education and pre-employment status	Employee education and pre-employment status	1.8 (p. 34) BIMC
 3 · Employment and Livelihood			
RE	Creation of jobs in the LSA	Hours of Project labour performed	1.1 (p. 9) BIMC
RE	Employment of LSA residents	Project hours worked by LSA Baffinland and contractor employees	Appendix B 1.1 (p. 9) BIMC
RE	New career paths	<ul style="list-style-type: none"> LSA employment Inuit employee promotions Inuit employee turnover 	1.1 (p. 9) 1.9 (p. 37) 1.3 (p.19) BIMC BIMC BIMC

Topic	Indicators	Concord.	Source
T&C Barriers to employment for women, specifically relating to childcare availability and costs	<ul style="list-style-type: none"> Hours worked by Baffinland and contractor female employees <p><i>Topic will continue to be tracked through the QSEMC process and community engagement conducted for the Project.</i></p>		BIMC
4 · 2 · Contracting and Business Opportunities			
RE Expanded market for business services to the Project	<ul style="list-style-type: none"> Value of contracting with Inuit Firms 	2.2 (p. 45)	BIMC
RE Expanded market for consumer goods and services	<ul style="list-style-type: none"> LSA Inuit employee payroll amounts Number of registered Inuit Firms in the LSA 	2.2 (p. 45) 2.3 (p. 47)	BIMC NTI
4 · Human Health and Well-being			
RE Changes in parenting	<ul style="list-style-type: none"> Number of youth charged 	4.3 (p. 64)	StatsCan
RE Household income and food security	<ul style="list-style-type: none"> Proportion of tax filers with employment income and median employment income Percentage of population receiving social assistance 	4.2 (p. 62) 4.2 (p. 62)	NBS NBS
RE Transport of substances through Project site	<ul style="list-style-type: none"> Number of drug and alcohol related contraband infractions at Project sites 	4.3 (p. 64)	BIMC
RE Affordability of substances	<ul style="list-style-type: none"> Number of impaired driving violations 	4.3 (p. 64)	NBS* StatsCan
RE Attitudes toward substances and addictions	<ul style="list-style-type: none"> Number of drug violations 	4.3 (p. 64)	NBS* StatsCan
RE Absence from the community during work rotation	<p><i>Topic will continue to be tracked through the QSEMC process and community engagement conducted for the Project.</i></p>		
T&C Prevalence of substance abuse	<p><i>Monitoring already conducted through other 'human health and well-being' indicators.</i></p>		
T&C Prevalence of gambling issues Prevalence of family violence Prevalence of marital problems Rates of teenage pregnancy	<p><i>Topics will continue to be tracked through the QSEMC process and community engagement conducted for the Project.</i></p>		
T&C Rates of sexually transmitted infections and other communicable diseases	<ul style="list-style-type: none"> Percent of health centre visits related to infectious diseases 	4.4(p.72)	NBS
T&C High school completion rates	<p><i>Monitoring already conducted through other 'education and training' indicators.</i></p>		
T&C Other	<ul style="list-style-type: none"> Crime rate Number of times Baffinland's EFAP is accessed 	4.3 (p. 64) 4.1 (p. 56)	NBS* StatsCan BIMC
5 · Community Infrastructure and Public Services			
RE Competition for skilled workers	<ul style="list-style-type: none"> Number of Baffinland and contractor employees who left positions in their community 	3.2 (p. 51) 1.3 (p. 19)	BIMC Survey
RE Labour force capacity	<ul style="list-style-type: none"> Training and experience generated by the Project Inuit employee turnover 		BIMC
T&C Pressures on existing health and social services provided by the GN that may be impacted by Project-related in-migration of employees	<ul style="list-style-type: none"> Number of health centre visits (total and per capita) Number of visits to Project physician assistant 	5.1 (p. 74) 5.1 (p. 74)	NBS BIMC
T&C Project-related pressures on community infrastructure	<ul style="list-style-type: none"> Baffinland use of LSA and Iqaluit community infrastructure Number of Project aircraft movements at LSA and Iqaluit community airports 	5.2 (p. 76) 5.2 (p. 76)	BIMC BIMC

Topic	Indicators	Concord.	Source
 6 · Cultural Resources			
N/A	N/A	<i>Monitoring already conducted through Archaeology Status Update Reports</i>	
 7 · Resource and Land Use			
RE	Caribou harvesting Marine mammal harvesting Fish harvesting	<i>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.</i>	
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	7.1 (p. 81) BIMC QIA
 8 · Cultural Well-being			
N/A	N/A	<i>No monitoring required. No residual effects identified in the EIS.</i>	
 9 · Economic Development and Self-reliance			
RE	N/A	<i>As noted in the FEIS, 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.</i>	
T&C	Project harvesting interactions and food security, which includes broad indicators of dietary habits	<i>Topic will continue to be tracked through the QSEMC process, community engagement conducted for the Project, and related information</i>	
 10 · Benefits, Royalty, and Taxation			
RE	Project revenues flowing to the territorial government	Payroll and corporate taxes paid by Baffinland to the territorial government	10.1 (p. 95) BIMC
 11 · Governance and Leadership			
N/A	N/A	<i>No monitoring required. No residual effects identified in the FEIS.</i>	

Note: where data is significantly outdated, other data sources may be used (*StatsCan, **Government of Nunavut Dept of Education)

Appendix C. Headcount Data

The detailed composition of Mary River’s workforce (headcount) 2023 is presented below.

Table 29. Baffinland and Contractor Employment (Headcount) by Origin and Ethnicity (2023)

	Baffinland		Contractor		Total	
	Inuit	Non-Inuit	Inuit	Non-Inuit	Inuit	Non-Inuit
Arctic Bay	29	1	18	0	47	1
Clyde River	20	0	12	0	32	0
Sanirajak	28	0	16	1	43	1
Igloolik	15	0	19	0	34	0
Iqaluit	30	1	36	1	67	2
Pond Inlet	47	0	18	0	65	0
Other Qikiqtani communities	6	0	0	0	6	0
Kivalliq communities	2	0	0	0	2	0
Other Nunavut communities (region unspecified)	0	0	1	3	1	3
Unknown	0	0	0	0	0	0
Other Canadian	36	1,112	10	651	46	1,762
2023 Total	212	1,114	130	672	342	1,786

Source: (Baffinland, 2023)

Appendix D. 2023 Inuit Employee Survey Report



Mary River Inuit Employee Survey

PREPARED FOR

Baffinland Iron Mines

DATE

15 February 2024

REFERENCE

0721570-01



SIGNATURE PAGE

Mary River Inuit Employee Survey

0721570-01

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CONTENTS

1.	INTRODUCTION	5
2.	METHODOLOGY	7
2.1	SURVEY DEVELOPMENT	7
2.2	SURVEY ADMINISTRATION	8
2.3	LIMITATIONS	9
2.4	DATA ANALYSIS	10
3.	2023 INUIT EMPLOYEE SURVEY RESULTS	11
3.1	GENERAL	11
	3.1.1 Highlights	11
	3.1.2 Results	12
3.2	HOUSING	20
	3.2.1 Highlights	20
	3.2.2 Results	22
3.3	EDUCATION AND WORK EXPERIENCE	33
	3.3.1 Highlights	33
	3.3.2 Results	33
3.4	BAFFINLAND IN YOUR COMMUNITY	41
	3.4.1 Highlights	41
	3.4.2 Results	43
3.5	CHILDCARE	49
	3.5.1 Highlights	49
	3.5.2 Results	50
4.	CONCLUSION AND RECOMMENDATIONS	54
4.1	SUMMARY	54
4.2	REPORTING AND NEXT STEPS	55

LIST OF FIGURES

FIGURE I:	QUESTION 1 – TO WHICH DO YOU MOST IDENTIFY?	12
FIGURE II:	QUESTION 2A - HOW DO YOU IDENTIFY?	13
FIGURE III:	QUESTION 2B - IF YOU IDENTIFY AS INUIT, ARE YOU ENROLLED UNDER THE NUNAVUT AGREEMENT?	14
FIGURE IV:	QUESTION 3 - PLEASE INDICATE YOUR AGE	15
FIGURE V:	QUESTION 4 - WHO DO YOU WORK FOR?	16
FIGURE VI:	QUESTION 5 – DO YOU WORK	17
FIGURE VII:	QUESTION 6 - HOW LONG HAVE YOU WORKED FOR YOUR CURRENT EMPLOYER (BAFFINLAND OR CONTRACTOR)?	18



FIGURE VIII: QUESTION 7 - WHAT LANGUAGE(S) DO YOU SPEAK? (SELECT ALL THAT APPLY)	19
FIGURE IX: QUESTION 8 - WHAT IS YOUR CURRENT COMMUNITY OF RESIDENCE?	22
FIGURE X: QUESTION 9 - WHAT TYPE OF HOUSING DO YOU CURRENTLY LIVE IN?	23
FIGURE XI: QUESTION 10A - HAS YOUR HOUSING SITUATION CHANGED SINCE WORKING AT THE MARY RIVER PROJECT?	24
FIGURE XII: QUESTION 10B - WAS THIS CHANGE A RESULT OF MARY RIVER PROJECT EMPLOYMENT?	25
FIGURE XIII: QUESTION 11 - HAVE YOU EVER CONSIDERED PURCHASING A HOME?	26
FIGURE XIV: QUESTION 12 - ARE YOU AWARE OF THE NUNAVUT DOWN PAYMENT ASSISTANCE PROGRAM OFFERED BY THE NUNAVUT HOUSING CORPORATION?	27
FIGURE XV: QUESTION 13 - IF YOU HAVE NOT PURCHASED YOUR OWN HOME, COULD YOU PLEASE EXPLAIN WHY? (SELECT ALL THAT APPLY)	28
FIGURE XVI: QUESTION 14A - IN THE PAST 12 MONTHS, HAVE YOU MOVED FROM ONE RESIDENCE TO ANOTHER RESIDENCE?	29
FIGURE XVII: QUESTION 14B - IF YOU ANSWERED 'YES - FROM ONE COMMUNITY TO ANOTHER COMMUNITY', SPECIFY WHICH COMMUNITY YOU MOVED FROM?	29
FIGURE XVIII: QUESTION 14C - IF YOU ANSWERED, 'YES - FROM ONE COMMUNITY TO ANOTHER COMMUNITY', WHY DID YOU DECIDE TO MOVE FROM ONE COMMUNITY TO ANOTHER? (SELECT ALL THAT APPLY)	30
FIGURE XIX: QUESTION 15A - DO YOU PLAN ON MOVING FROM ONE RESIDENCE TO ANOTHER RESIDENCE IN THE NEXT 12 MONTHS?	31
FIGURE XX: QUESTION 15B - IF YOU ANSWERED 'YES - FROM ONE COMMUNITY TO ANOTHER COMMUNITY', SPECIFY WHICH COMMUNITY YOU PLANNING ON MOVING TO?	31
FIGURE XXI: QUESTION 15C - IF YOU ANSWERED, 'YES - FROM ONE COMMUNITY TO ANOTHER COMMUNITY', WHY ARE YOU PLANNING TO MOVE FROM ONE COMMUNITY TO ANOTHER? (SELECT ALL THAT APPLY)	32
FIGURE XXII: QUESTION 16 - WHAT IS THE HIGHEST EDUCATION LEVEL YOU HAVE OBTAINED? (ONLY CHECK ONE BOX)	34
FIGURE XXIII: QUESTION 17 - IF BAFFINLAND, INCLUDING ITS CONTRACTORS, OR OTHER AGENCIES WERE TO OFFER ADDITIONAL EDUCATION OR TRAINING PROGRAMS FOR MINE EMPLOYEES, WHAT KIND OF PROGRAMS WOULD YOU BE INTERESTED IN? (SELECT TOP THREE)	35
FIGURE XXIV: QUESTION 18A - WERE YOU ENROLLED IN AN ACADEMIC OR VOCATIONAL PROGRAM AT THE TIME OF YOUR HIRE AT THE MARY RIVER PROJECT?	36
FIGURE XXV: QUESTION 18B - IF YOU ANSWERED 'YES', WHAT PROGRAM WERE YOU ENROLLED IN AND WHERE WERE YOU ENROLLED?	37
FIGURE XXVI: QUESTION 18C - IF YOU ANSWERED 'YES', DID YOU SUSPEND OR DISCONTINUE YOUR EDUCATION BECAUSE YOU WERE HIRED TO WORK AT THE MARY RIVER PROJECT?	37
FIGURE XXVII: QUESTION 19A - DID YOU RESIGN FROM A PREVIOUS JOB IN ORDER TO TAKE UP EMPLOYMENT WITH THE MARY RIVER PROJECT?	38
FIGURE XXVIII: QUESTION 19B - IF YOU ANSWERED 'YES', WHAT WAS YOUR PREVIOUS EMPLOYMENT STATUS? (ONLY CHECK ONE BOX)	39

FIGURE XXIX: QUESTION 19C - IF YOU ANSWERED 'YES', WHAT WAS YOUR PREVIOUS JOB TITLE AND WHO WAS YOUR EMPLOYER?	40
FIGURE XXX: QUESTION 20A - HAS YOUR TOTAL HOUSEHOLD INCOME BEEN ENOUGH TO MEET YOUR FAMILIES' NEEDS FOR TRANSPORTATION, FOOD, HOUSING, CLOTHING AND OTHER NECESSARY EXPENSES SINCE OBTAINING MARY RIVER PROJECT EMPLOYMENT? (ONLY CHECK ONE BOX)	43
FIGURE XXXI: QUESTION 20B - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	43
FIGURE XXXII: QUESTION 21A - HOW HAS THE HEALTH AND WELL-BEING OF YOU AND YOUR FAMILY CHANGED SINCE OBTAINING PROJECT EMPLOYMENT? (ONLY CHECK ONE BOX)	44
FIGURE XXXIII: QUESTION 21B - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	44
FIGURE XXXIV: QUESTION 22 - HOW HAS YOU AND YOUR FAMILY'S ABILITY TO PARTICIPATE IN HARVESTING OR OTHER LAND-BASED ACTIVITIES CHANGED SINCE OBTAINING PROJECT EMPLOYMENT? (ONLY CHECK ONE BOX)	45
FIGURE XXXV: QUESTION 22 - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	45
FIGURE XXXVI: QUESTION 23A - SINCE WORKING FOR BAFFINLAND, HOW OFTEN HAVE YOU AND OTHER HOUSEHOLD MEMBERS WORRIED THAT FOOD WOULD RUN OUT BEFORE YOU GOT MONEY TO BUY MORE?	46
FIGURE XXXVII: QUESTION 23- - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	46
FIGURE XXXVIII: QUESTION 24A - OVERALL, HOW DO YOU FEEL YOUR LIFE AS A WHOLE HAS CHANGED SINCE BEING EMPLOYED AT THE MARY RIVER PROJECT? (ONLY CHECK ONE BOX)	47
FIGURE XXXIX: QUESTION 24- - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	47
FIGURE XL: QUESTION 25A - OVERALL, DO YOU FEEL THE MARY RIVER PROJECT HAS POSITIVELY IMPACTED YOUR COMMUNITY IN THE LAST FIVE YEARS? (ONLY CHECK ONE BOX)	48
FIGURE XLI: QUESTION 25- - DO YOU HAVE ANY COMMENTS, SUGGESTIONS OR CONCERNS YOU WOULD LIKE TO SHARE?	48
FIGURE XLII: QUESTION 26 - 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. LICENSED DAYCARE) AND INFORMAL CHILDCARE PROVIDED BY OTHERS (E.G., UNLICENSED CHILDCARE PROVIDED BY FAMILY OR FRIENDS, BABYSITTERS).	50
FIGURE XLIII: QUESTION 26B - IF YOU ANSWERED 'YES', DO YOU USE LICENSED OR UNLICENSED CHILDCARE SERVICES CURRENTLY?	51
FIGURE XLIV: QUESTION 27 - DO YOU FEEL THERE ARE AFFORDABLE OPTIONS AND ACCESS TO CHILDCARE IN YOUR COMMUNITY?	52
FIGURE XLV: QUESTION 28 - DO YOU FEEL THERE ARE SUFFICIENT OPTIONS AND ACCESS TO CHILDCARE IN YOUR COMMUNITY?	53

ACRONYMS AND ABBREVIATIONS

Acronyms	Description
Baffinland	Baffinland Iron Mines Corporation
BCLO	Baffinland Community Liaison Officer
GN	Government of Nunavut
GoC	Government of Canada
NIRB	Nunavut Impact Review Board
QIA	Qikiqtani Inuit Association
SEMP	Socio-Economic Monitoring Program
SEMR	Socio-Economic Monitoring Report
SEMWG	Mary River Socio-Economic Monitoring Working Group

1. INTRODUCTION

Baffinland Iron Mines Corporation (Baffinland) is a Canadian mining company with headquarters in Oakville, Ontario, and in Iqaluit, Nunavut, as well as offices in five North Baffin communities. In 2015, Baffinland began operations of the Mary River Mine site located in the Baffin Island, Nunavut. Mary River Mine is responsible for producing high-grade iron ore for direct shipping to global markets.

Over the years, Baffinland has implemented a range of engagement mechanisms with rightsholders and stakeholders to understand their perspectives on the Project and enhance opportunities for the communities to benefit from the mine. One of these engagement mechanisms is the administration of an annual Inuit Employee Survey.

The Inuit Employee Survey has been undertaken by Baffinland since 2017¹, as part of Term and Condition 133 & 140 of Project Certificate No.005 issued by Nunavut Impact Review Board (NIRB). Under these conditions, Baffinland has committed to implement an annual voluntary survey to collect employee and contractor changes related to housing status, and migration intention, as well as information related to education and employment, to better understand the possible impacts on communities during the Project's operations.

Project Certificate Condition No. 133

The Proponent is encouraged to work with the Qikiqtaaluk Socio-Economic Monitoring Committee and in collaboration with the Government of Nunavut's Department of Health and Social Services, the Nunavut Housing Corporation 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 Government of Nunavut's Department of Health and Social Services, the Nunavut Housing Corporation and other relevant stakeholders. Nonconfidential results of the survey are to be reported to the Government of Nunavut and the NIRB.

Project Certificate Condition No. 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.

¹ Survey has been administered in 2017, 2018, 2019, 2020, 2022, and 2023.

Overarching objectives of the annual Inuit Employment Survey include:

- Collect employment, education, and housing information from Project employees.
- Collect Inuit employee perspectives on other topics, such as childcare, food security and the impacts of the Mary River Project and Baffinland on participation in traditional activities and individual and community well-being, to support the Mary River Socio-Economic Monitoring Program (SEMP).
- Support Baffinland to understand key changes, impacts and benefits of the Mary River Project on Project employees in order to support adaptive management.

The Inuit Employee Survey results are included in the annual Project Socio-Economic Monitoring Report (SEMR).

The focus of the Survey is on Inuit employees and contractors working for Baffinland (Inuit Project employees). While the Survey continues to benefit from refinements identified by Baffinland and other parties involved in socio-economic monitoring each year, most survey questions remain consistent over time to allow for year-over-year trend analysis. New topics and questions are included only where necessary, to maintain the survey at a manageable length to encourage participation and discourage respondent drop-off. Annual administration of the survey also allows Baffinland to monitor changes in the lives of employees and contractors and understand key areas of improvement. Survey results are an important source of feedback to Baffinland on matters that affect its employees.

Since inception in 2017, six annual Inuit Employee Surveys have been administered. In 2021, demobilization coupled with strict public health measures imposed in Nunavut communities, paused Baffinland's ability to administer the Inuit Employee Survey. The survey program was resumed in 2022.

2. METHODOLOGY

2.1 SURVEY DEVELOPMENT

Project Certificate Term and Condition No. 133 encourages Baffinland to work with the Government of Nunavut (GN) in survey design. To meet this requirement, Baffinland provides the survey to the Mary River Socio-Economic Monitoring Working Group (SEMWG), which includes representatives from the GN, Qikiqtani Inuit Association (QIA) and the Government of Canada (GoC), for review and comment on an annual basis.

Baffinland received a series of suggested edits from the QIA in 2023. Suggested edits included minor revision to wording of questions, increasing answer options respondents can select from, and inclusion of an additional question regarding community well-being (in the Baffinland in your Community) section of the survey (i.e. Question #24).

To increase monitoring efforts and understanding of Project impacts on food security, the Company also proposed inclusion of an additional question on food security in the survey. Due to unanimous decision by the SEMWG, the question was included in the 2023 survey (Question #23).

Research ethics protocols integrated into the survey methodology included:

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

The 2023 survey included 28 primary questions. A copy of the survey is provided in Appendix D). The questions are organized in five sections within the survey:

1. General
2. Housing
3. Education and work experience
4. Baffinland in your community
5. Childcare

The survey is comprised of two types of questions: 1) closed-ended, and 2) open-ended. Closed-ended questions provide a list of answer options that respondents can choose from. Open-ended questions do 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.

2.2 SURVEY ADMINISTRATION

The survey was administered by the Baffinland team at the Mary River project site from October 23 to December 1, 2023. The survey was administered as follows:

- **Eligibility:** the survey was made available to Inuit employees and contractors at the Mary River Project and in Baffinland offices located in North Baffin communities.
- **Location:** The survey was made available at multiple locations at the Mary River mine site and at Milne Port. Additionally, surveys were also administered within communities, with assistance from Baffinland Community Liaison Officers (BLCOs).
- **Timing:** To maximize participation, the survey was administered from October 23rd to December 1st, 2023. This ensured that all employees on a regular schedule (3 weeks in/3 weeks out) would be on site and have the opportunity to complete the survey, should they choose to, during the administration period.
- **Format:** The survey was available in a paper format, in both English and Inuktitut.
- **Awareness:** Baffinland encouraged Inuit employees to participate in the survey through various means, including:
 - Circulating an internal e-mail announcement to site-based employees about the survey. An enterprise-wide email was also circulated to generate survey awareness at all Baffinland office locations (e.g. Mary River, North Baffin communities). These announcements provided a description of the purpose of the survey, how results would be used, and contact and availability information for survey administrators.
 - The posting of posters at various locations at the mine site and at Milne Port. These posters outlined the purpose of the survey, where the survey could be picked up/dropped off, and who to contact for assistance. Posters were also posted on the on-site televisions at both the mine site and Milne Port.
 - The development and use of an announcement which was delivered at department daily toolbox meetings and every end-of-week health and safety meeting.
 - An Inuit relations advisor from the site-based Human Resources and Labour Relations department met with all departments' administrative personnel to encourage participation in and promotion of the survey.
- **Incentive:**
 - Those who participated in the survey received a raffle ticket and were entered into a draw and had chance to win one of two \$250.00 visa credit cards. Raffle took place following completion of survey administration period.
- **Administration:**
 - Site-based: The survey was administered through the site-based Human Resources and Labour Relations department, which included the cultural advisors, Inuit relations advisors, and other site-based Human Resources representatives. Survey administrators were provided with instructions on their duties, especially as they related to confidentiality and survey data management.

- **Community-based:** The survey was administered through the Community and Strategic Development (CSD) department, which included the Baffinland Community Liaison Officers in each community as well as the manager of CSD and manager of corporate services in Iqaluit.
- **Administration Process and Confidentiality:** Prior to beginning the survey, the respondents were informed of the objective of the survey. Participation in the survey was completely voluntary and there were no negative consequences for those who decided not to participate. For respondents who chose to participate, they had the option of completing the survey on their own or with the assistance of a survey administrator (see below). Surveys could be completed in either English or Inuktitut, and respondents were free to skip any questions they did not wish to answer. Respondents 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.
- **Support:** Depending on where respondents completed their survey (i.e. on- vs. off-site), respondents were provided with the option of having a member of the site-base Human Resources and Labour Relations Team (e.g. cultural advisor, members of Inuit Success Team, HR representative) or a member of the CSD department to support them in filling out the survey, for example, by reading the questions and explaining the options.

2.3 LIMITATIONS

In 2023, the Inuit Employee survey had the following specific limitations:

- **Access to Inuit workers:** Although the survey was administered over the course of a month and a half to accommodate the rotational schedule, due to vacation, medical, or other reasons, it's unlikely that all Inuit workers would have been on site during the period of survey administration. In efforts to address this limitation, Baffinland piloted the administering of the survey in North Baffin communities where Company personnel made surveys available at airports prior to/after community flights and in office. The survey was only available to take in paper format.
- **Unclear question wording:** Question #10A was worded in a way in which one answer option contradicted itself. The question asked whether a respondent's living situation had changed, with one response listed as "No – my housing situation has worsened", indicating both that a change had and had not taken place. Additionally, Question #10B did not specify that respondents should only answer if they had indicated a change in Question #10A. This resulted in a large proportion of respondents indicating no change on Question #10A but giving a rationale for a change in living situation in Question #10B. It is not likely that the confusing wording of these questions had a large impact on survey responses, however, multiple comments were left indicating either confusion or information regarding how employment with the Project helped them maintain housing stability as opposed to a change. In future surveys, the wording of this question will be adjusted for clarity.

2.4 DATA ANALYSIS

In total, 81 surveys were completed. Applying the same methodology as used in the 2022 Inuit Employee Survey Report, based on the number of Inuit Project employees on staff in Q3 2023, the survey response rate was 22%. This compares to the 18% response rate achieved in 2022, and 32.5% response rate achieved in 2020.

Surveys were collected in paper format, scanned, and answers were compiled into Microsoft Excel. Quantitative results, by question, were then prepared. In the charts and figures presented in this report, the number of respondents is provided ('n='). The number of respondents for each question will vary, as respondents were able to skip questions they did not want to answer. Due to the fact that the total number of respondents for each question may vary slightly (e.g. due to the skipping of question, etc.), care should be taken in assuming the number of respondents based on percentages provided in this report unless the number of respondents is specifically stated.

In some cases, respondents completed questions not applicable to their situations – as an example, in a two-part question, if the first question required the respondent to answer 'yes' to answer the second question, some respondents who answered 'no' to the first question proceeded to answer the second question despite it not pertaining to them directly. In this case, their response for the second question was not recorded in the survey results; however, qualitative comments have been included to collect their perspectives on the topic (for example, see Questions #18A and #18B, Figures xxiv and xxv).

Additionally, some respondents did not select responses for closed-ended questions but wrote responses beside the question where there was no open-ended option or related question available. In some cases, these responses were coded as closed-ended options where the connection was clear. For example, if the respondent did not select a length of time working at the Project but wrote "just started" or "over 10 years", these responses would have been coded as "Less than 1 year" and "Over 3 years", respectively. Where comments did not clearly connect with one response option, they were not included and the comment was reported on its own, where relevant.

3. 2023 INUIT EMPLOYEE SURVEY RESULTS

3.1 GENERAL

3.1.1 HIGHLIGHTS

Survey highlights for this section include:

- In total, there were 81 survey respondents to the 2023 Inuit Employee Survey.
- All but one of the 81 respondents (99%) identified as Inuit. All respondents to Question #2A (100%, 79 respondents) confirmed enrollment under the Nunavut Agreement, including the employee who identified as non-Inuit.² See *Figures ii and iii*.
- Of the survey respondents, 41 identified as male (51%) and 36 identified as female (45%). One respondent identified as 'Other' (1%), and 2 respondents selected 'Prefer not to answer' (3%). See *Figure i*.
- The most common age groups for respondents were those under 30 years old (33%, 26 respondents) and between 30 and 39 years old (31%, 25 respondents). Age groups decreased in size as age increased, with 17 respondents indicating that they were between 40 and 49 years old (21%), 11 respondents indicating they were between 50 and 59 years old (14%), and one respondent identifying as over 60 years old (1%). See *Figure iv*.
- The majority of respondents identified as direct Baffinland employees (70%, 56 respondents), with the rest identifying as indirect (contractor) employees (30%, 24 respondents). The majority of respondents identified as full-time employees (86%, 70 respondents), with 5 employees indicating seasonal employment (6%), 4 employees indicating apprenticeship positions (5%), and 2 employees indicating internship positions (2%). No respondents identified as summer students (0%). See *Figures v and vi*.
- The majority of respondents have worked for their current employer (Baffinland or contractor) for either less than 1 year (42%, 34 respondents) or over 3 years (42%, 34 respondents). A minority of respondents (16%, 12 respondents) indicated they have worked for their current employer for at least 1 year, but less than 3 years. See *Figure vii*.
- When asked what language they speak, the majority (86%, 68 respondents) indicated they speak both Inuktitut and English. 4 respondents (5%) indicated they were unilingual Inuktitut speakers, and 7 respondents (9%) did not indicate they spoke Inuktitut. See *Figure viii*.
- Compared with the 2022 Inuit Employee Survey Results: Compared with the previous survey conducted in 2022, there were more survey respondents (81 in 2023, up from 55 in 2022) representing a return to 2020 levels (which had 82 respondents). Other notable changes included:
 - The proportion of respondents under 30 years old increased (33% compared to 24% in 2022), corresponding with a decrease in the proportion of respondents over 50 years old (15% compared to 24% in 2022).
 - The proportion of respondents who have worked more than 3 years for their current employer was lower (43%, compared to 58% in 2022).

² Although the respondent indicated that they do not identify as Inuit in Question #2A, their response for Question #2B and the remainder of the survey was counted.

3.1.2 RESULTS

Specific statistics for each question are provided below.

Figure i: Question 1 – To which do you most identify?

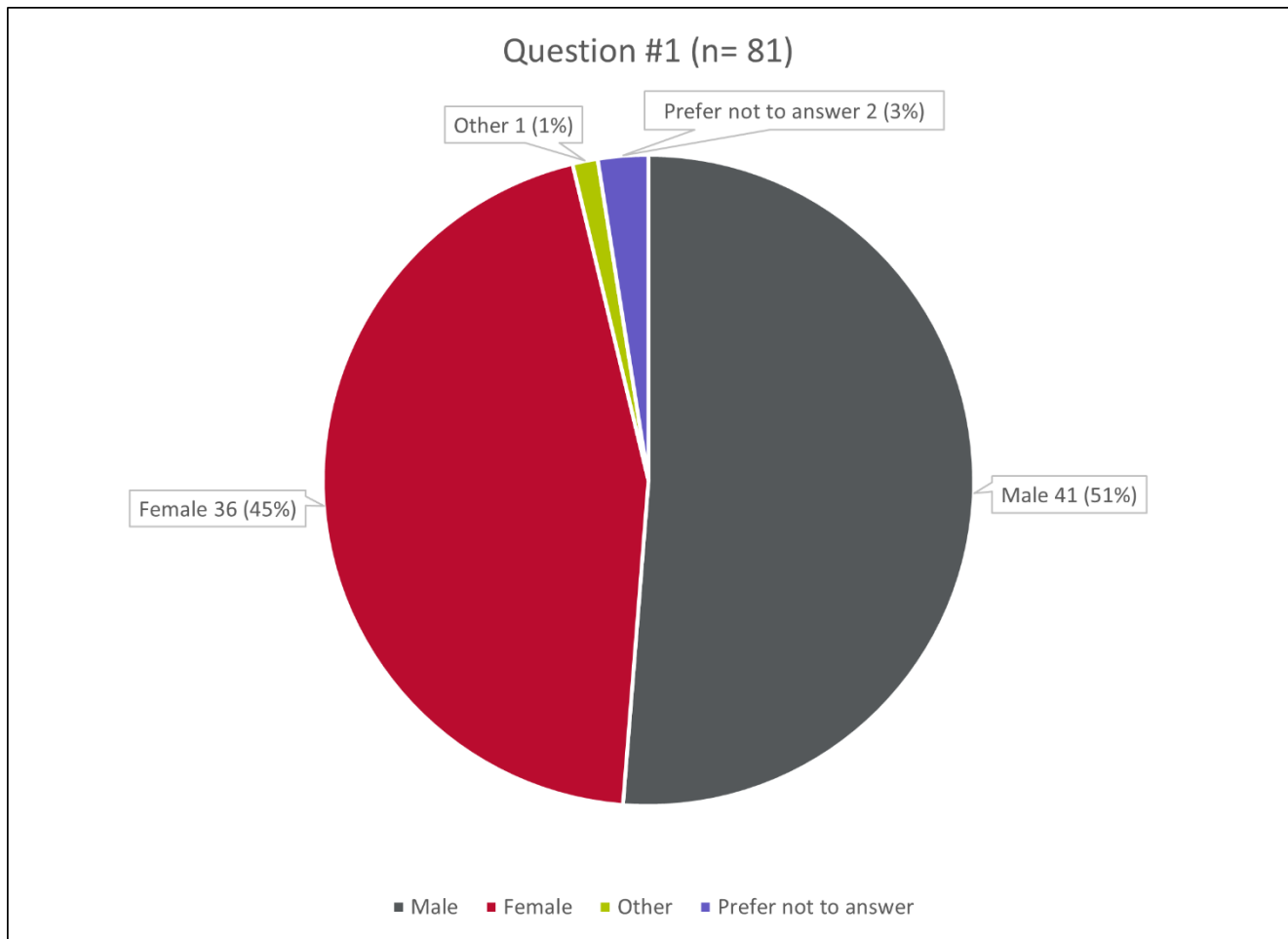


Figure ii: Question 2A - How do you identify?

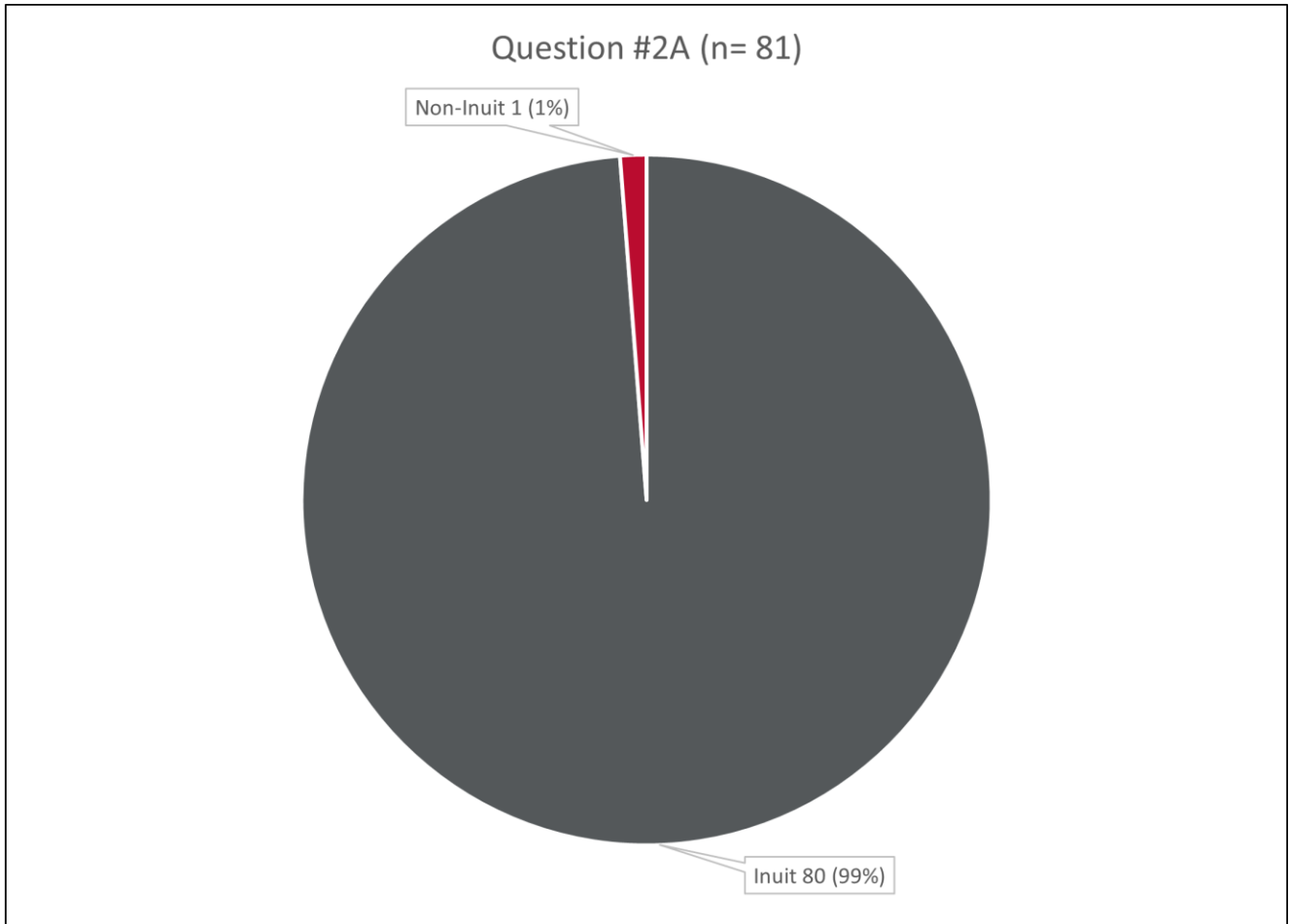


Figure iii: Question 2B - If you identify as Inuit, are you enrolled under the Nunavut Agreement?

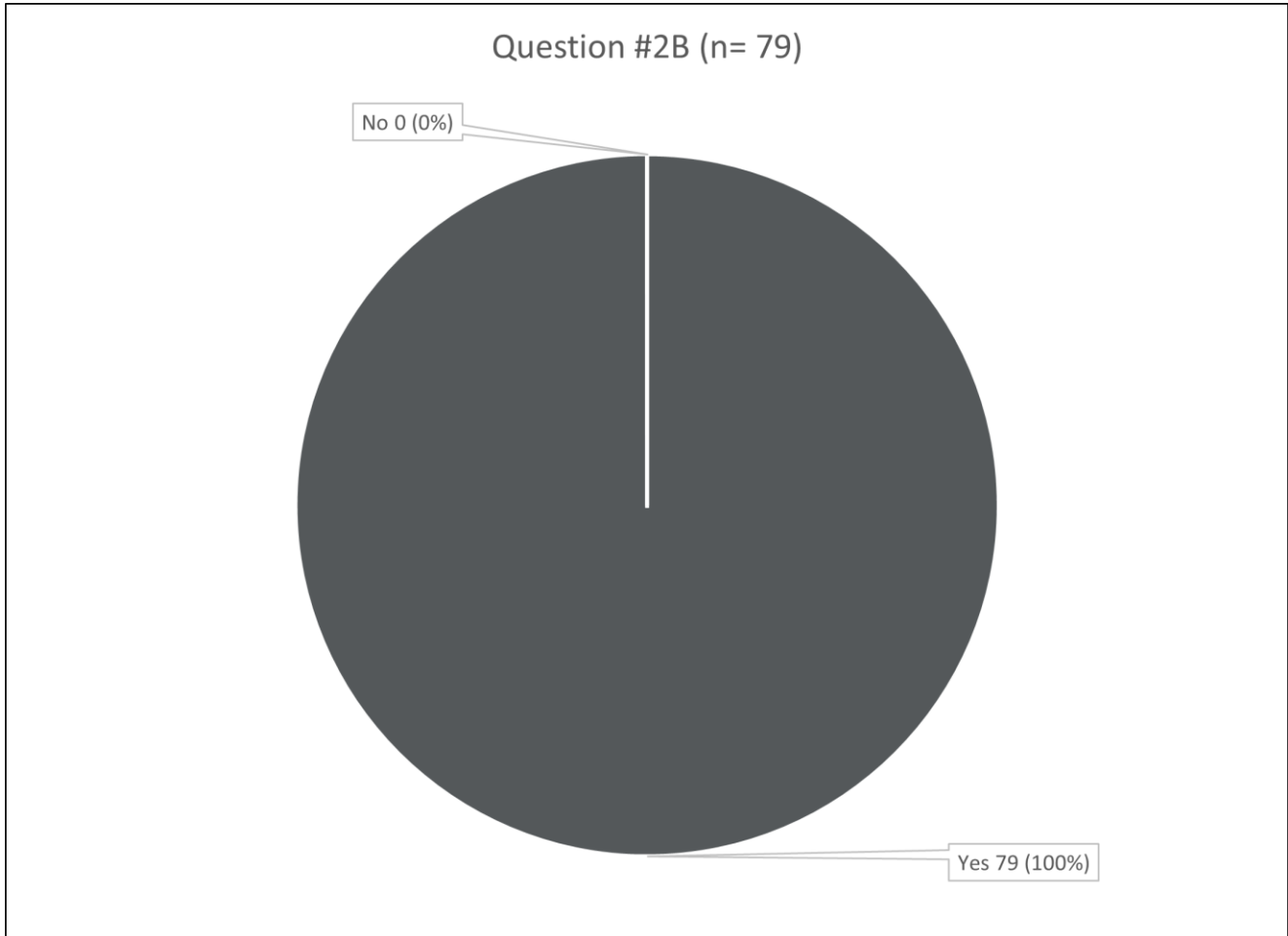


Figure iv: Question 3 - Please indicate your age

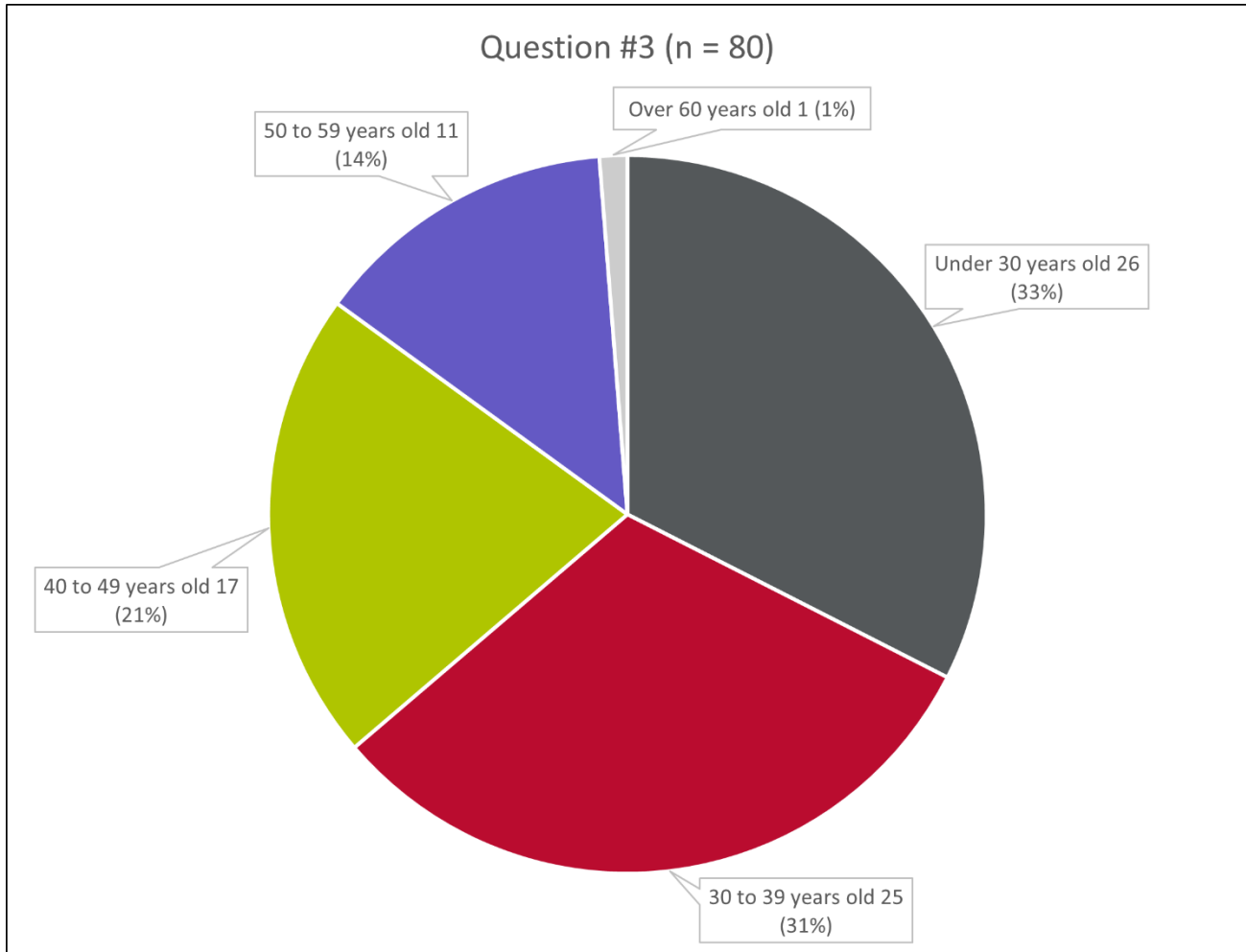
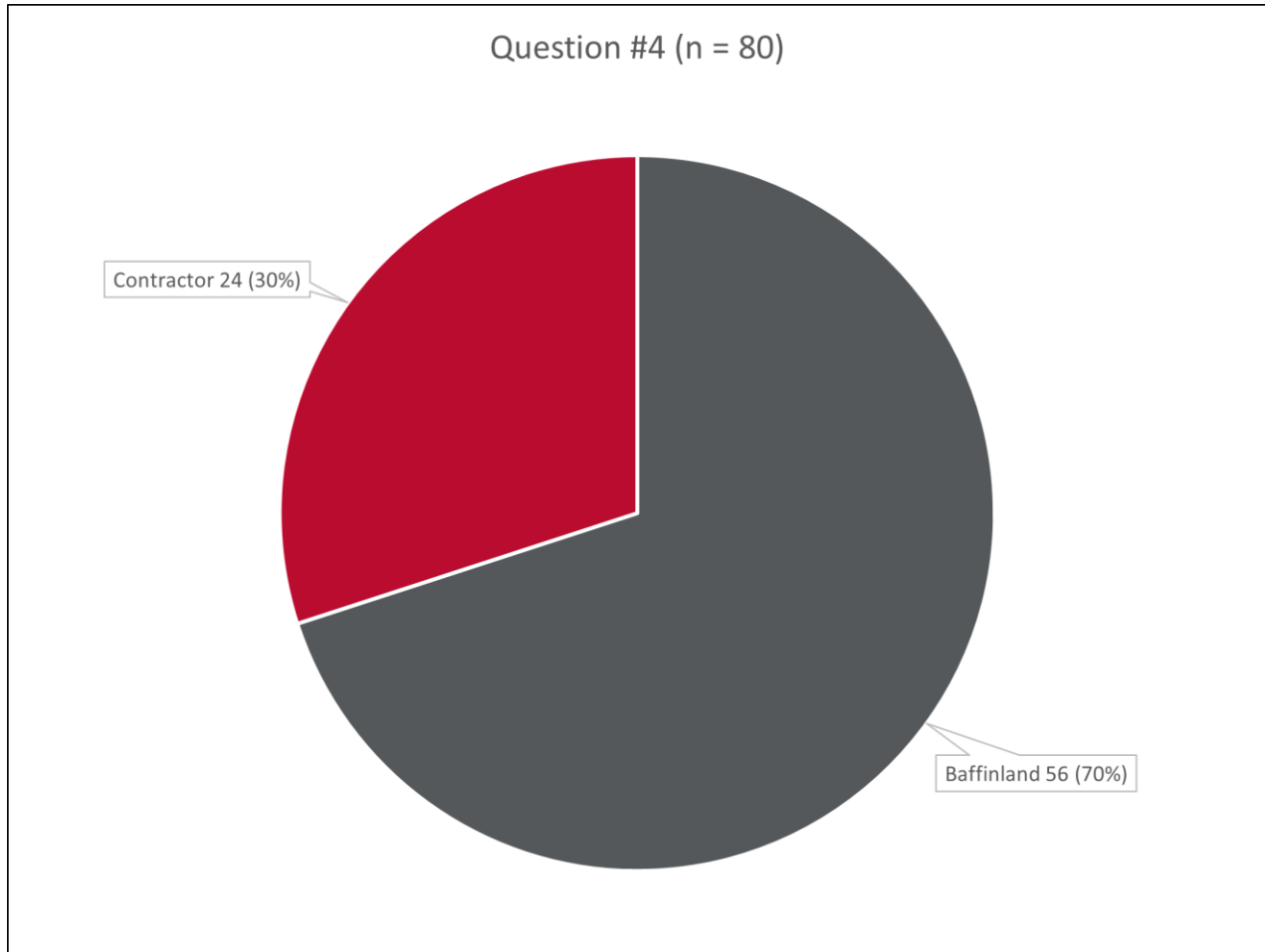
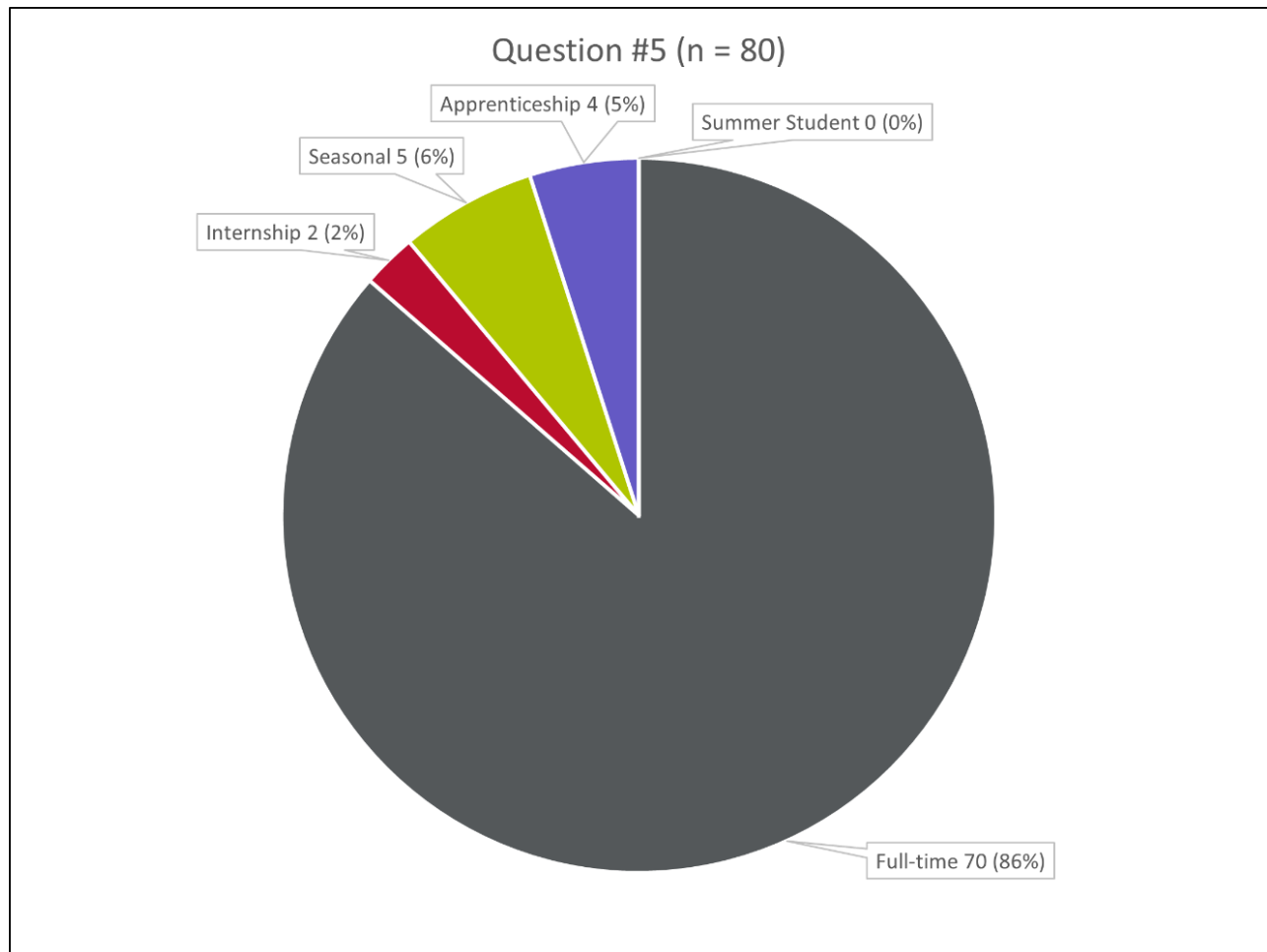


Figure v: Question 4 - Who do you work for?



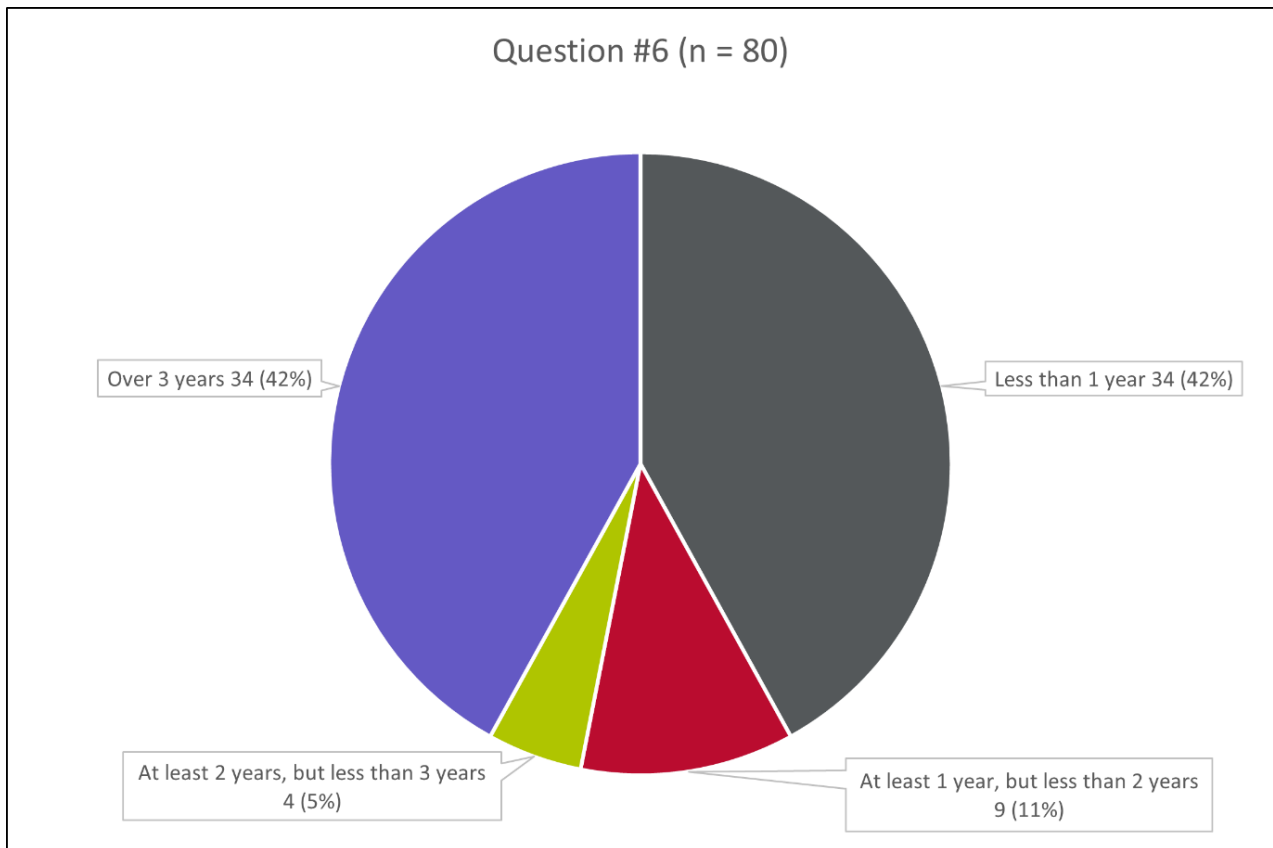
Note: One respondent selected both Baffinland and Contractor options and wrote "QIL". As part of data cleaning, this response was categorized as "Contractor". One respondent selected Baffinland but wrote "Scott" beside the Contractor option. This response was categorized as "Baffinland"

Figure vi: Question 5 – Do you work:



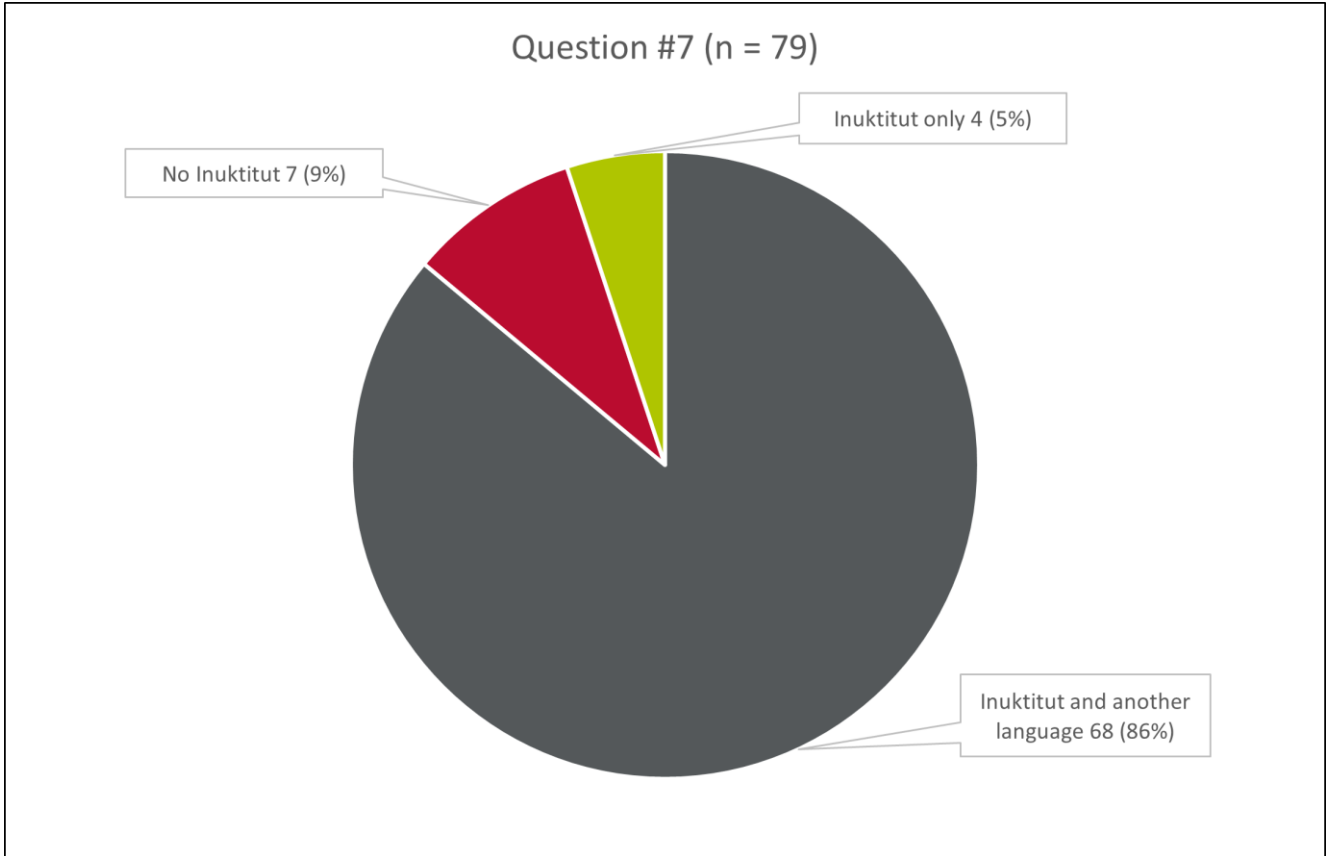
Note: One respondent selected both "Full-time" and "Seasonal" options. Both responses were included as data points.

Figure vii: Question 6 - How long have you worked for your current employer (Baffinland or Contractor)?



Note: One respondent selected both "At least 1 year, but less than 2 years" and "At least 2 years, but less than 3 years" options. Both responses were included as data points.

Figure viii: Question 7 - What language(s) do you speak? (Select all that apply)



Note: Overall, 70 respondents indicated that they speak Inuktitut, of which 40 respondents specified speaking a particular dialect (Amittuq, Baffin or Baffin Region, North Baffin, South Baffin, Clyde River, Igloodik, Iqaluit, Kinngait, Kivalliq, Mittimatalik, Northern, Pangnirtung, Pond Inlet, Qikiqtaaluk, and Qikiqtaaluup Uangnanganiutut). One respondent indicated that they could understand other dialects but did not specify which. Several respondents wrote responses which did not indicate specific dialects. These were not considered, but indicated as follows: "Nunavut" (n=1), "Inuktitut" (n=1), and "Inuit" (n=1).

75 respondents reported speaking English (95%). Only one respondent reported speaking French. In addition, 4 survey respondents noted speaking only Inuktitut, although all answered the English version of the survey, and some provided comments in English.

3.2 HOUSING

3.2.1 HIGHLIGHTS

Survey highlights for this section include:

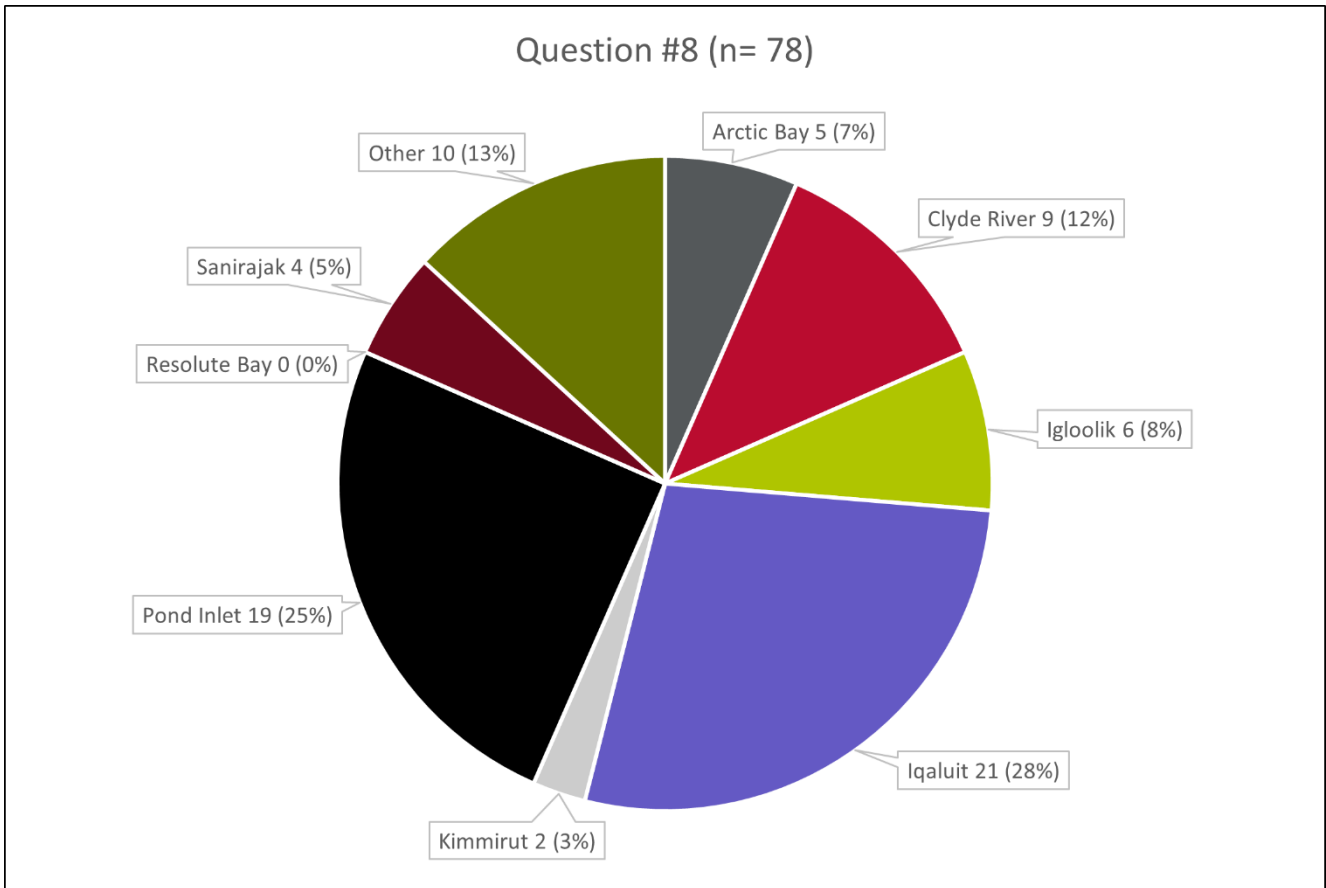
- Overall, 68 respondents (87%) reside in Nunavut communities, with 55% residing in North Baffin communities, including Igloolik (8%, 6 respondents), Pond Inlet (24%, 19 respondents), Arctic Bay (6%, 5 respondents), Clyde River (12%, 9 respondents), and Sanirajak (5%, 4 respondents). 21 respondents (27%) reported living in Iqaluit. 10 respondents (13%) indicated residing in 'Other' communities, with 4 respondents (5% of total sample) living in Ottawa, Ontario. *See Figure ix.*
- Most survey respondents (53%, 42 respondents) currently live in public housing, rent from a private company or individual (14%, 11 respondents), or live in a home privately owned by a family member or friend (14%, 11 respondents). Only 5 respondents (6%) reported living in a house they owned, with 4 of those respondents reporting that they currently resided in Nunavut communities (Iqaluit [n=2] and Arctic Bay [n=2]). Two respondents indicated living in Government of Nunavut staff housing (3%), with 3 respondents indicated living in other staff housing (4%). Five respondents reported other living arrangements (6%, see Figure x note). *See Figure x.*
- The majority (81%, 61 respondents) of respondents' housing situations have not changed since obtaining Baffinland employment. 7 respondents (9%) indicated that their housing situation has worsened. Two respondents moved into a home owned by a family member (3%), 3 indicated moving into a different private rental (4%), and 2 indicated moving into public housing (3%). No respondents purchased a home or moved into staff housing (0%). However, responses may have been impacted by unclear wording of the question (see Limitations). *See Figure xi.*
- When asked if they have ever considered purchasing a home in their community, most respondents (49%, 36 respondents) answered that they did not currently own a home but would like to purchase a new home, with 2 respondents indicating that they owned their own home but would like to purchase a new one (3%). The remaining respondents who had not considered purchasing a home indicated that they were either satisfied with their current home (29%, 21 respondents) or did not want to purchase a home (19%, 14 respondents). For those who have not considered purchasing a home, the reasons varied, including the inability to save money for a down payment (selected by 45% of respondents to Question #13, 25 respondents), not knowing how to go about purchasing a home (32%, 18 respondents), lack of houses for sale in respondents' communities (23%, 13 respondents) and lack of houses for sale that meet an individual and their family's needs (18%, 10 respondents), and the high costs associated with maintaining a home (18%, 10 respondents). *See Figures xiii and xv.*
- Most respondents (72%, 53 respondents) were not aware of the Nunavut Down Payment Assistance Program offered by the Nunavut Housing Corporation. *See Figure xiv.*
- The majority of respondents (87%, 65 respondents) have not moved in the last 12 months. Only 7 respondents (9%) reported moving from one community to a different community in the last year. Of these 7 respondents:

- 6 respondents provided additional details on the nature of their move, with 2 respondents having moved from within Nunavut (Iqaluit and Clyde River) to outside of Nunavut (Red Deer, Alberta and Ottawa, Ontario, respectively). The remaining 4 respondents moved within Nunavut, with 2 respondents moving to Clyde River from Iqaluit and Sanirajak, one moving from Pangnirtung to Iqaluit, and one moving from Pond Inlet to Igloolik.
- All 7 respondents provided additional details on the reason for their move, which included to be closer to friends and family, cost of living, better access to services, finding a job, and better housing. *See Figures xvi, xvii, and xviii.*
- The majority of survey respondents (85%, 62 respondents) do not plan on moving in the next 12 months. Six respondents (8%) indicated their intention to move within their community. Only 5 respondents (7%) indicated they are planning to move from one community to another, with no respondents planning to move back to the Qikiqtani from outside of the territory (i.e. in-migration), and 3 respondents planning to move from the Qikiqtani to outside the territory (i.e. out-migration) or within the Qikiqtani. Two respondents did not specify which community they planned on moving to. One respondent indicated plans to move from Sanikiluaq to Iqaluit, one indicated plans to move from Iqaluit to Montreal or Winnipeg, and one indicated plans to move from Igloolik to Iqaluit or Ottawa. Reasons provided for the planned move include better housing, being closer to friends and family, cost of living, being closer to work, to find a job, and better access to services. *See Figures xix, xx, and xxi.*
- Compared with the 2022 Inuit Employee Survey Results: 2023 results were relatively similar to 2022 results. A notable change was the proportion of respondents who indicated they would consider purchasing a new home, which increased compared to 2022, from 25% to 52%. Additionally, the proportion of respondents living in Nunavut has increased (87% compared to 74%), while the percentage of employees living in North Baffin communities has decreased (55% compared to 63% in 2022).

3.2.2 RESULTS

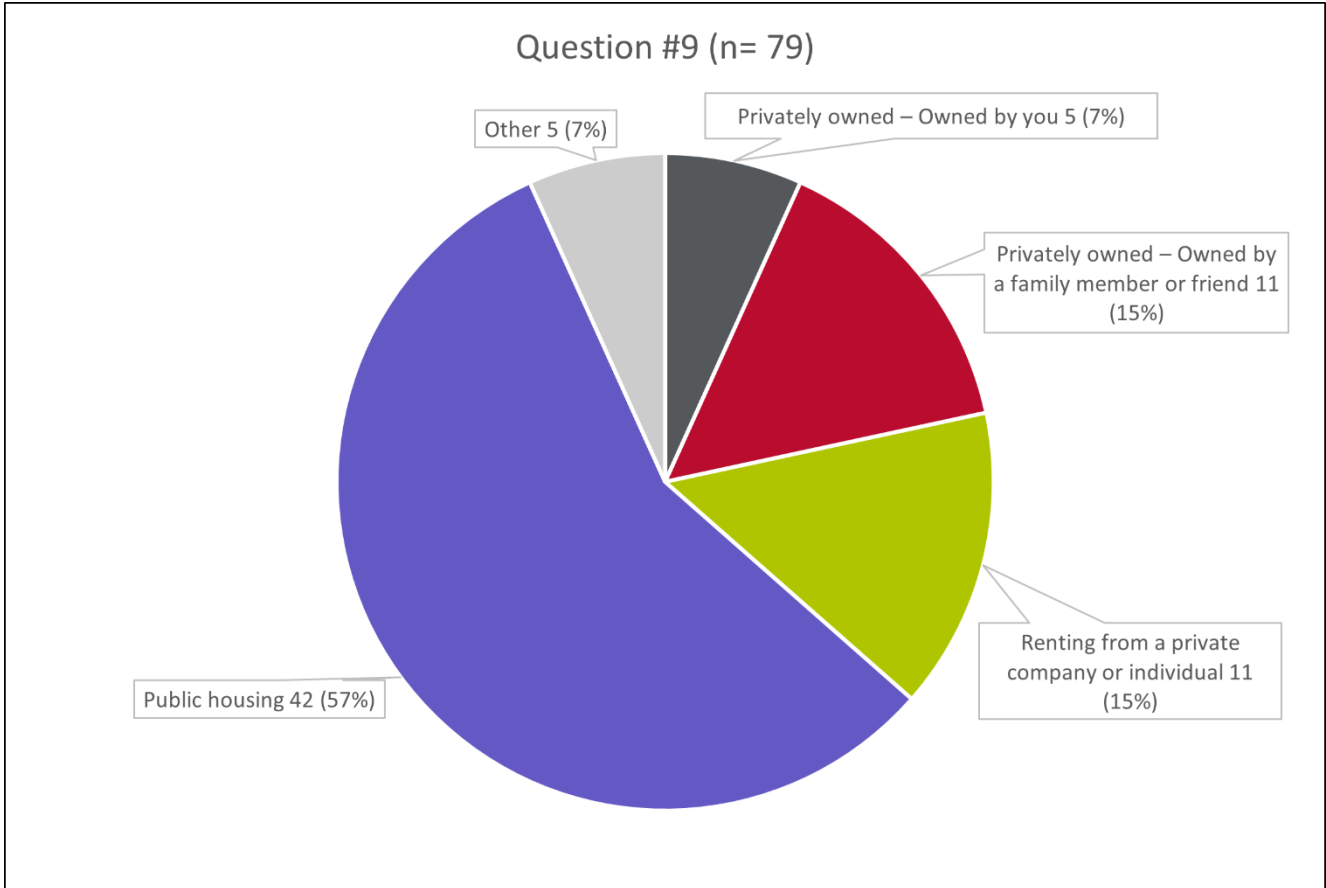
Specific statistics for each question are provided below.

Figure ix: Question 8 - What is your current community of residence?



Note: In 'Other', responses included Ottawa (n=3), Carleton Place, Ontario (n=1), "South" (n=1), Red Deer, Alberta (n=1), "Quebec" (n=1), and "New Brunswick" (n=1). One respondent selected 'Other' but did not indicate which community they resided in.

Figure x: Question 9 - What type of housing do you currently live in?



Note: For the 'Other' category, one respondent indicated living in a College Unit, two indicated staying with family members, one responded "homeless/couch surf", and one responded "none".

Figure xi: Question 10A - Has your housing situation changed since working at the Mary River Project?

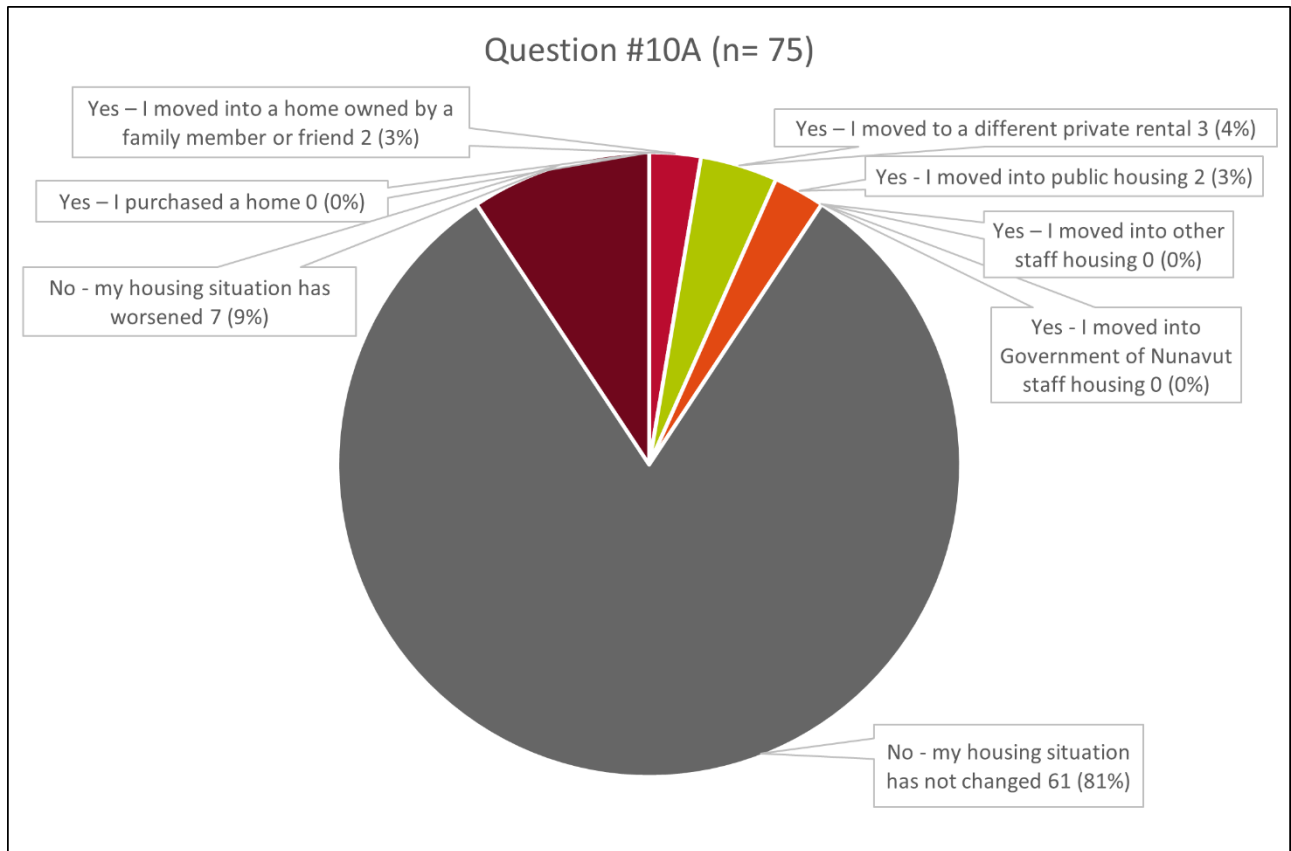
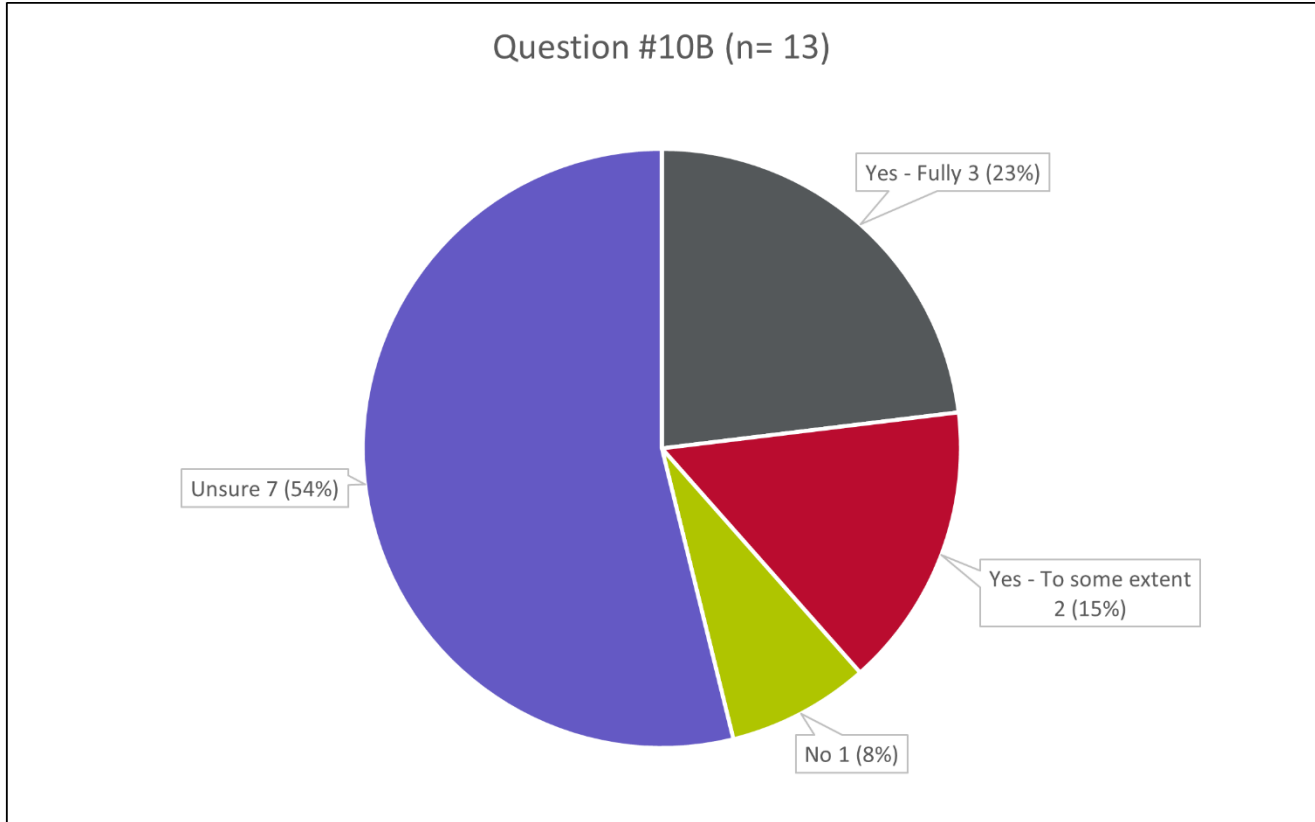


Figure xii: Question 10B - Was this change a result of Mary River Project employment?



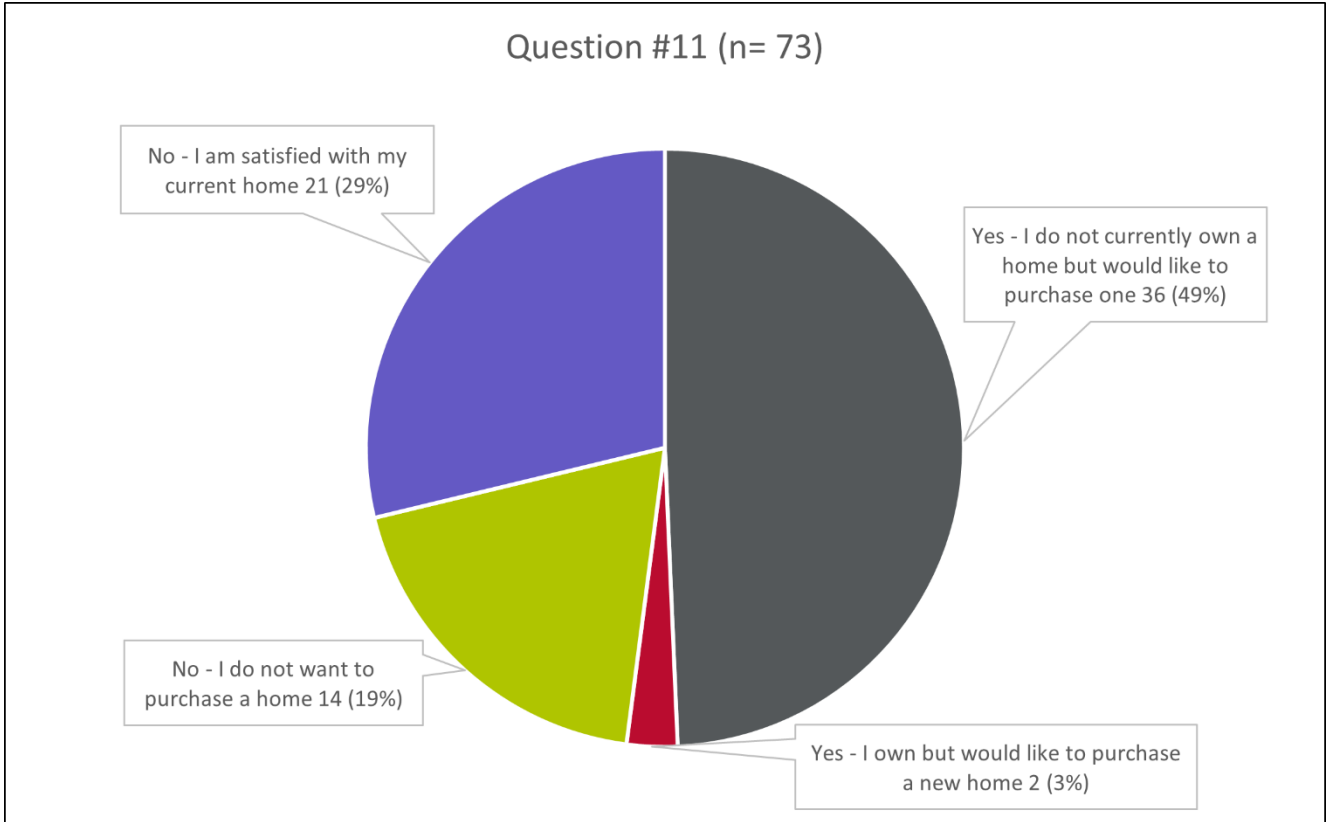
Note: 58 respondents replied “No – my housing situation has not changed” in Question #10A and responded to Question #10B. Most of these responses (57%, 33 respondents) were ‘No’, followed by ‘Unsure’ (19%, 11 respondents), ‘Yes – To some extent’ (14%, 8 respondents), and ‘Yes – Fully’ (10%, 6 respondents). These responses were not included in the above results.

One respondent to Question #10B did not select a response, and instead wrote in “maybe. Yes, probably”, and one respondent did not select an answer to 10A but selected “No” for Question #10B. These responses were not included in the results above.

Respondents who indicated “No – my housing situation has worsened” in #10A were included, as this response does indicate a change in housing, despite the beginning of the response option saying “No”. There were 7 respondents to Question #10A who indicated this response, with all of them responding to Question #10B. One of these respondents indicated on Question #10B that this change was fully a result of Mary River employment. The remaining respondents who selected that their housing situation has worsened responded “Unsure” to Question #10B.

Wording for questions #10A and #10B will be revised in the 2024 Inuit Employee Survey.

Figure xiii: Question 11 - Have you ever considered purchasing a home?



Note: One respondent selected “Yes - I own but would like to purchase a new home”, which contradicted their responses to other questions. This response was included in the above figure despite this contradiction.

Figure xiv: Question 12 - Are you aware of the Nunavut Down Payment Assistance Program offered by the Nunavut Housing Corporation?

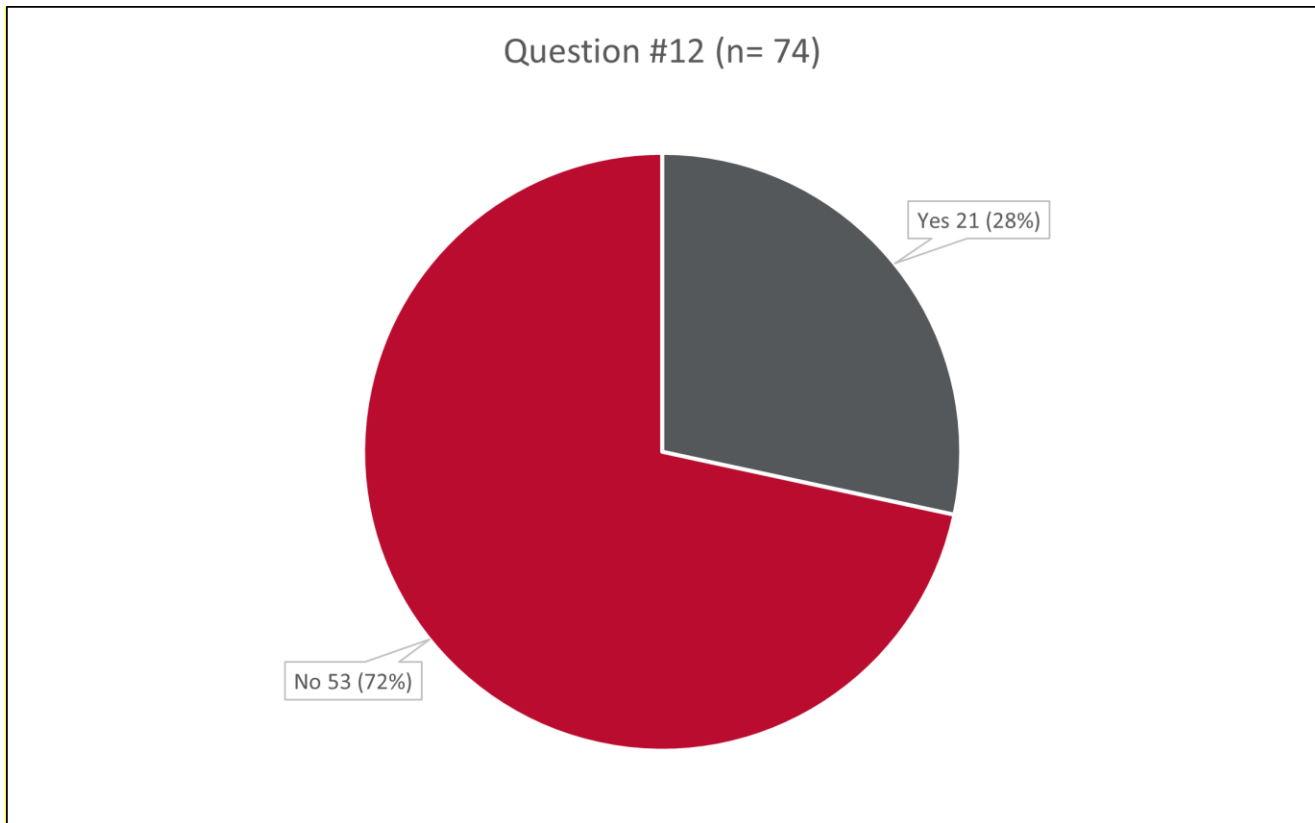
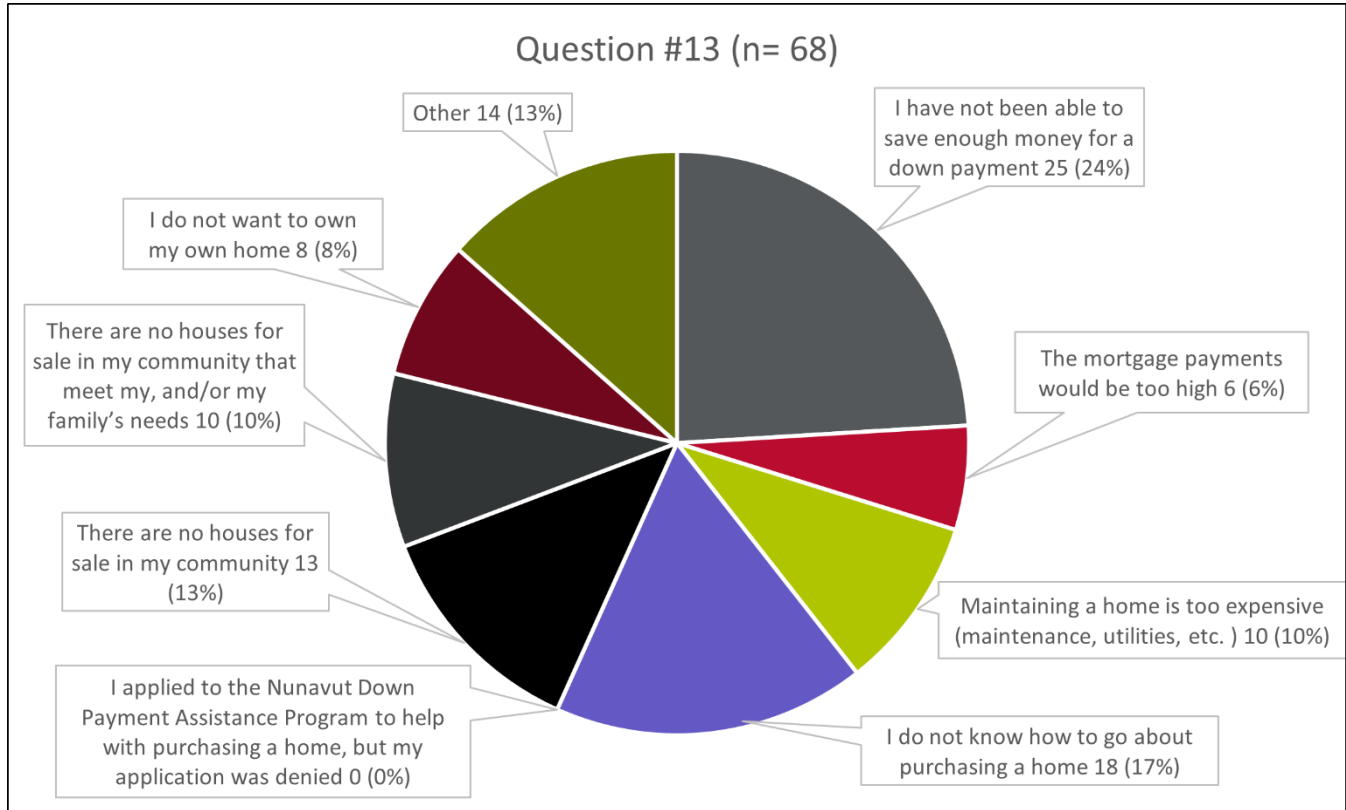


Figure xv: Question 13 - If you have NOT purchased your own home, could you please explain why? (Select all that apply)



Note: Some respondents provided comments to this question, including those who indicated already owning a house in Question #11. One comment was too difficult to accurately discern and is not included below. Comments:

- "I am recent graduate, I am finally starting to have a full time job. I would like to purchase a home in the future."
- "Moved to Ottawa due to no housing in Iqaluit"
- "Left hometown"
- "Houses for sale are way too expensive"
- "I've been thinking to have own home, but I don't know how. Been thinking about it."
- "Do not know how the world works"
- "I already own my own house"
- "Most houses now made to be owned by Nunavut Housing association"
- "Single - divorce & pandemic impacted credit rating"
- "I owe too much money!"
- "Single grandma hard to save when rent is high for only income"
- "In a waiting list to rent a house, got to attend meetings for a faster approval"
- "N/A"

Figure xvi: Question 14A - In the past 12 months, have you moved from one residence to another residence?

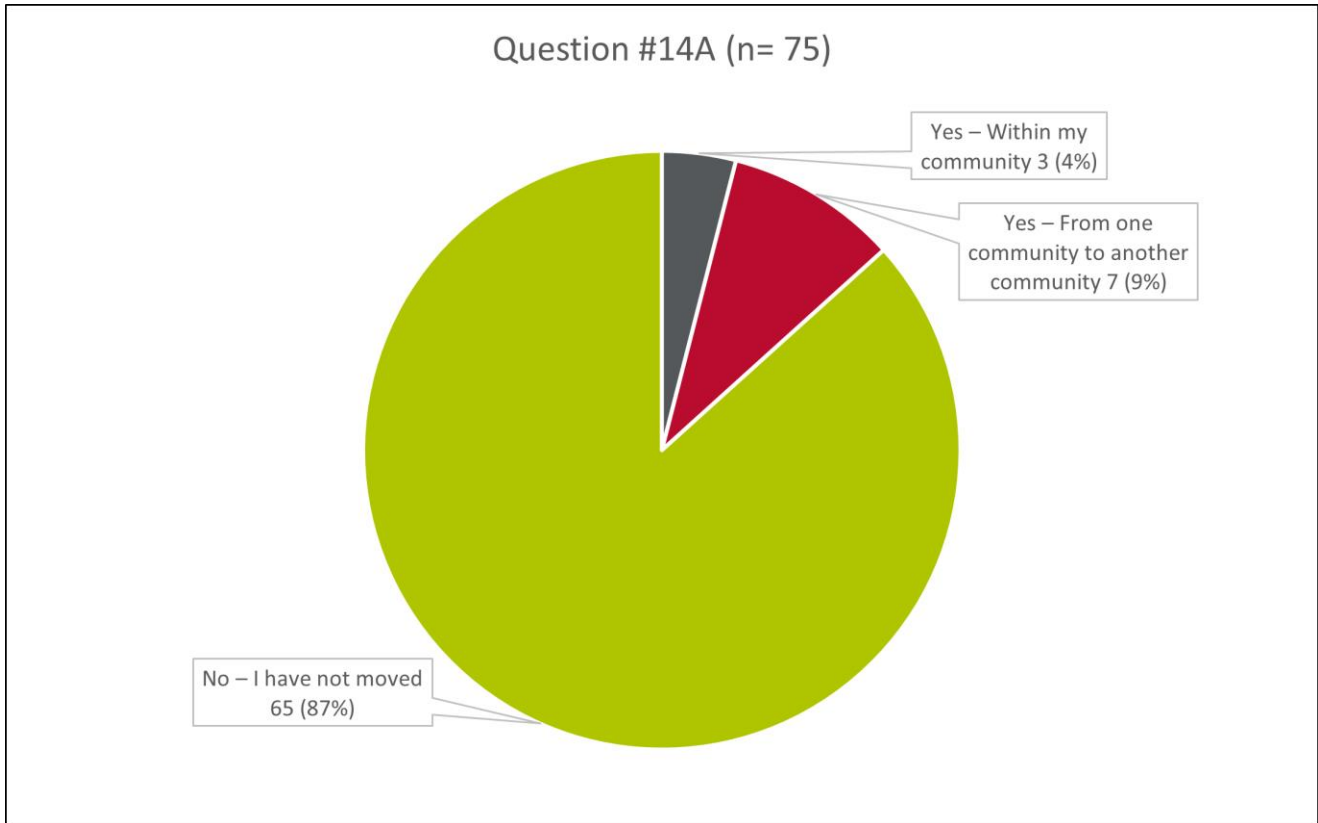


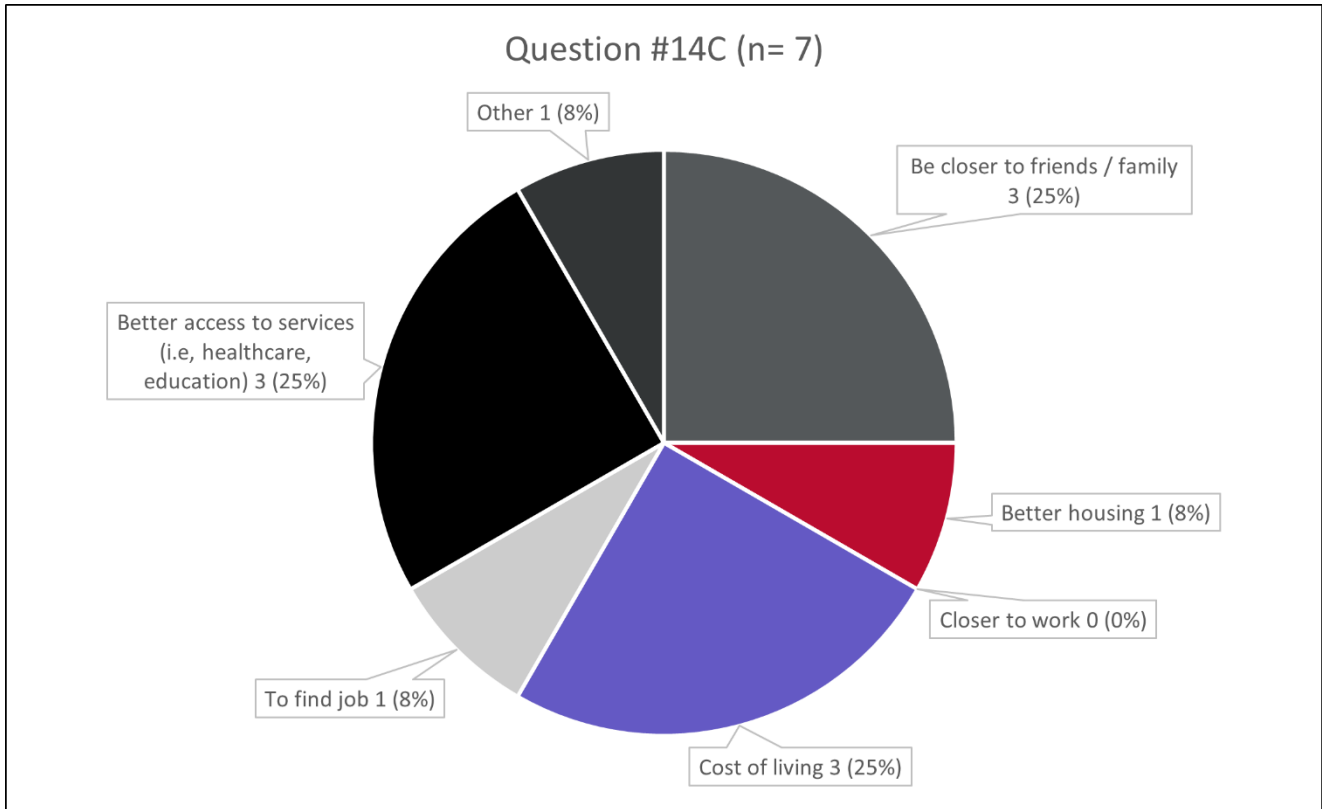
Figure xvii: Question 14B - If you answered 'Yes - From one community to another community', specify which community you moved FROM?

- Responses included:
- "Iqaluit was living there moved to Clyde River"
 - "Iqaluit, NV - Red Deer, AB"
 - "Pangnirtung to Iqaluit"
 - "I moved to Igloodik Nunavut I am from Pond Inlet"
 - "Clyde River"
 - "Sanirajak"

Note: One respondent to Question #14A indicated that they moved within their community and left a comment for #14B saying "moved to a cheaper unit". This response was not included in the above results, as it was not related to moving between communities.

A follow-up question was included to understand reasons from moving to another community.

Figure xviii: Question 14C - If you answered, 'Yes – From one community to another community', why did you decide to move from one community to another? (Select all that apply)



Note: The answers from respondents who replied “No – I have not moved” in Question #14A were not included in the above results. Two respondents who indicated that they had not moved selected the options “Cost of living” and “Be closer to friends / family”, which were excluded from the results above. Three respondents indicated that they had not moved, but left the following comments in the ‘Other’ option for Question #14C:

- "I never move from my hometown Pond Inlet"
- "I'm staying in my community (Pond Inlet)"
- "N/A"

These responses are not counted in the above figure.

Figure xix: Question 15A - Do you plan on moving from one residence to another residence in the next 12 months?

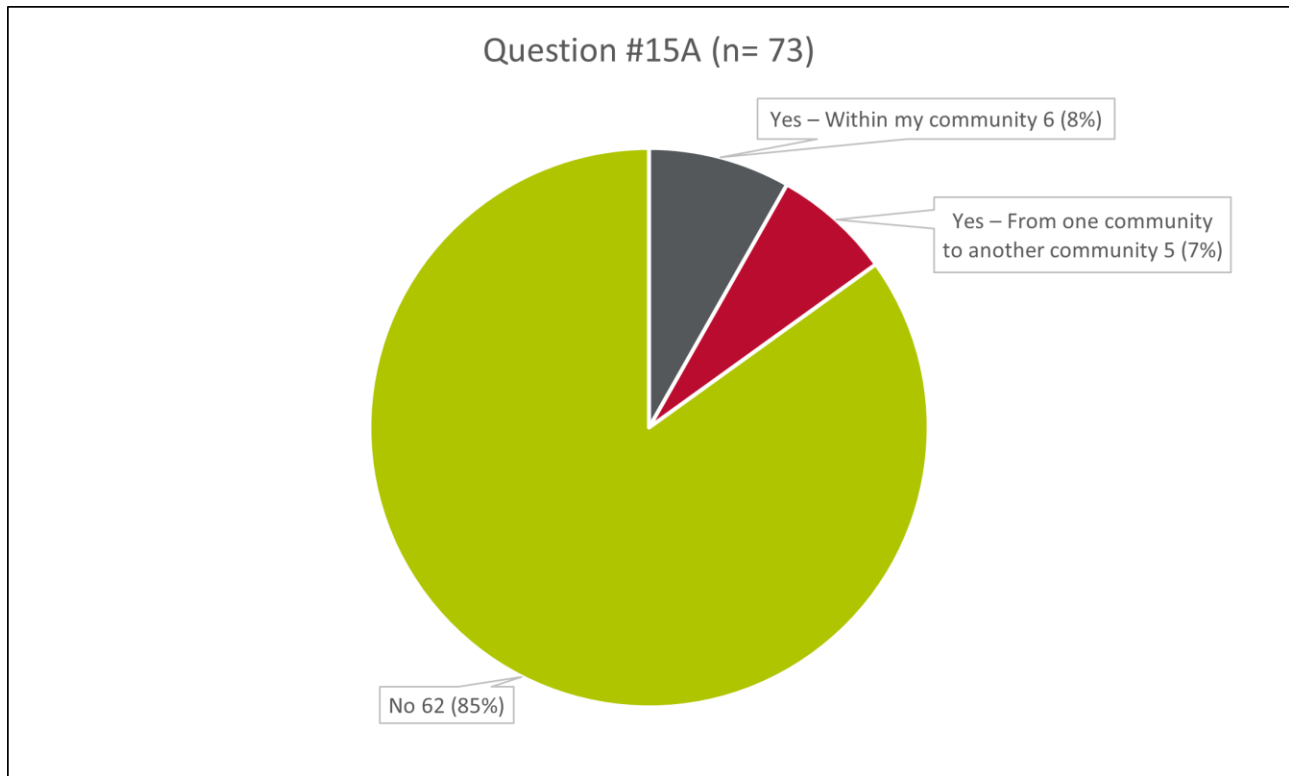


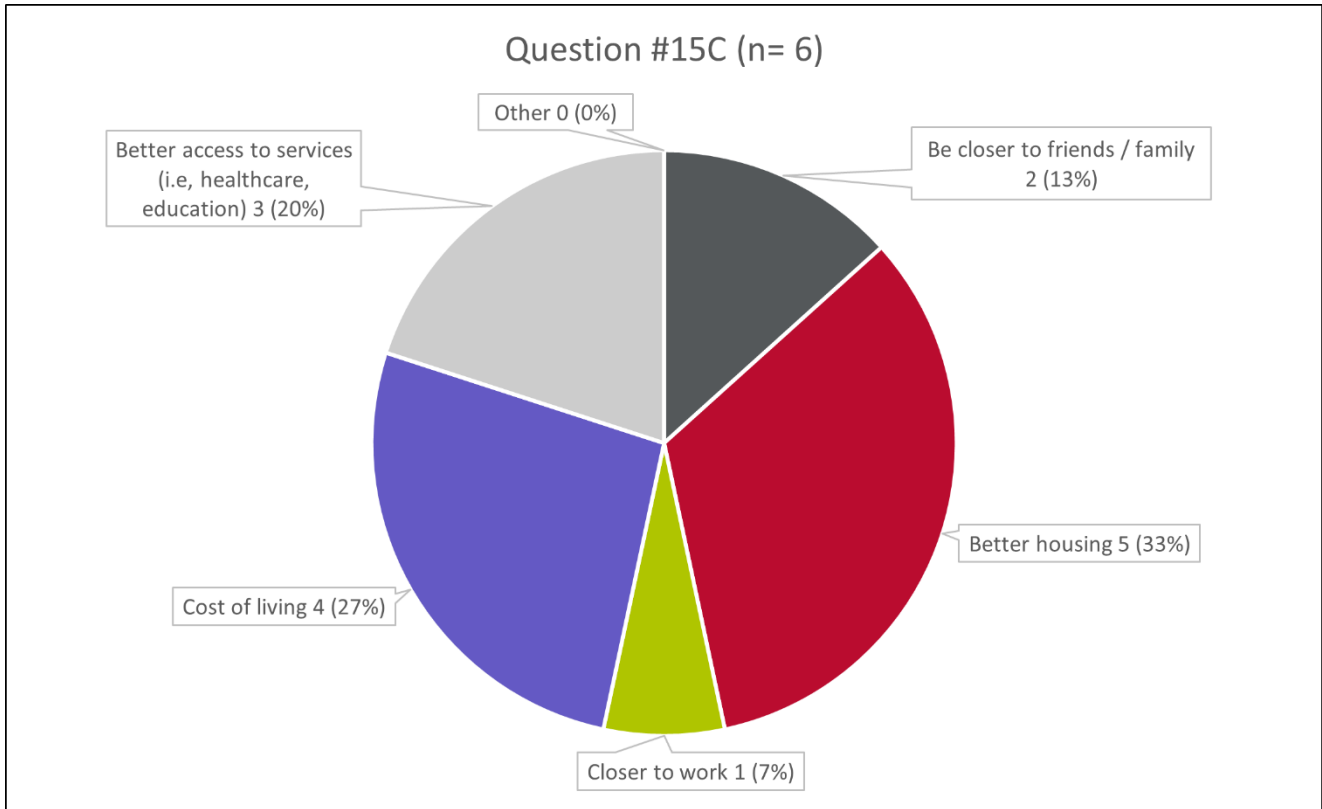
Figure xx: Question 15B - If you answered 'Yes - From one community to another community', specify which community you planning on moving to?

Responses included:

- "Planning to move Montreal or either Winnipeg"
- "Iqaluit"
- "Possibly Iqaluit or Ottawa"

Note: One respondent did not select an answer for Question #15A but wrote the following for Question #15B: "Not sure. Would like to live in Nunavut but too expensive (housing, travel, cost of living)"

Figure xxi: Question 15C - If you answered, 'Yes – From one community to another community', why are you planning to move from one community to another? (Select all that apply)



Note: Respondents were instructed to select all answers that applied to them. Given this, the total number of responses is larger than the number of respondents to the question.

The answers from respondents who replied “No” to Question #15A and answered Question #15B were not included in the above results. The two respondents who indicated that they did not plan on moving selected the options “Other” and “Be closer to friends / family”, which were excluded from the results above.

3.3 EDUCATION AND WORK EXPERIENCE

3.3.1 HIGHLIGHTS

Survey highlights for this section include:

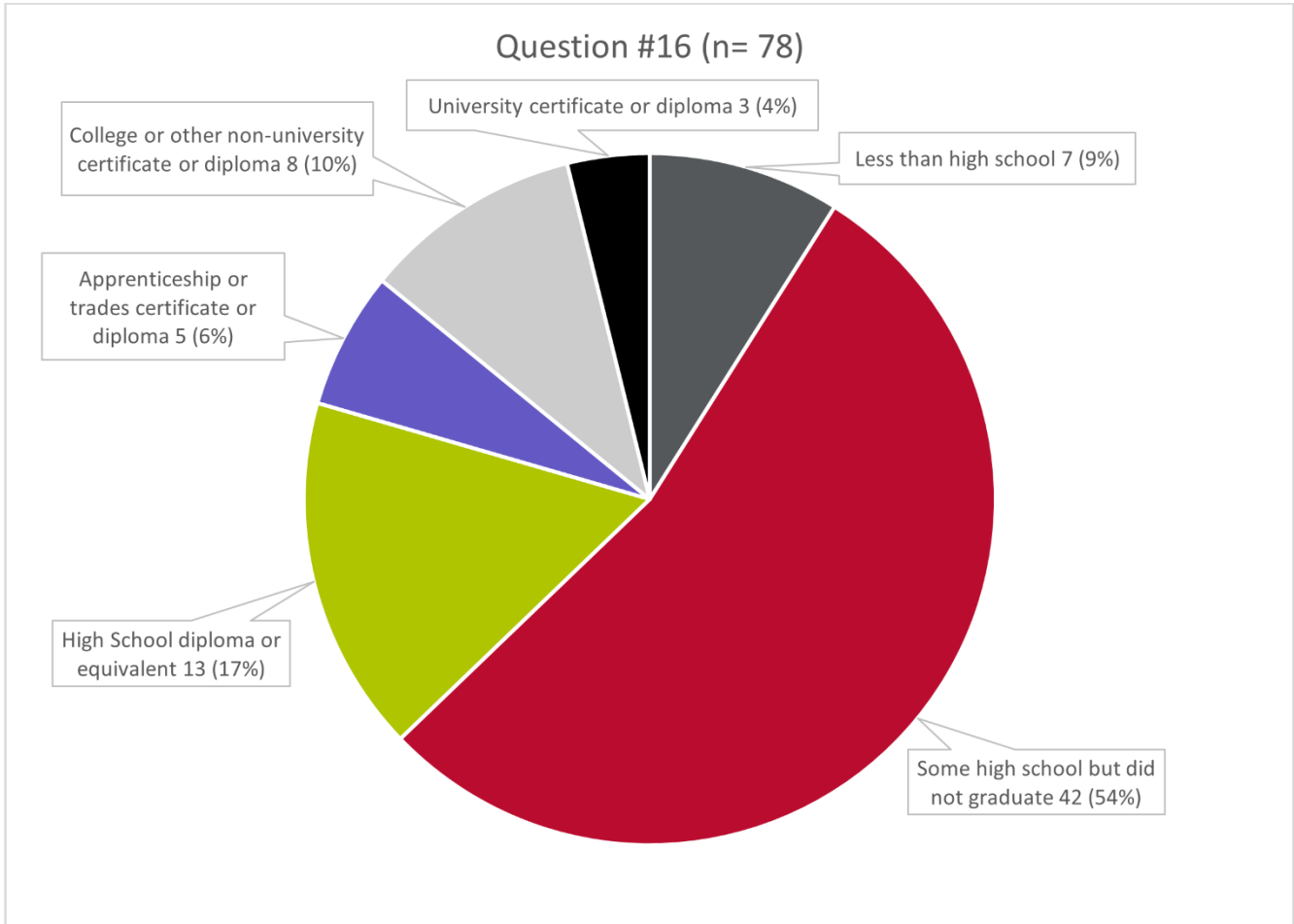
- Most respondents (78%, 62 respondents) have not obtained a higher education level than a high school diploma or equivalent, including 42 respondents (54%) with some high school education but did not graduate, 7 respondents with less than a high school education (9%), and 13 respondents with a high school diploma or equivalent (17%). 16 respondents (21%) have some level of post-secondary education, including an apprenticeship or trades certificate or diploma (6%, 5 respondents), college or other non-university certificate or diploma (10%, 8 respondents), or a university certificate or diploma (4%, 3 respondents).³ See *Figure xxii*.
- When asked about additional education or training programs for mine employees they would be interested in, the most popular answers were finance and accounting, traditional trades, and leadership and management training. See *Figure xxiii*.
- 3 respondents who indicated starting work with their current employer within the last year indicated they were enrolled in an academic or vocational program at the time of their hire at the Mary River Project (9% of respondents to Question #18A who had started work within the last year). Two respondents provided further details that they were enrolled in Nunavut Arctic College in Igloolik and a Work Ready Program, respectively. See *Figures xxiv and xxv*.
- When asked if the individual resigned from a previous job to take up employment with the Mary River Project, 21 respondents (68%) who indicated starting work with their current employer within the last year answered no. Of the remaining 10 respondents (32%) who indicated they resigned from a previous job, most (70%, 7 respondents) resigned from a full-time job, versus a part-time (20%, 2 respondents) or casual (10%, 1 respondent) job. Previous employers varied, and included private companies (including contractors), government, and non-government organizations. See *Figures xxvii, xxviii, and xxix*.
- Compared with the 2022 Inuit Employee Survey Results: the 2023 results were similar to the previous year's results.

3.3.2 RESULTS

Specific statistics are provided for each question below.

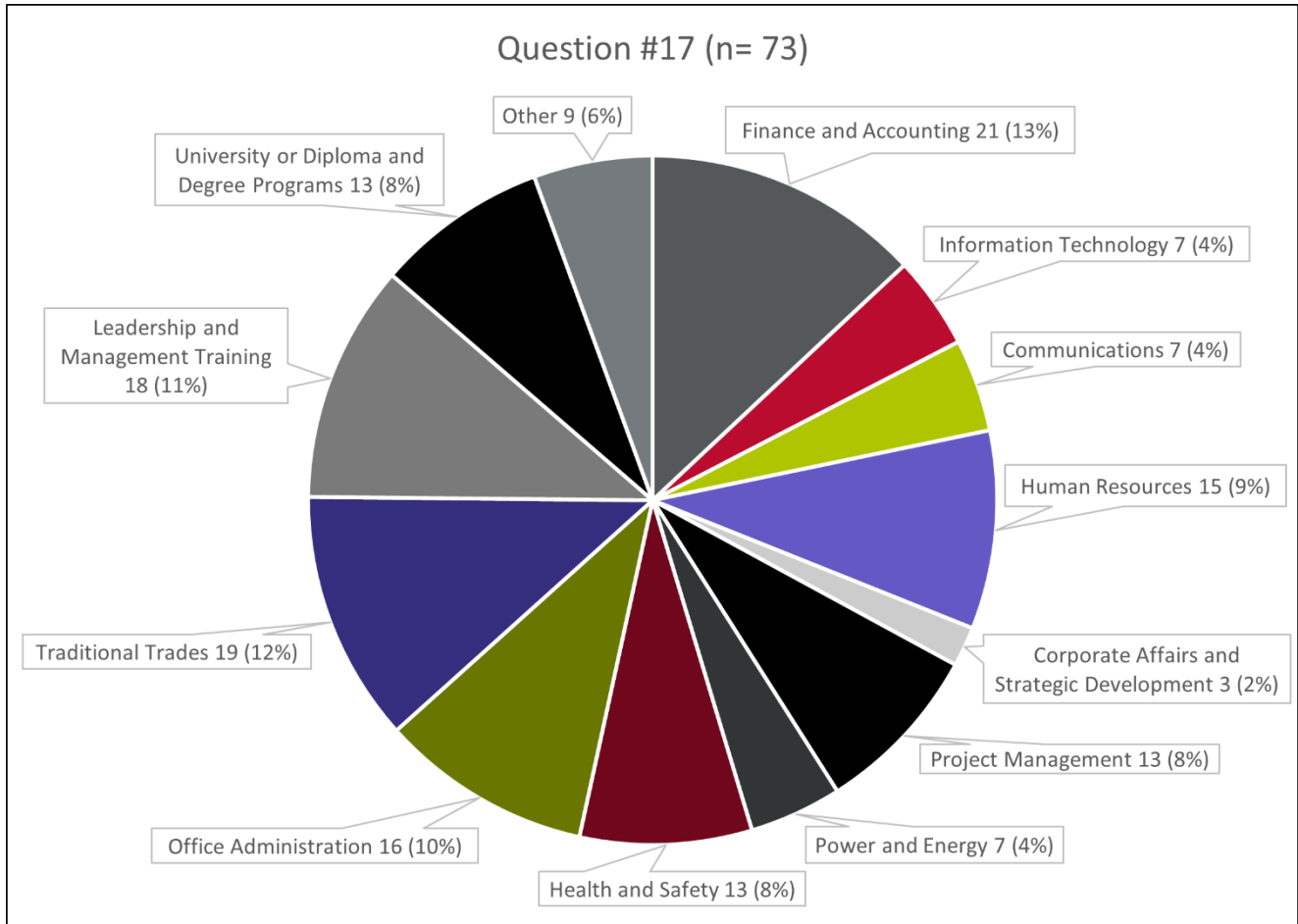
³ Percentages for these sub-groups do not add up to 21% due to rounding.

Figure xxii: Question 16 - What is the HIGHEST education level you have obtained? (Only check one box)



Note: 4 respondents selected more than 1 option for this question; only their highest level of education selected was included in the above figure.

Figure xxiii: Question 17 - If Baffinland, including its contractors, or other agencies were to offer additional education or training programs for mine employees, what kind of programs would you be interested in? (Select top three)

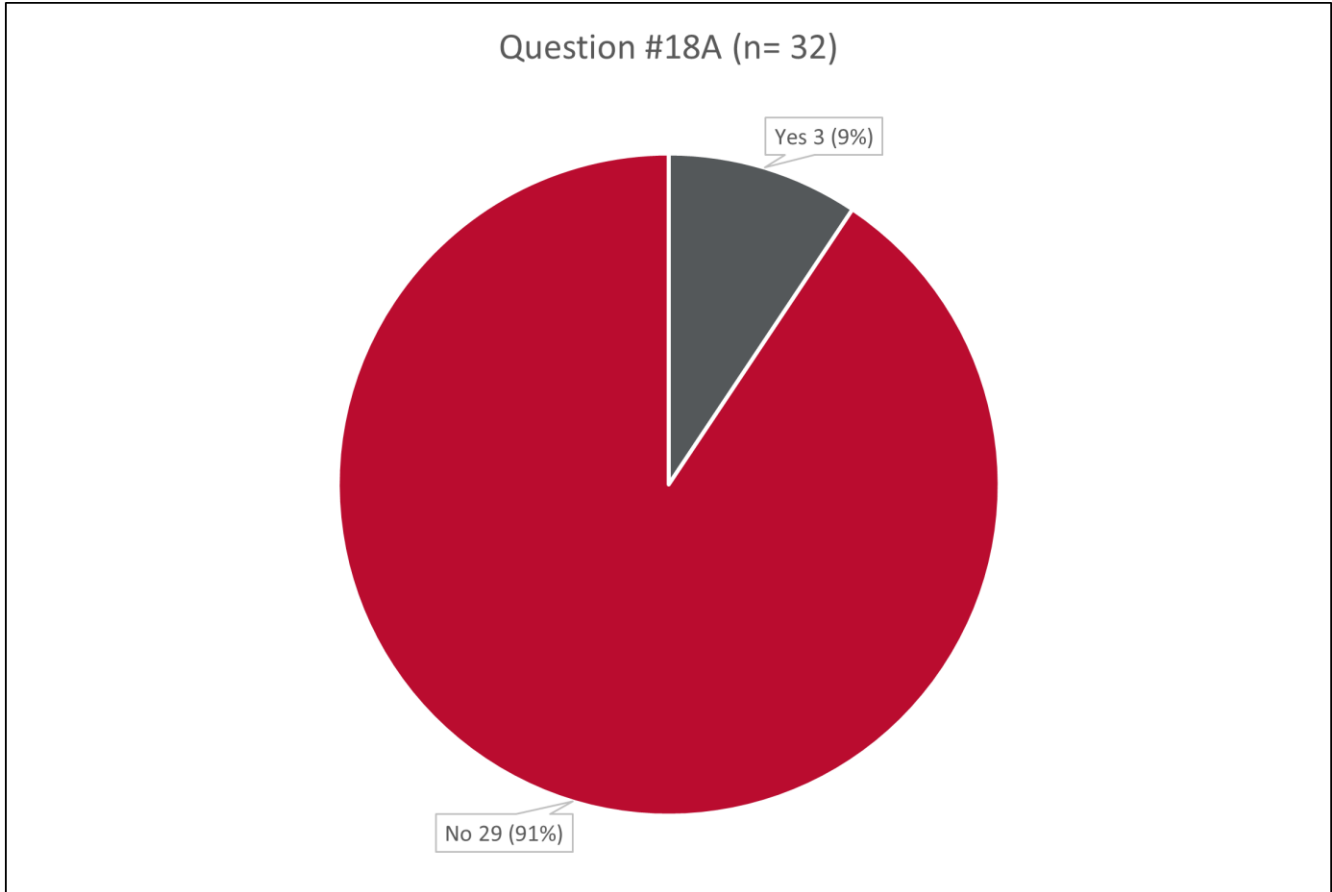


Note: Respondents were instructed to select their top 3 trainings for this question. 3 respondents selected more than 3 training options, with one respondent selecting 5 trainings, one selecting 6, and one selecting all available options. These responses were included in the above figure. Some respondents did not select three trainings. There were 161 responses in total. Respondents were given the option to write in any other trainings they were interested in. Responses included:

- "Work ready program"
- "Piqqusilirivik in Clyde River"
- "Or also mechanic school or heavy equipment mechanic" and "I want to go to mechanic school"
- "GED or equivalent" and "GED"
- "Mine ops"
- "More options such as janitor"
- "Road maintainer"

Respondents were advised of the following before Questions #18 and #19: "Please complete questions 18 and 19 ONLY IF you were hired to work at the Mary River Project in the last year (i.e. 2023).

Figure xxiv: Question 18A - Were you enrolled in an academic or vocational program at the time of your hire at the Mary River Project?



Note: The answers from respondents who replied that they had been working for the Project "At least 1 year, but less than 2 years", "At least 2 years, but less than 3 years", or "Over 3 years" to Question #6 were not included in the above results. 33 respondents who indicated working longer than 1 year responded to Question #18A. 94% of which (31 respondents) indicated no to Question #18A. One respondent did not answer Question #6 and their answer was included.

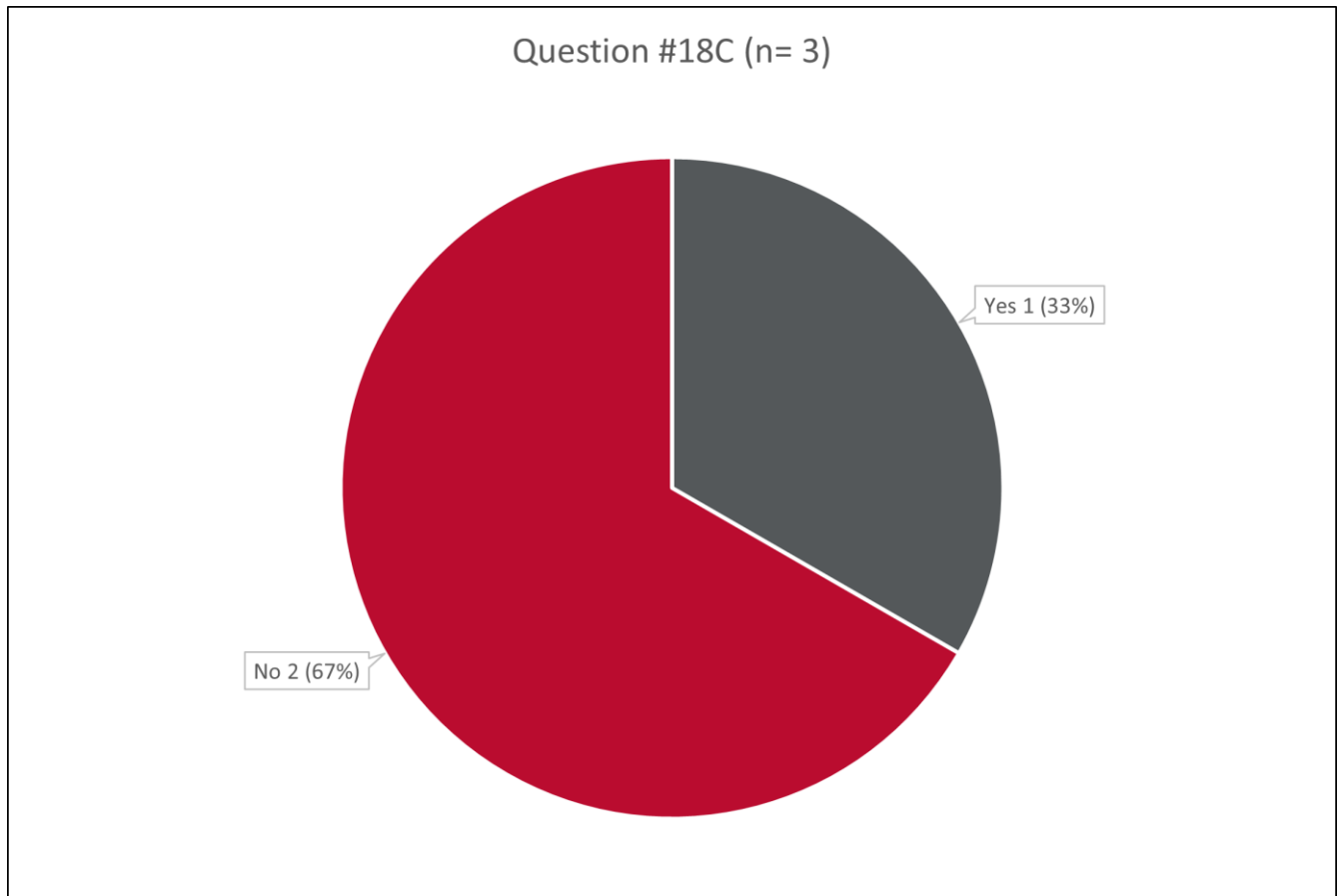
Figure xxv: Question 18B - If you answered 'Yes', WHAT program were you enrolled in and WHERE were you enrolled?

Responses included:

- "Nunavut Arctic College in Igloodik"
- "Work Ready Program"

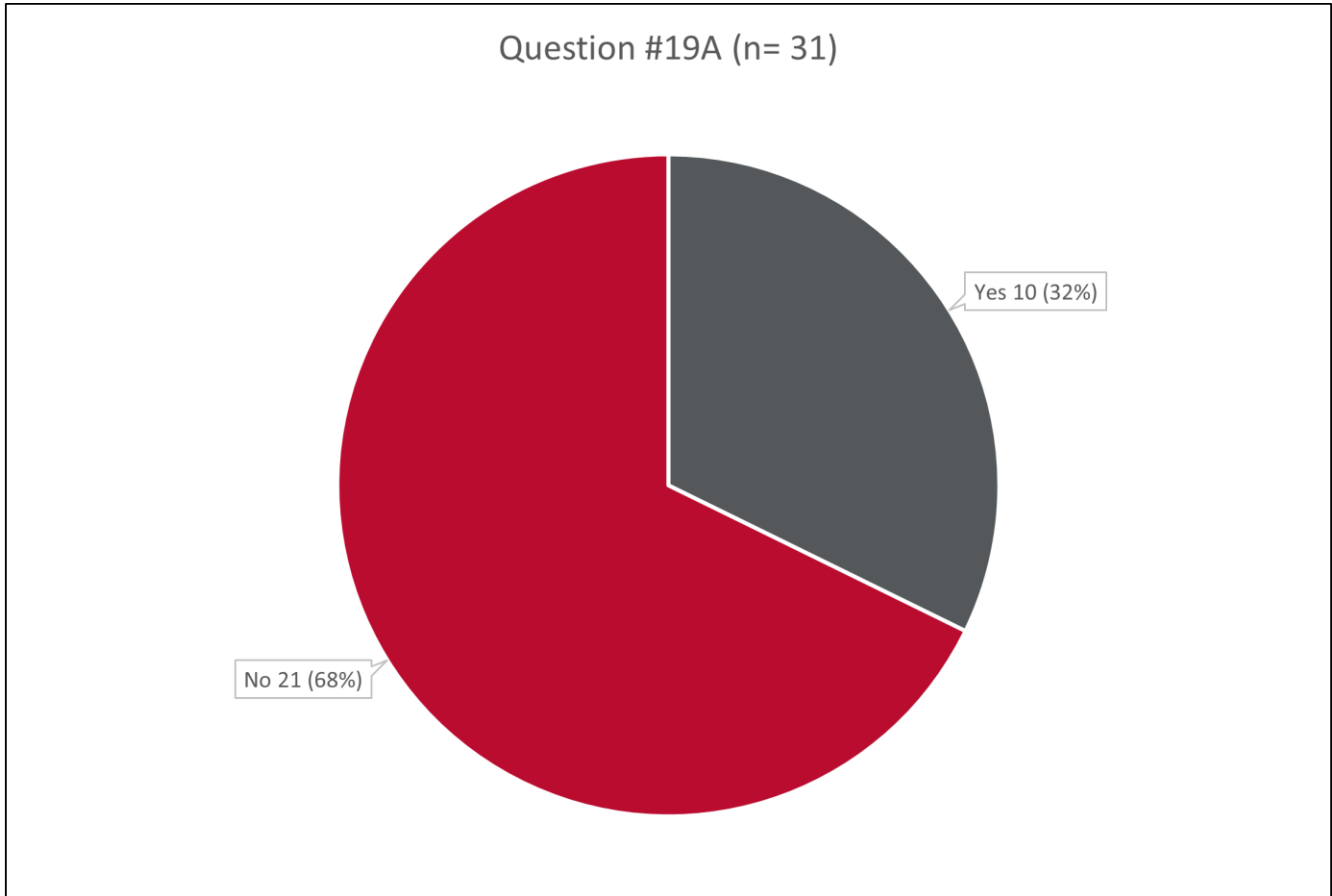
Note: Two respondents who replied that they had been working for the Project over 3 years to Question #6 left the following responses to Question #18B: "I have taken food courses for QIL in the last years" and "I start on Jan 16 2022, working at Warehouse P&L as a runner, parts runner"

Figure xxvi: Question 18C - If you answered 'Yes', did you suspend or discontinue your education because you were hired to work at the Mary River Project?



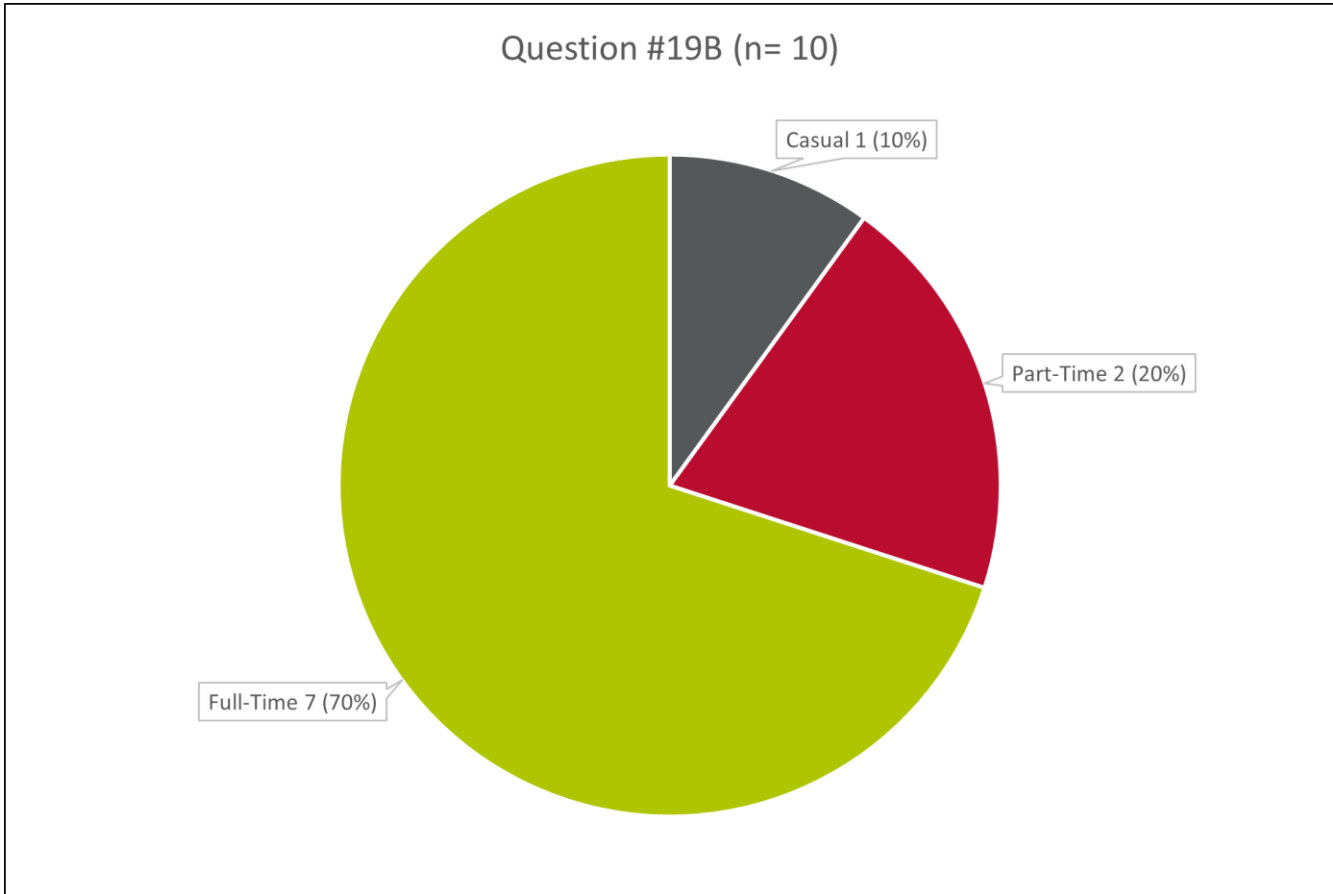
Note: The answers from respondents who replied "No" in Question #18A were not included in the above results. The two respondents who indicated working more than one year responded yes to Question #18A and were also not included.

Figure xxvii: Question 19A - Did you resign from a previous job in order to take up employment with the Mary River Project?



Note: The answers from respondents who replied that they had been working for the Project "At least 1 year, but less than 2 years", "At least 2 years, but less than 3 years", or "Over 3 years" to Question #6 were not included in the above results. One respondent did not answer Question #6 and their answer was included. 36 respondents who indicated working longer than 1 year responded to Question #19A. most of which (67%, 24 respondents) indicated no to Question #19A.

Figure xxviii: Question 19B - If you answered 'Yes', what was your previous employment status? (Only check one box)



Note: The answers from respondents who replied "No" in Question #19A were not included in the above results. Three respondents working at the Project for less than a year selected "No" for Question #19A but provided responses of "Full-time" (n=2) and "Part-time" (n=1), which are not included in the above results. 15 respondents who had worked more than one year responded to Question #19B, five of which (33%) indicated that they did not resign from a previous job in Question #19A. Three of these 5 respondents indicated casual employment, and two indicated full-time employment. The remaining 10 respondents who reported working for more than a year and resigning from a previous job largely indicated full-time employment (80%, 8 respondents), with the remaining 2 respondents (20%) indicating casual employment.

Figure xxix: Question 19C - If you answered 'Yes', what was your previous job title and who was your employer?

Responses included:

- “Coordinator, Government of Nunavut
- “Researcher, interpreter, translator”
- “Commissary Admin - QIL”
- “Stock clerk at the local store”
- “Community food distribution center (Qajuqturvik)”
- “Bus driver employer was Silas Nakashuk (contractor)”
- “QIL - Housekeeping in Mary River”
- “Mary River General Labour” (respondent indicated working for Baffinland)
- “Kids camp leadership/Youth leader”
- “Baffinland shipping monitor”

Note: 11 respondents indicated working at the Project for at least 1 year in Question #6 but provided responses to this question, these responses were not included in the above results.

3.4 BAFFINLAND IN YOUR COMMUNITY

3.4.1 HIGHLIGHTS

Survey highlights for this section include:

- 26 respondents (35%) indicated having enough total income to meet their family's needs since obtaining Mary River Project employment, with 5 respondents (7%) indicating their income was more than enough. A smaller proportion of respondents (29%, 22 respondents) indicated that their income was not enough. *See Figure xxx.*
- When asked how the health and well-being of themselves and their family has changed since obtaining Project employment, half of respondents (51%, 37 respondents) reported no effect. 30 respondents (42%) reported it had improved or very improved. 5 respondents (7%) indicated it had both improved and worsened. No respondents indicated worsened or very worsened health and well-being. *See Figure xxxii.*
- The majority of respondents (69%, 50 respondents) reported that there has been no effect on their or their family's ability to participate in harvesting or other land-based activities since obtaining Project employment. 15 respondents (21%) reported that their ability to participate in land-based activities has improved, with no respondents indicating a very improved ability. 4 respondents (5%) said their ability has worsened or very worsened. 4 respondents (6%) reported variable ability. *See Figure xxxiv.*
- The majority of respondents (89%, 67 respondents) indicated some degree of food insecurity, with 8 respondents (11%) indicating that they were never worried that food would run out before they got money to buy more. *See Figure xxxvi.*
- Most respondents reported that their life had improved (51%, 37 respondents) or very improved (15%, 11 respondents) since being employed at the Mary River Project. 2 respondents indicated that their life has worsened (3%) and 5 indicated that their life has both improved and worsened (i.e., variable, 7%), with the remaining responses (27%, 20 respondents) indicating no impact (i.e., neutral). No respondents indicated that their life had "very worsened". *See Figure xxxviii.*
- Most respondents indicated that they felt the Mary River Project had improved or very improved their community (32% and 10%, 23 and 10 respondents, respectively), or had no effect (i.e., neutral, 45%, 32 respondents) on their community, in the last five years. 6 respondents indicated that their community has worsened (6%, 4 respondents) or very worsened (3%, 2 respondents) and 5 indicated that their community has both improved and worsened (i.e., variable, 7%). *See Figure xl.*
- Compared with the 2022 Inuit Employee Survey Results: comparing to the previous year's survey, notable changes in this year's survey included:
 - The removal of Question #20A (2022) "How has your ability to provide for you and your family changed since obtaining Project employment?" and replacement with Question "Has your total household income been enough to meet your families' needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment?".

- The proportion of respondents who indicated their ability to participate in land-based activities since obtaining Project employment had improved or very much improved was less (21% compared to 38% in 2022).
- The proportion of respondents who reported that their community's well-being has improved or very much improved was lower (42% compared to 48% in 2022).
- New questions (#23A and #23B) indicated a high proportion of food insecure respondents, which was not reflected in previous surveys.

3.4.2 RESULTS

Specific statistics are provided for each question below.

Figure xxx: Question 20A – Has your total household income been enough to meet your families’ needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment? (Only check one box)

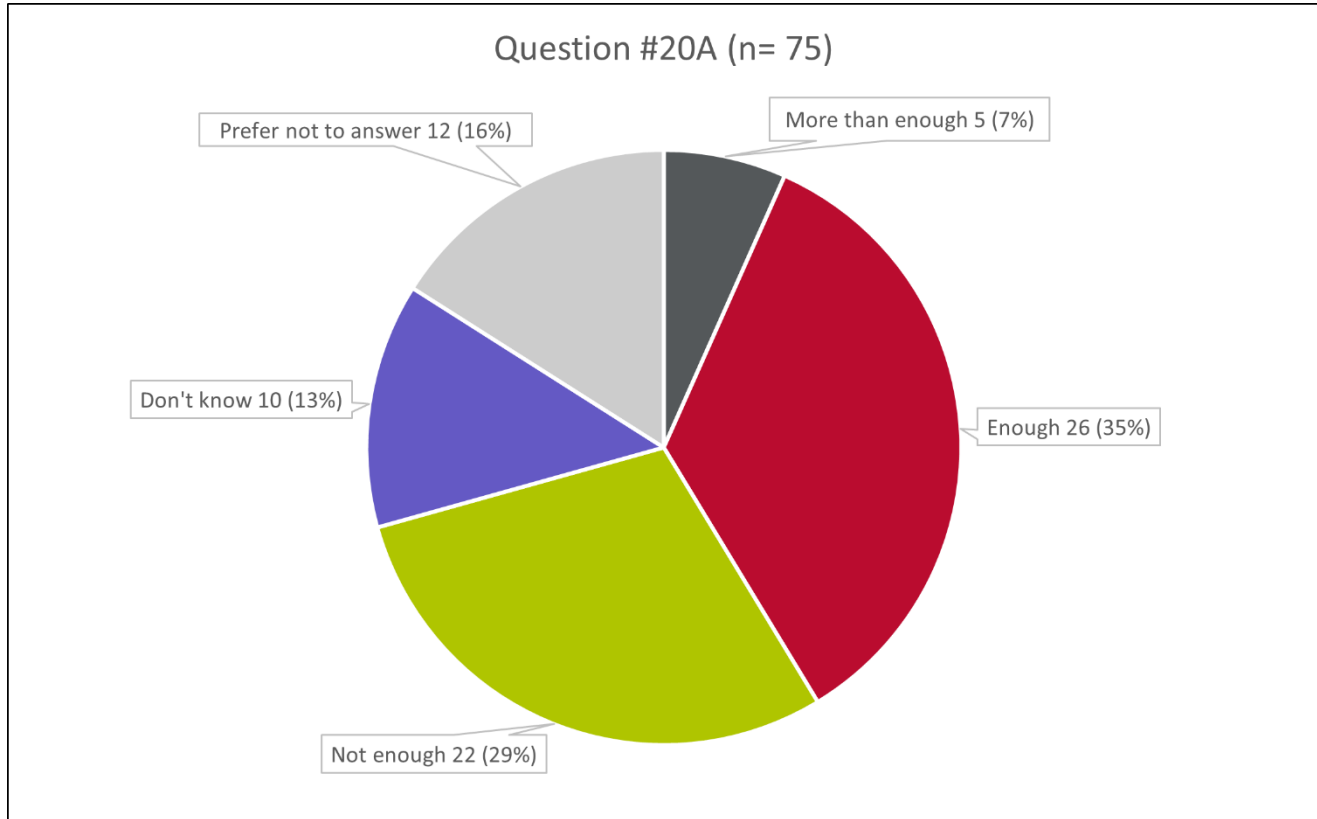


Figure xxxi: Question 20B – Do you have any comments, suggestions or concerns you would like to share?

Responses included:

- “Yes it really helped me able to buy more needs and wants for me and my baby Thank you”
- “If there are other southern Inuit like myself Try and help us as much as you do to our northern brothers & sisters”
- “Need a place to rent on my own.”
- “Very first rotation”
- “Housing crisis all over the world, I live w/ my parents so it is hard enough for me & my daughter to be in that kind of crisis. Every summer I be living in a tent”
- “There isn’t an airport in Red Deer so I take the bus from Calgary to get back home. The company has previously paid for the bus trip but are refusing to do so again, stating they don’t pay for them.”
- “Everything is getting expensive”
- “I was on call 24/7, now that I’m working here, I get to spend time with my family”
- “No Nunavut allowances, goes to loan & housing rent, bills”
- “I chose to say I don’t know because it’s my very first rotation here at Port Site”

Note: Two respondents wrote that they had no comments.

Figure xxxii: Question 21A – How has the health and well-being of you and your family changed since obtaining Project employment? (Only check one box)

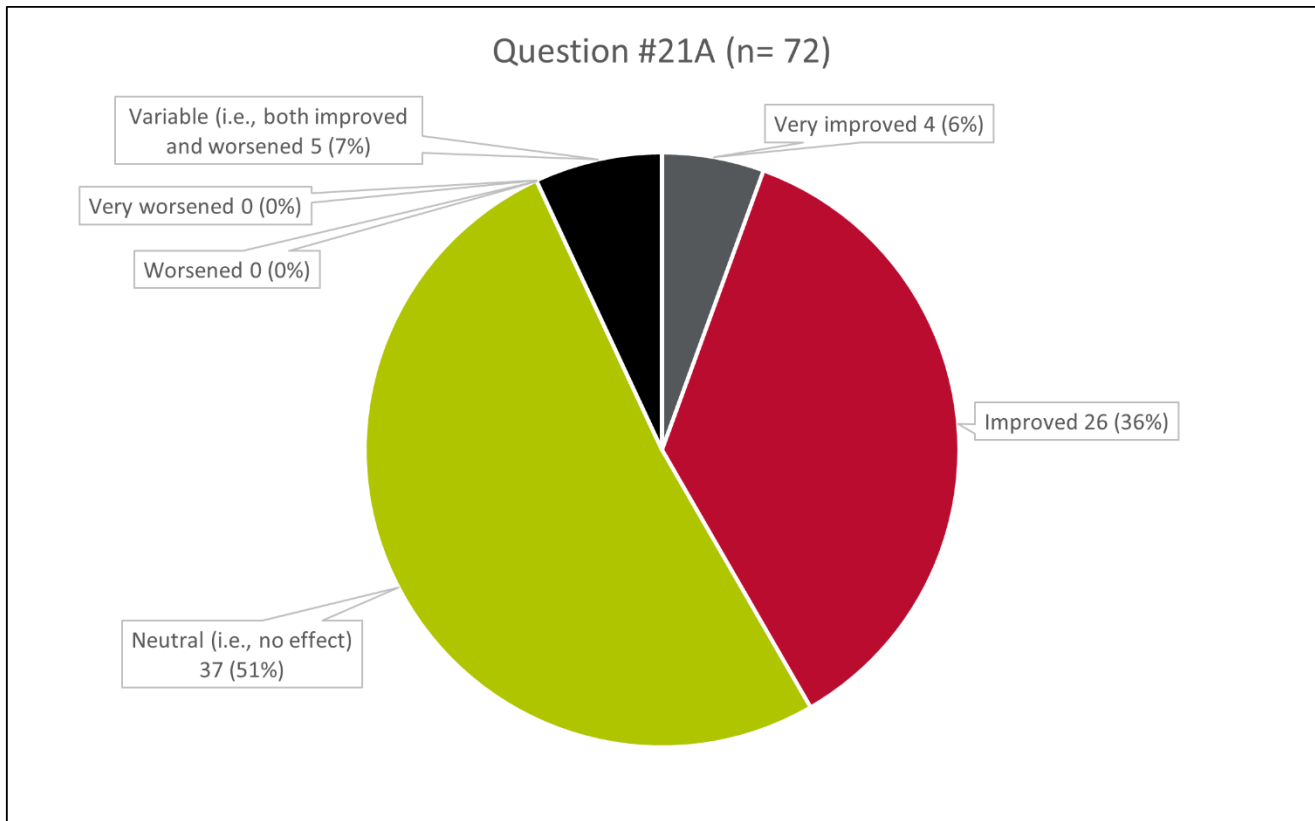
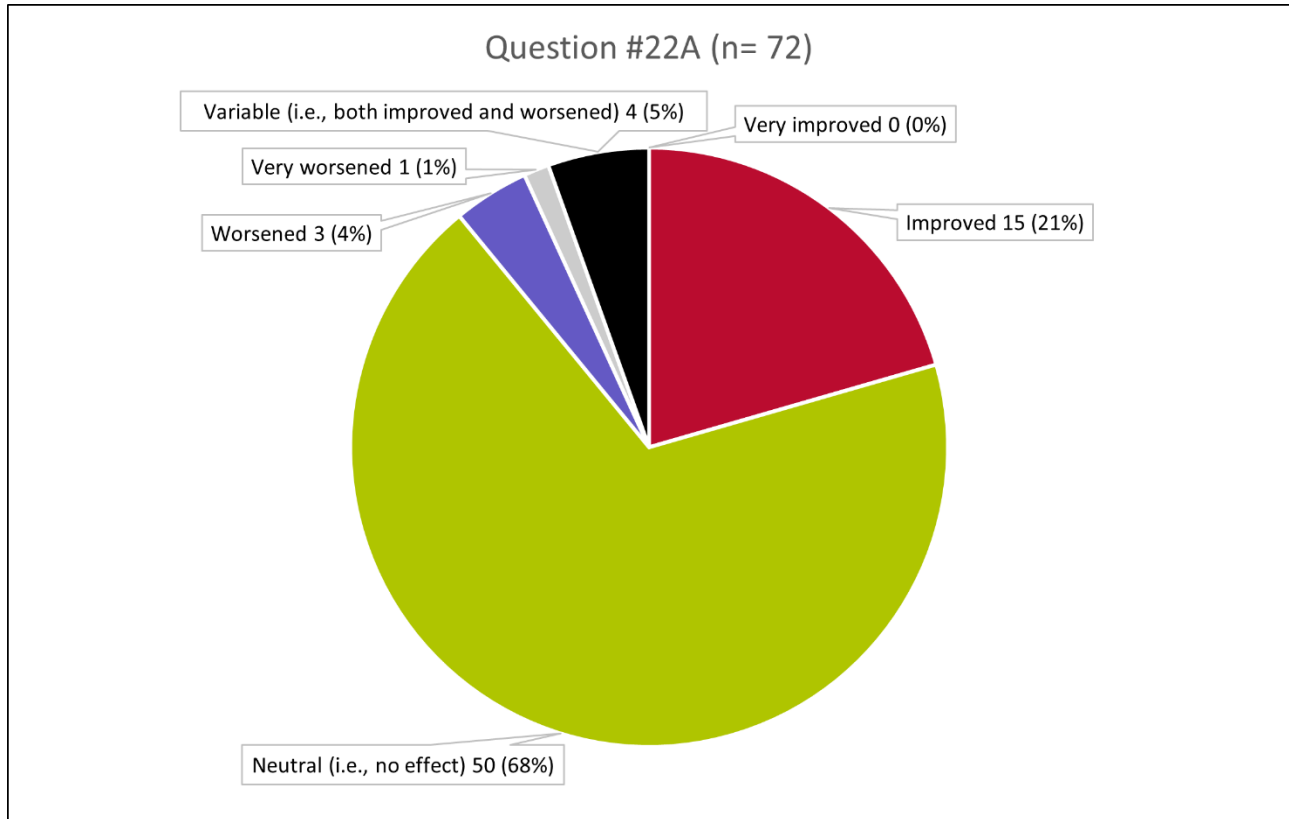


Figure xxxiii: Question 21B – Do you have any comments, suggestions or concerns you would like to share?

- Responses included:
- “Help southern Inuit with education, housing and training”
 - “The health benefits for oral hygiene in process. Talking w/ IKH’s CRG’s has a huge impact in my view as their support is awesome!”
 - “Still same”
 - “Very first rotation”
 - “After my rotation, I have more time for myself, family time & my projects”
 - “I think reading comprehension is most important in workplace. So they can do their job well.”
 - “Improved my mental health being able to get out of Iqaluit for a while”
 - “Fascinating place 😊”

Note: One respondent wrote that they had no questions.

Figure xxxiv: Question 22A – How has you and your family’s ability to participate in harvesting or other land-based activities changed since obtaining Project employment? (Only check one box)



Note: One respondent selected both “Improved” and “Neutral (i.e., no effect)”, both responses were included in the figure above.

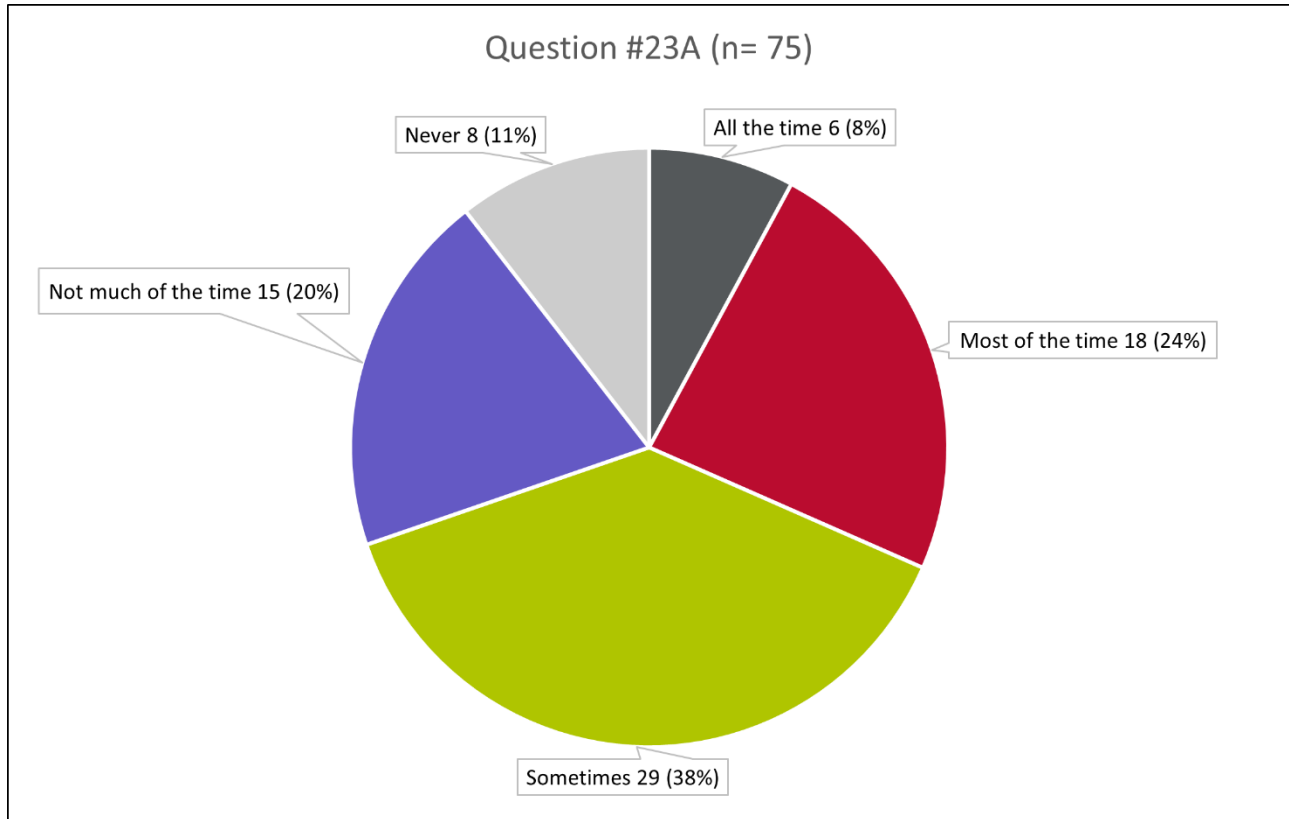
Figure xxxv: Question 22B – Do you have any comments, suggestions or concerns you would like to share?

Responses included:

- “Seeing how I had to move south for housing, any help in that matter would make a huge difference. (i.e., maybe get staff housing in Iqaluit & other communities)”
- “Work too much!”
- “Would be great if vessels can anchor other than Ragged Island, because we hav’n’t got much narwhals in the past few years in Pond Inlet.”
- “No time to work on snowmobile”
- “It helps and hinders: I got more money to by gasoline for ski-doo and boat. But I cannot go out on land-based activities on my time off because of the busy schedule.”

Note: Two respondents wrote “No”.

Figure xxxvi: Question 23A – Since working for Baffinland, how often have you and other household members worried that food would run out before you got money to buy more?



Note: One respondent selected both “All the time” and “Most of the time”, both responses were included in the figure above.

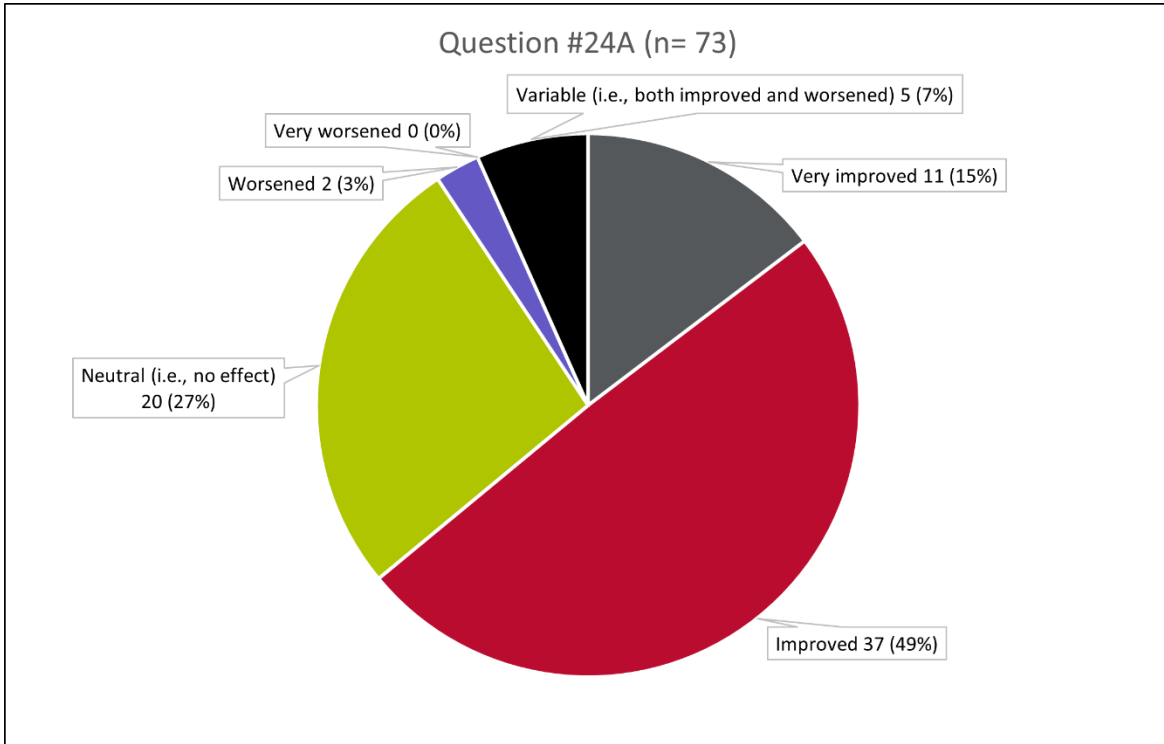
Figure xxxvii: Question 23B – Do you have any comments, suggestions or concerns you would like to share?

Responses included:

- “2023/2023 foods are not high cost IS and 30/31. Sometimes we have to wait for my payday. My pay is too small now from bills and high cost. They don’t last now for my payday (due to high cost).”
- “Yes, it’s so much better to support my grandkids and my children.”
- “Everything is getting more expensive each year.”
- “Sometimes pay day is a bit far following calendar”
- “Hard to explain”
- “If would be great if Baffinland can do food banks in Pond Inlet”
- “Prices keep rising especially up north”
- “Because I support 4 to 5 families, with food + cell phones”
- “High cost of living up north is hard to keep up with bills and groceries”
- “Groceries (cost price) too high in Nunavut”
- “Food need to be good for 2 week when kids need more food”
- “it is wonderful!”
- “I live alone but help out family”

Note: One respondent wrote “No”.

Figure xxxviii: Question 24A – Overall, how do you feel YOUR LIFE as a whole has changed since being employed at the Mary River Project? (Only check one box)



Note: One respondent selected both “Neutral (i.e., no effect)” and “Variable (i.e., both improved and worsened”, both responses were included in the figure above. One respondent selected both “Neutral (i.e., no effect)” and “Improved”, both responses were included in the figure above.

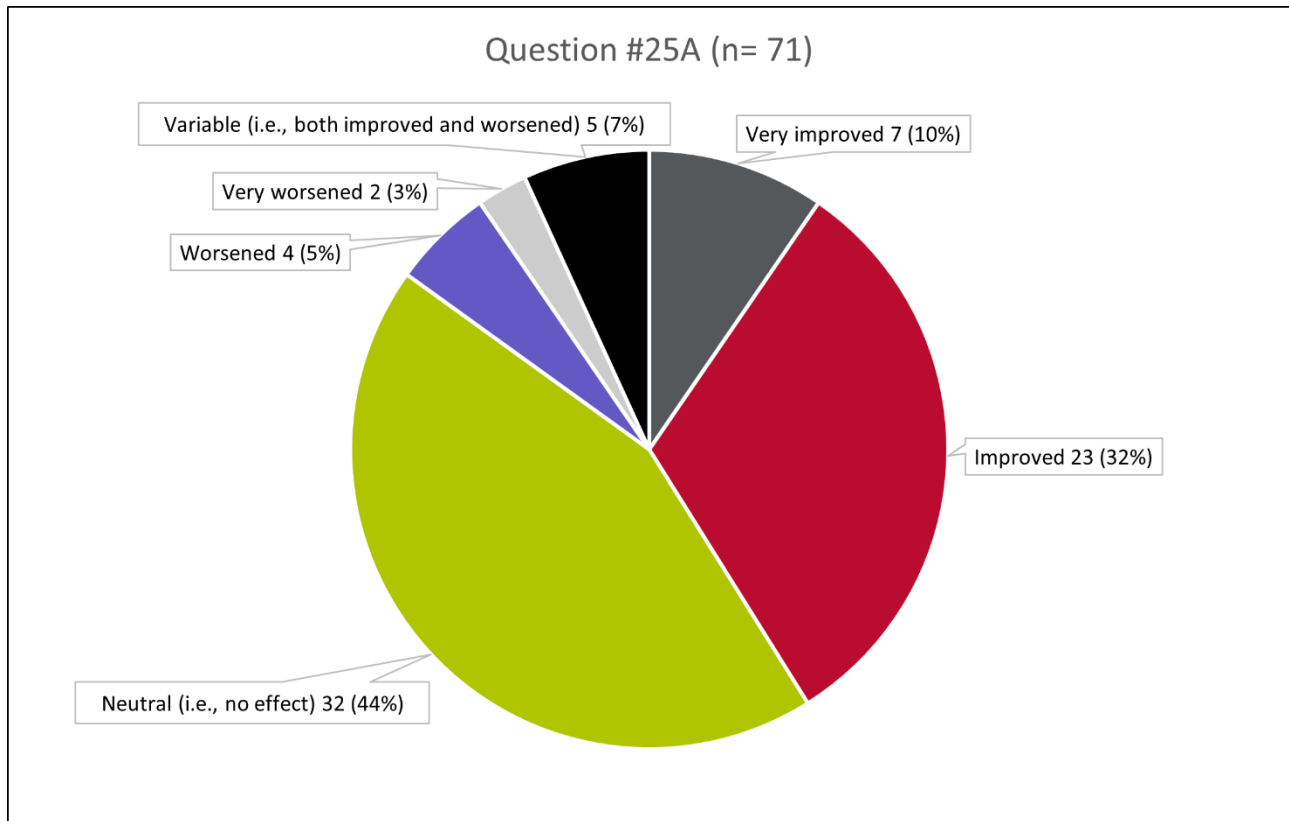
Figure xxxix: Question 24B – Do you have any comments, suggestions or concerns you would like to share?

Responses included:

- “Being in the grease bay has gotten me more experience around heavy equipment... But it seems almost impossible to get any apprenticeship or other training”
- “Thank you for the opportunity, I meet a lot of good people here and food is always great”
- “Self-estee- - higher. Really have great support in all areas especially the CRG & IKH”
- “When do we go back to 2x2 rotation?”
- “Gained work experience”
- “Too soon to say, but hard to learn, behalf of myself, and my family”
- “I am really enjoying the 3x3 where I actually have time off from work”
- “I'm just starting so only time will tell”
- “Just worried about my kids and family about my kids missing me but 't's okay to provide for my family and pay some bills”
- “I like working at Mary river mine site I like working at Warehorse P&L”
- “Improved my mental health”
- “Wow! :)”

Note: One respondent wrote “None”.

Figure xl: Question 25A – Overall, do you feel the Mary River Project has positively impacted your community in the last five years? (Only check one box)



Note: One respondent selected both “Neutral (i.e., no effect)” and “Worsened”, both responses were included in the figure above. One respondent selected both “Variable (i.e., both improved and worsened)” and “Worsened”, both responses were included in the figure above. As such, the number of respondents (n=71) is two less than the number of responses (73).

Figure xli: Question 25B – Do you have any comments, suggestions or concerns you would like to share?

Responses included:

- “At this time none as the Steensby Project has not operated yet through Kinngait.”
- “Significant impact on narwhals since 2017 but little bit of help getting impact benefit”
- “There is an effect but differs on different levels of society”
- “I can see that there are a lot more vehicles, skidoos. Even the people that are working for the contractors”
- “Pros and cons for the impacts to the community”
- “Environment and animal control”
- “Friendly- - more helping”
- “I am happy the Inuit Success Team is hiring more Inuit locals.”

Note: One respondent wrote “None”.

3.5 CHILDCARE

3.5.1 HIGHLIGHTS

Survey highlights for this section include:

- When asked whether they use childcare services (formal and informal) in their community so that they can go to work, the majority (74%, 58 respondents) reported that they did not, and 13% reported that the question was not applicable to them (10 respondents). 10 respondents (13%) answered yes, with most of these respondents living in one of Baffinland’s affected communities (70% of respondents who answered yes, 7 respondents). All but two of those who reported using childcare services to be able to go to work used unlicensed childcare (80%, 8 respondents). The two respondents (20%) who used licensed childcare services lived in Igloolik and Iqaluit. *See Figures xlii and xliii.*
- When asked if they feel there are affordable options and access to childcare in their community, the majority of respondents (60%, 37 respondents) answered that they did not feel that there were. 54 respondents to this question (86%) reported residing in a Nunavut community – of these respondents, 33 (61%) reported feeling there was not affordable options and access to childcare in their community. *See Figure xliv.*
- When asked if they feel there are sufficient options and access to childcare in their community, a majority of respondents (65%, 42 respondents) answered that they did not feel that there were sufficient options. 57 respondents to this question (88%) reported residing in a Nunavut community – of these respondents, 38 (67% of Nunavut residents who responded to this question) reported feeling there was not sufficient options and access to childcare in their community. *See Figure xlv.*
- Compared with the 2022 Inuit Employee Survey Results: comparing to the previous year’s survey, notable changes in this year’s survey included:
 - The proportion of respondents who used unlicensed childcare so that they could go to work was lower (80% compared to 100% in 2022). The two respondents who used licensed childcare was located in Igloolik and Iqaluit.
 - The proportion of Nunavut-based respondents who felt there were sufficient and affordable options and access to childcare in their community was higher (40% [Question #27] and 33% [Question #28] compared to 11% in 2022).
 - Question #25 from the 2022 survey was split into two questions (Questions #27 and #28), to distinguish between affordability and sufficient availability of childcare. However, the proportions of respondents who felt that there was not sufficient and/or affordable childcare available in their communities remained relatively similar from 2022 to 2023.

3.5.2 RESULTS

Specific statistics are provided for each question below.

Figure xlii: Question 26A – 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. licensed daycare) and informal childcare provided by others (e.g., unlicensed childcare provided by family or friends, babysitters).

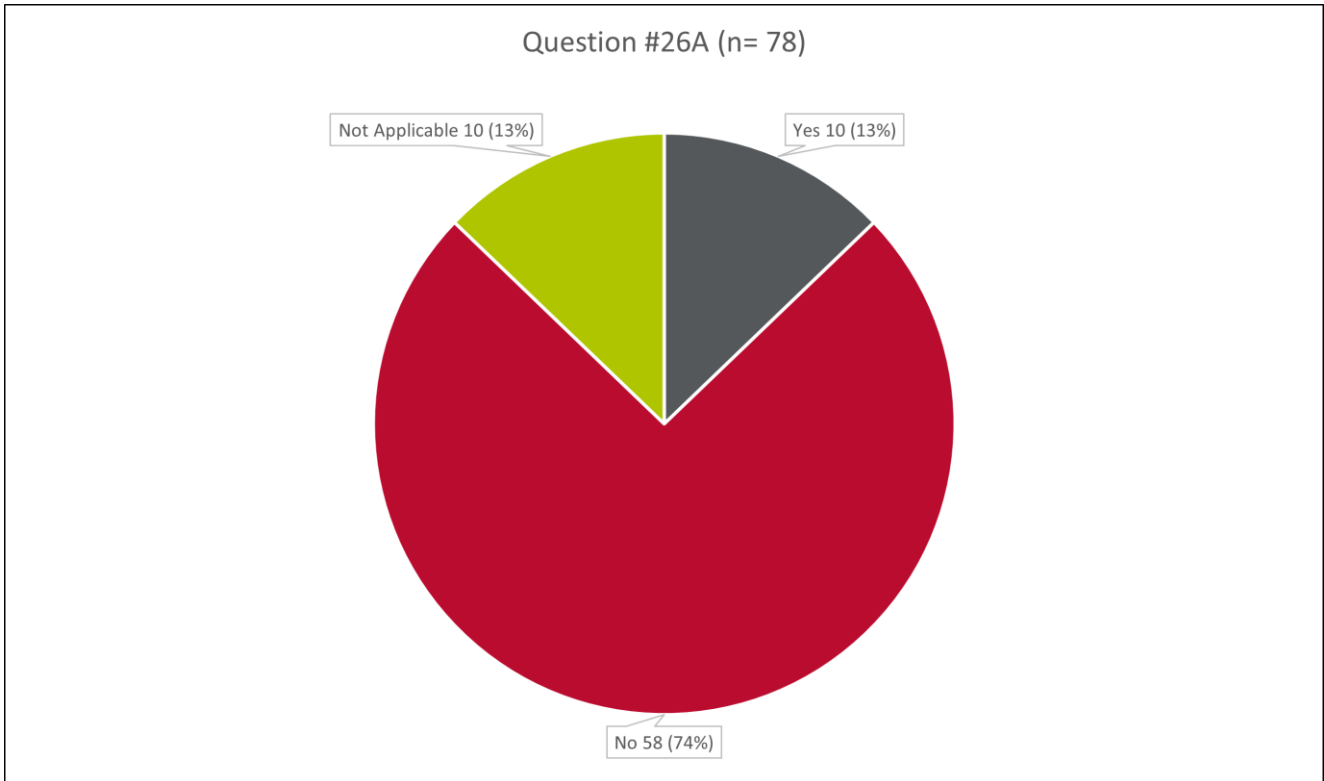
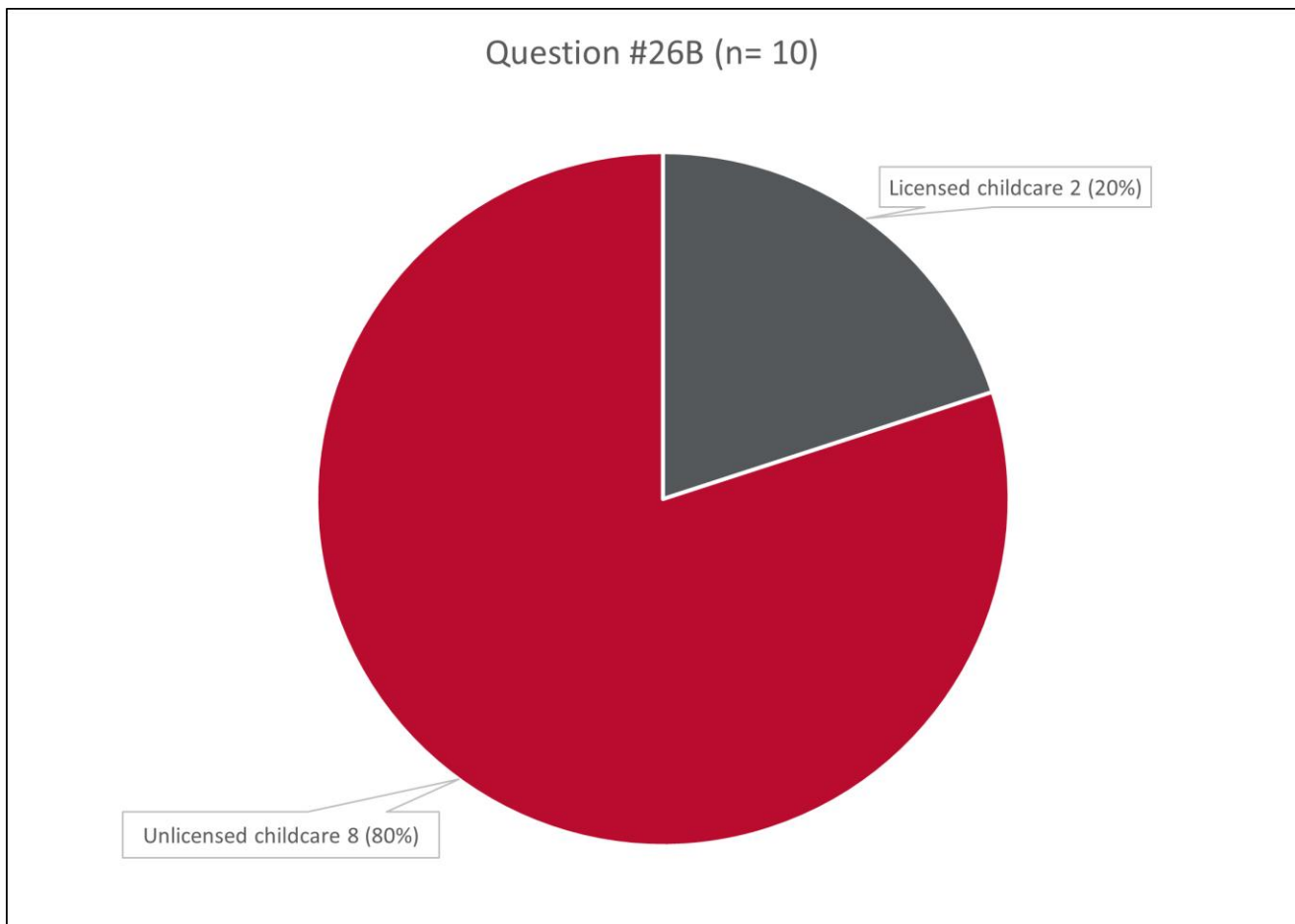
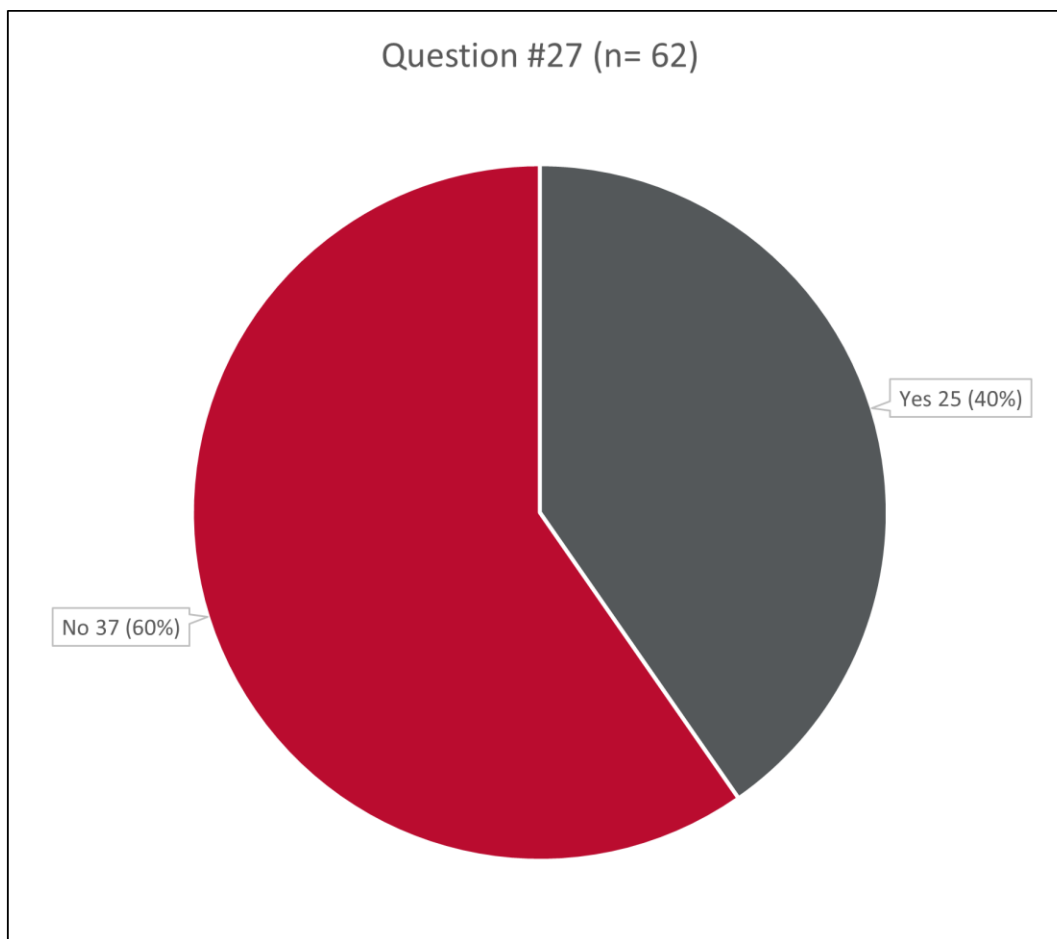


Figure xliii: Question 26B – If you answered ‘Yes’, do you use licensed or unlicensed childcare services currently?



Note: 4 respondents selected “No” for Question #26A but indicated that they used unlicensed childcare services. These responses are not included above.

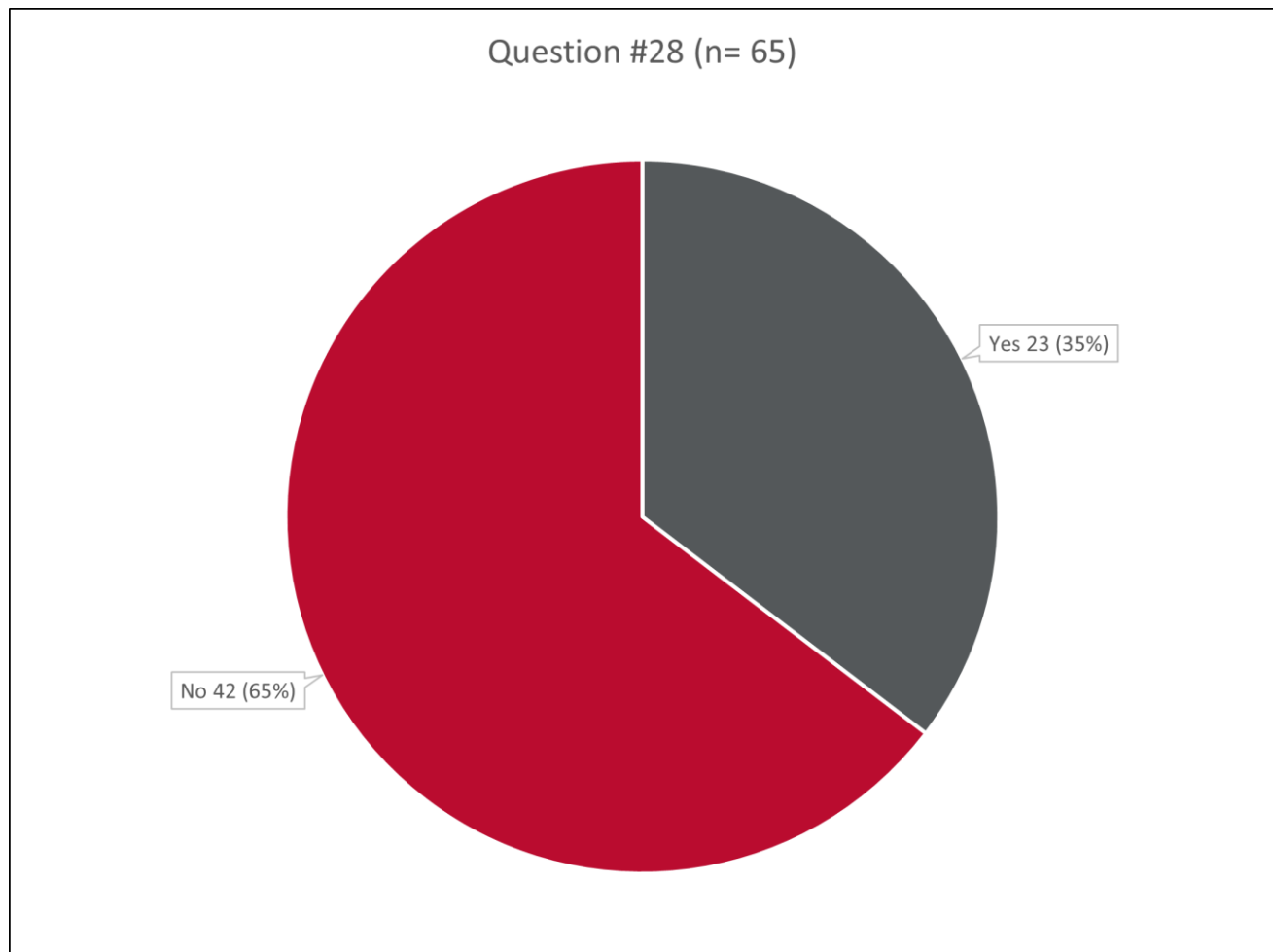
Figure xliv: Question 27 – Do you feel there are affordable options and access to childcare in your community?



Note: Five respondents wrote comments relevant to Question #27.

- Two respondents selected yes, and wrote the following comments:
 - "but limited services"
 - "Idk, we're getting daycare next year"
- Three respondents did not select a response and wrote the following comments:
 - "there is none in Arctic Bay"
 - "So and so. Depends on the parent(s)"
 - "My child is a teenager"

Figure xlv: Question 28 – Do you feel there are sufficient options and access to childcare in your community?



Note: Three respondents did not select a response and wrote the following comments relevant to Question #28:

- "Don't know, I have great support."
- "I can't answer that"
- "I wish" – this comment was coded as a "no" response as part of data cleaning.

4. CONCLUSION AND RECOMMENDATIONS

4.1 SUMMARY

Under the terms of its NIRB Project Certificate, Baffinland has committed to conduct an annual Inuit Employee Survey. The 2023 Inuit Employee Survey collected general, employment and education, housing information from Inuit Project workers, as well as perspectives on topics such as childcare and the role of the Project and Baffinland in their communities.

The 2023 Inuit Employee Survey included two new questions based on feedback from the MRSEWG (#23 and #24) to capture information regarding food security and personal well-being. Additionally, more response options were added to Questions #4, 5, 10A, 11A, 16, 17, and 26 (previously #24 in 2022 survey) and minor wording adjustments were made to several questions. A summary of changes made from the 2022 survey are listed below:

- Added space for respondents to specify which contractor on Question #4.
- Added options "Internship", "Apprenticeship", and "Summer Student" to Question #5.
- Added option "No – my housing situation has worsened" to Question #10A
- Question #10B text was changed from "If you answered 'Yes', was this change made possible through Project (Mary River) employment?" to "Was this change a result of Mary River Project Employment?"
- Question #11 was changed from "Have you ever considered purchasing a home in your community?" to "Have you ever considered purchasing a home?", with the response options also edited.
- The option "I already own my own home" was removed from Question #13
- The second use of "cost of living" was removed from #14C and #15C, as it was a duplicate
- The response option "Some high school but did not graduate" was added to Question #16
- The list of training categories under Question #17 was revised
- Question 20A was revised from "How has your ability to provide for you and your family changed since obtaining Project employment?" to "Has your total household income been enough to meet your families' needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment?"
- Questions #23 and #24 were added. Both questions regard community well-being and were added to the Baffinland in your Community section of the survey. Question #23 came as a suggested edit from the QIA. In efforts to better monitor Project impacts on food security, Baffinland proposed inclusion of question #24. Due to agreement by all MRSEMWG members, it was included in the survey.
- The wording for Question #25A (previously 23A) was changed from "Overall, how has your community's well-being been affected by the Project?" to "Overall, do you feel the Mary River Project has positively impacted your community in the last five years?"
- The response option "Not Applicable" was added to Question #26 (#24 in the 2022 survey)

- Question #25 was split into two questions to differentiate between sufficient and affordable options (Questions #27 and #28)

The 2023 Inuit Employee Survey had more survey respondents compared to the last survey conducted that was conducted in 2022. Compared to the 2022 survey, respondents were generally younger, and larger proportion of respondents lived in Nunavut. Additionally, the proportion of people who have been working over 3 years in the Project was lower compared to 2022 survey results.

Overall, results for general information, employment and education, and housing information are relatively similar compared to previous survey results from 2022. Two notable shifts were observed in this year's results, first a significant proportional increase of respondents who would consider purchasing a home in their communities (25% in 2022 to 52% in 2023). Second, a decrease in respondents who indicated their ability to participate in land-based activities since obtaining Project employment had improved or very much improved (21% compared to 38% in 2022). New questions related to Baffinland in your Community indicated that a large proportion of respondents experience some degree of food insecurity, however, the addition of a question related to life improvement of respondents indicated that a larger proportion of respondents reported that *their life* had improved or very improved since being employed at the Project (66%) compared to respondents who reported that their *community* has improved or very improved their community over the last 5 years (42%). In subsequent surveys Baffinland will expand on the topics related to food insecurity to determine, the relationship between employment/food security as well as better quantify the level to which respondents are experiencing food insecurity. With respect to childcare, the one small change was the decrease of respondents who used unlicensed childcare, although the number of respondents who used childcare remained small.

Survey results assist with Project monitoring and management and provide valuable feedback to Baffinland on matters relevant to Inuit employees and contractors. The 2023 results highlight home ownership and food insecurity as two themes for the Company to explore further.

4.2 REPORTING AND NEXT STEPS

In addition to the presentation of survey results in this report, results will be included in Baffinland's Annual Report to the NIRB. Opportunities for interested parties to comment on this survey are offered through the NIRB Annual Report process and the regional socio-economic monitoring program.

Baffinland will complete its next Inuit Employee Survey in 2024. Relevant parties will be engaged in the planning and conduct of that survey.

APPENDIX A – 2022 INUIT EMPLOYEE SURVEY

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B) ᑭᑭᑦᑎᑦᑎᑦᑎᑦᑎᑦ ᐸᑎᑎᑦᑎᑦᑎᑦᑎᑦ ᐃᑎᑎᑦᑎᑦᑎᑦᑎᑦ ᐃᑎᑎᑦᑎᑦᑎᑦᑎᑦ?

ᐃᐃᓄᓃᓗᓂᓃᓗᐅᓄᓃᓗ

26 A) ᐃᓄᓃᓗᓂᓃᓗᐅᓄᓃᓗ ᐃᓄᐃᓗᓂᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗ? ᓄᓃᓃᓗ ᐃᓄᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ (ᓃᓃᓗ ᓄᓃᐅᐅᐅᓄᓃᓗ ᐃᓄᓄᓃᓗ) ᐃᓄᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ (ᓃᓃᓗ ᓄᓃᐅᐅᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ, ᐃᓄᓄᓃᓗ).

- ᐃ
- ᐃᓄᓃᓗᐅᓄᓃᓗ
ᐃᓄᓄᓃᓗᐅᓄᓃᓗ

B) ᐃᓄᓄᓃᓗᐅᓄᓃᓗ, ᓄᓃᐅᐅᐅᓄᓃᓗᐅᓄᓃᓗ ᓄᓃᐅᐅᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ?

- ᓄᓃᐅᐅᐅᓄᓃᓗ
- ᓄᓃᐅᐅᐅᓄᓃᓗ

27 ᐃᓄᓄᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ?

- ᐃ
- ᐃᓄᓃᓗᐅᓄᓃᓗ

28 ᐃᓄᓄᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ?

- ᐃ
- ᐃᓄᓃᓗᐅᓄᓃᓗ

ᓃᓃᓃᓗᐅᓄᓃᓗ ᓄᓄᓄᓃᓗᐅᓄᓃᓗ!

ᓄᓃᓃᓗ ᐅᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ ᐃᓄᓄᓃᓗᐅᓄᓃᓗ

MARY RIVER PROJECT 2023 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).
- Collect Inuit employee perspectives on topics such as childcare and the role of Baffinland in their communities and at the Mary River Project.

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 in a consolidated format for reporting purposes. If you have any questions you can contact a site-based survey administrator.

Thank you for your participation!

GENERAL

1 To which do you most identify?

- Male
- Female
- Other
- Prefer not to answer

2 A) How do you identify?

- Inuit
- Non-Inuit

B) If you identify as 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

If a contractor, which one: _____

5 Do you work

- Full-time
- Internship
- Seasonal
- Apprenticeship
- Summer Student

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
- Over 3 years

7 What language(s) do you speak? (Select all that apply)

- English
- French
- Inuktitut

If Inuktitut, which dialect(s) do you speak? _____

HOUSING**8 What is your current community of residence?**

- | | |
|--------------------------------------|---------------------------------------|
| <input type="checkbox"/> Arctic Bay | <input type="checkbox"/> Pangnirtung |
| <input type="checkbox"/> Clyde River | <input type="checkbox"/> Pond Inlet |
| <input type="checkbox"/> Grise Fiord | <input type="checkbox"/> Qikiqtarjuaq |
| <input type="checkbox"/> Igloolik | <input type="checkbox"/> Resolute Bay |
| <input type="checkbox"/> Iqaluit | <input type="checkbox"/> Sanikiluaq |
| <input type="checkbox"/> Kimmirut | <input type="checkbox"/> Sanirajak |
| <input type="checkbox"/> Kinngait | <input type="checkbox"/> Other: _____ |

9 What type of housing do you currently live in?

- Privately owned – Owned by you
 - Privately owned – Owned by a family member or friend
 - Renting from a private company or individual
 - Public housing
 - Government of Nunavut staff housing
 - Other staff housing
- Other: _____

10 A) Has your housing situation changed since working at the Mary River Project?

- Yes – I purchased a home
- Yes – I moved into a home owned by a family member or friend
- Yes – I moved to a different private rental
- Yes – I moved into public housing
- Yes – I moved into Government of Nunavut staff housing
- Yes – I moved into other staff housing
- No – my housing situation has not changed
- No – my housing situation has worsened

B) Was this change a result of Mary River Project employment?

- Yes – Fully
- Yes – To some extent
- No
- Unsure

11 Have you ever considered purchasing a home?

- Yes – I do not currently own a home but would like to purchase one
- Yes – I own but would like to purchase a new home
- No – I do not want to purchase a home
- No – I am satisfied with my current home

12 Are you aware of the Nunavut Down Payment Assistance Program offered by the Nunavut Housing Corporation?

- Yes
- No

13 If you have NOT purchased your own home, could you please explain why? (Select all that apply)

- 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 Down Payment 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

If other, please specify reason:

14 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', specify which community you moved FROM?

C) If you answered, 'Yes – From one community to another community', why did you decide to move from one community to another? (Select all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Be closer to friends / family | <input type="checkbox"/> |
| <input type="checkbox"/> Better housing | <input type="checkbox"/> Closer to work |
| <input type="checkbox"/> Cost of living | <input type="checkbox"/> To find job |
| <input type="checkbox"/> Better access to services
(e.g., healthcare, education, etc.) | <input type="checkbox"/> Other |

If other, please specify reason:

15 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', specify which community you planning on moving TO?

C) If you answered, 'Yes – From one community to another community', why are you planning to move from one community to another? (Select all that apply)

- | | |
|---|---|
| <input type="checkbox"/> Be closer to friends / family | <input type="checkbox"/> |
| <input type="checkbox"/> Better housing | <input type="checkbox"/> Closer to work |
| <input type="checkbox"/> Cost of living | <input type="checkbox"/> To find job |
| <input type="checkbox"/> Better access to services
(e.g., healthcare, education, etc.) | <input type="checkbox"/> Other |

If other, please specify reason:

EDUCATION AND WORK EXPERIENCE

16 What is the HIGHEST education level you have obtained? (Only check one box)

- Less than high school
- Some high school but did not graduate
- High School diploma or equivalent
- Apprenticeship or trades certificate or diploma
- College or other non-university certificate or diploma
- University certificate or diploma or higher

17 If Baffinland, including its contractors, or other agencies were to offer additional education or training programs for mine employees, what kind of programs would you be interested in? (Select top three)

- Finance and Accounting
- Information Technology
- Communications
- Human Resources
- Corporate Affairs and Strategic Development
- Project Management
- Power and Energy
- Health and Safety
- Office Administration
- Traditional Trades
- Leadership and Management Training
- University or Diploma and Degree Programs

If other, please specify:

Please complete questions 18 and 19 ONLY IF you were hired to work at the Mary River Project in the last year (i.e., 2023).

18 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

19 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? (Only check one box)

- Casual
- Part-Time
- Full-Time

C) If you answered 'Yes', what was your previous job title and who was your employer?

BAFFINLAND IN YOUR COMMUNITY

20 A) Has your total household income been enough to meet your families' needs for transportation, food, housing, clothing and other necessary expenses since obtaining Mary River Project employment? (Only check one box)

- More than enough
- Enough
- Not enough
- Don't know
- Prefer not to answer

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

21 A) How has the health and well-being of you and your family changed since obtaining Project employment? (Only check one box)

- Very improved
- Improved
- Neutral (i.e., no effect)
- Worsened
- Very worsened
- Variable (i.e., some aspects improved and some worsened)

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

22 A) How has your and your family's ability to participate in harvesting or other land-based activities changed since obtaining Project employment? (Only check one box)

- Very improved
- Improved
- Neutral (i.e., no effect)
- Worsened
- Very worsened
- Variable (i.e., some aspects improved and some worsened)

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

23 Since working for Baffinland, How often have you and other household members worried that food would run out before you got money to buy more? ?

- All the time
- Most of the time
- Sometimes
- Not much of the time
- Never

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

24 A) Overall, how do you feel YOUR LIFE as a whole has changed since being employed at the Mary River Project,? (Only check one box)

- Very improved
- Improved
- Neutral (i.e., no effect)
- Worsened
- Very worsened
- Variable (i.e., some aspects improved and some worsened)

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

25 A) Overall, do you feel the Mary River Project has positively impacted your community in the last five years?(Only check one box)

- Very improved
- Improved
- Neutral (i.e., no effect)
- Worsened
- Very worsened
- Variable (i.e., some aspects improved and some worsened)

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

CHILDCARE

26 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., licensed daycare) and informal childcare provided by others (e.g., unlicensed childcare provided by family or friends, babysitters).

- Yes
- No
- Not Applicable

B) If you answered 'Yes', do you use licensed or unlicensed childcare services currently?

- Licensed childcare
- Unlicensed childcare

27 Do you feel there are affordable options and access to childcare in your community?

- Yes
- No

28 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 a site-based survey administrator.

APPENDIX B – 2023 INUIT EMPLOYEE SURVEY ENGAGEMENT MATERIALS

Posters

Posters were put up around site, as well as used as slides on televisions around site.



Annual Inuit Employee Survey

What is the survey?

Baffinland will be administering a **voluntary survey** to collect employment, education, and housing information from Inuit Baffinland employees and contractors. Baffinland has been asked to collect this information under the terms of its Project Certificate issued by the Nunavut Impact Review Board.

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

Please contact Baffinland **cultural advisors**, the **Inuit Success Team**, or an **HR representative** if you have any questions.

<p>Who can participate, and when can you fill out a survey?</p> <p>Inuit Baffinland employees and contractors</p> <p>October 23 – December 1 2023</p>	<p>Will there be any prizes?</p> <p>Two \$250.00 credits to the commissary are to be won!</p>	<p>Where can you fill out the survey?</p> <ul style="list-style-type: none"> • Saillivik – Country Kitchen • Port – PSC Country Kitchen & 380 Camp Housing Desk <p><i>Drop off completed survey to a cultural advisor, the Inuit Success Team, or HR</i></p>
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**** If you choose to complete this survey, your responses will remain confidential and your name will not be used ****



Survey Administrator Contact List

Contact Name	Extension(s)	Location(s)
October 23 – November 6		
Angel Tassugat	4155 (Mine); 4082 (Port)	Mine Site: Oct 23 – 27; Oct 30 Port: Oct 27 - 30
Hannah Oolayou	6019 (Mine)	Mine Site: Oct 23
Hannah Quaraq	6019 (Mine); 4082 (Port)	Mine Site: Oct 26 – 27; Oct 30 Nov 6 Port: Oct 27 - 30
Jeannie Manniapik	6155	Mine: Nov 2- 6
November 7 – November 21		
Hannah Quaraq	6019 (Mine); 4082 (Port)	Mine: Nov 7 – 10; Nov 13 – 14 Port: Nov 10 -13
Jeannie Manniapik	4155 (Mine); 4082 (Port)	Mine: Nov 7 – 10; Nov 13 -14 Port: Nov 10 -13
Hannah Oolayou	6019 (Mine); 4082 (Port)	Mine: Nov 16 – 17; Nov 20 – 21 Port: Nov 17 - 20
Angel Tassugat	4155 (Mine); 4082 (Port)	Mine: Nov 16 – 17; Nov 20 -21 Port: Nov 17 - 20
November 22 – December 1		
Hannah Oolayou	6019 (Mine); 4082 (Port)	Mine: Nov 21 – 24; Nov 27 – Dec 1 Port: Nov 24 - 27
Angel Tassugat	4155 (Mine); 4082 (Port)	Mine: Nov 21 – 24; Nov 27 – Dec 1 Port: Nov 24 - 27

****Submit your completed survey to one of the survey administrators listed above****





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ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ	ᓇᓄᓂᓄᓐᓇ (ᓂᓄᓄ)
	ᐅᐅᓄᓄ 23 - ᓄᓄᓄᓄ 6	
ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ	4155 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᐅᐅᓄᓄ 23-27; ᐅᐅᓄᓄ 30 ᓄᓄᓄᓄᐅᓄ: ᐅᐅᓄᓄ 27 - 30
ᐅᓄᓂᓄᓐᓇ	6019 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᐅᐅᓄᓄ 29
Hᐅᓄᓄ ᓄᓄᓄᓄᓄᓄ	6019 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᐅᐅᓄᓄ 26 - 27; ᐅᐅᓄᓄ 30 ᓄᓄᓄᓄᐅᓄ: ᐅᐅᓄᓄ 27 - 30
ᓄᓄ ᓄᓄᓄᓄᓄᓄ	6155 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 2-6
	ᓄᓄᓄᓄ 7 - ᓄᓄᓄᓄ 21	
Hᐅᓄᓄ ᓄᓄᓄᓄᓄᓄ	6019 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 7-10; ᓄᓄᓄᓄ 13-14 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 10-13
ᓄᓄ ᓄᓄᓄᓄᓄᓄ	4155 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 7-10; ᓄᓄᓄᓄ 13-14 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 10-13
ᐅᓄᓂᓄᓐᓇ	6019 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 15-17; ᓄᓄᓄᓄ 20-21 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 17 - 20
ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ	4155 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 15-17; ᓄᓄᓄᓄ 20-21 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 17 - 20
	ᓄᓄᓄᓄ 22 - ᓄᓄᓄᓄ 1	
ᐅᓄᓂᓄᓐᓇ	6019 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 21-24; ᓄᓄᓄᓄ 27 - ᓄᓄᓄᓄ 1 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 24 - 27
ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ	4155 (ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ; 4082 ᓄᓄᓄᓄᐅᓄ)	ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ: ᓄᓄᓄᓄ 21-24; ᓄᓄᓄᓄ 27 - ᓄᓄᓄᓄ 1 ᓄᓄᓄᓄᐅᓄ: ᓄᓄᓄᓄ 24 - 27

****ᐅᓄᓄᓄᓄ ᐱᐅᓄᓂᓐᓇ ᐱᐅᓄᓂᓐᓇ ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ ᐅᓄᓂᓄᓐᓇ ᐱᐅᓄᓂᓐᓇ****

Appendix E. 2023 Performance Against Draft TARP Metrics

Valued Socio-Economic Component (VSEC)	Objectives	Performance Indicator	Metric	Monitoring Program / Plan	Condition Status / Threshold			Pre-defined Response(s)			2023 Results
					Low Risk	Moderate Risk	High Risk	Low Risk	Moderate Risk	High Risk	
1. EMPLOYMENT AND WAGES	Maximize Inuit Employment at the Mary River Project Employment programs and initiatives will require cooperation of the Company, QIA, GN, GOC, and affected communities.	1.5 Inuit employee turnover	1.5.2 Inuit turnover rate	Socio-Economic Monitoring Plan IIBA Implementation Guide Government of Nunavut Baffinland Memorandum of understanding	Inuit turnover objectives as defined by the IIBA Annual Work Plan and Measurable Objectives are met.	Some Inuit turnover objectives as defined by the IIBA Annual Work Plan and Measurable Objectives were met.	No Inuit turnover objectives as defined by the IIBA Annual Work Plan and Measurable Objectives were met.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit employment initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit retention can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why Measurable objectives were not met. If objectives were not met due to company in action, additional measures to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to address company in action. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	The Inuit turnover rate decreased to 30% in 2023, down from 40% in 2022. Turnover for non-Inuit decreased to 16% in 2023, down from 34% in 2022. Operational uncertainty and COVID-19-related factors contributed to employee voluntary resignations for Inuit and non-Inuit Baffinland employees and contractors in 2022. Voluntary resignations for both Inuit and non-Inuit increased during the latter half of the year when operational uncertainty was amplified, with many employees resigning due to organizational concerns and finding another job. For non-Inuit, Baffinland's COVID-19 requirements, including vaccination and masking, were cited as reasons for resignation in 2022. Reasons Inuit employees cited for included, family reasons (including wanting to spend more time at home) and issues related to rotation length. In the month of November 2022, 18 Inuit employees under extended leaves were terminated for job abandonment and these were categorized under voluntary turnover. These employees were on extended leave for a number of years without any contact with the Company. These employees are eligible for rehire if they are available to return back to Baffinland. Baffinland continuously looks for ways to improve the employee turnover rate and has implemented the following to address turnover within the company. <ul style="list-style-type: none"> Instituting a mid-probationary review program to evaluate new employee performance and identify potential issues; 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; Dedicated resources to provide support to Inuit employees on site, these roles include members of Inuit Training Team, Cultural Advisors, and HR Advisors Inuit Relations; and,

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											<ul style="list-style-type: none"> Providing 24 hour on-site mental health counselling support for all employees and contractors.
2. EDUCATION, TRAINING AND CAREER DEVELOPMENT	Provide training to Inuit in all areas of the Project. Education and training will require cooperation of the Company, QIA, GN, GOC, training institutions, and affected communities.	2.3 Pre-employment training	2.3.1 Work Ready Program participants	Socio-Economic Monitoring Plan IIBA Implementation Guide	Work Ready Programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	Some Work Ready Programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	None of the Work Ready Programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit education and training initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit education and training can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why some programs were not run. If those programs were not run due to company inaction, additional programming to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to account for programming not run due to company inaction. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. If those programs are not run due to inaction or circumstance of a third party, Baffinland to investigate and provide a report to the QIA and MRSEMWG which will include potential remedies to be included in future IIBA Annual Work Plans. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	<p>In 2023, a total of 15 community-based WRP sessions were conducted. 55 Inuit participates in these sessions. The on-site WRP also continued to run in 2023. There were three (3) cohorts for the on-site program, for a total of 15 participants – 5 in each of the three cohorts completed in January, March, and October 2023.</p> <p>In total, 70 Inuit participants in the WRP in 2023. This represents a decrease when compared to the 110 participants in 2022. This decline may be attributed to the in-community sessions being delivered in-person rather than virtually.</p> <p>In 2023, the QIA informed Baffinland that they will be creating an online version of the WRP to increase availability of training for all Nunavut communities. Baffinland participated in the program’s initial development with QIA program development consultants. In Q1 and Q2 of 2024, Baffinland and QIA will co-develop the online WRP, where the module is anticipated to launch in Q3.</p>
2. EDUCATION, TRAINING AND CAREER DEVELOPMENT	Provide training to Inuit in all areas of the Project. Education and training will require cooperation of the Company, QIA, GN, GOC, training institutions, and affected communities.	2.4 Employee training	2.4.4 Inuit training spend	Socio-Economic Monitoring Plan IIBA Implementation Guide	Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	Some Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	None of the Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measureable Objectives.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit education and training initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit education and training can be increased at the Project.	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why some programs were not run. If those programs were not run due to company inaction, additional programming to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to account for programming not run due to company inaction. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA.	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR.	<p>There was a 32% decrease in average training hours per Inuit FTE in 2023 when compared to 2022. This decrease is related to a higher volume of training completed in 2022 due to the return of Nunavummiut workers from home following a COVID outbreak from December 2021 to early March 2022; this demonstrates there was an increase in Inuit training hours in 2022 when Nunavummiut returned to site. In 2023, average training hours per Inuit FTE returned to rates experienced prior to the 2022 year.</p> <p>Baffinland is dedicated to increasing training opportunities for Inuit employees and contractors as well as for prospective employees. Baffinland and Qikiqtani Inuit Association (QIA) are continuing to support Mary River Impact and Benefit Agreement</p>

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								Responsible: Baffinland IIBA Committee Members	If those programs are not run due to inaction or circumstance of a third party, Baffinland to investigate and provide a report to the QIA and MRSEMWG which will include potential remedies to be included in future IIBA Annual Work Plans.	Responsible: Baffinland IIBA Committee Members	(IIBA) implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. The Q-STEP provides funds to several training initiatives, including the apprenticeship program, and the Work Ready program (on and off-site).
2. EDUCATION, TRAINING AND CAREER DEVELOPMENT	Provide training to Inuit in all areas of the Project. Education and training will require cooperation of the Company, QIA, GN, GOC, training institutions, and affected communities.	2.4 Employee training	2.4.5 Non-mandatory Inuit training hours	Socio-Economic Monitoring Plan IIBA Implementation Guide	Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives.	Some Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives.	None of the Inuit training programs are administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit education and training initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit education and training can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why some programs were not run. If those programs were not run due to company inaction, additional programming to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to account for programming not run due to company inaction. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. If those programs are not run due to inaction or circumstance of a third party, Baffinland to investigate and provide a report to the QIA and SEMWG which will include potential remedies to be included in future IIBA Annual Work Plans. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	In 2023, the average hours of training for Inuit workers was 153 hours per Inuit FTE – a 32% decrease from 2022. Despite this decrease, average hours of training for Inuit workers returned to rates experienced prior to 2022. A summary of the status of program delivery in 2023 is as follows: <ul style="list-style-type: none"> The 40-hour community-based Work Ready Program was delivered in-person. 15 community sessions were conducted, where 55 Inuit participated. The On-Site Work Ready Program was operational in 2023, with three (3) cohorts in January, March, and October 2023. 5 Inuit participated in each cohort. A total of 15 Inuit participated in the on-site WRP in 2023. The summer student program resumed in 2023. A total of 5 summer students were hired in 2023. In 2023, the Inuit internship program experienced significant delays due to operational uncertainties. As a result, one intern started in September 2023 in translation services (who later resigned due to personal reasons in November), one started in October in the Inuit Success Department, and another starting in November as a mine technician in the op-technical services department.

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2. EDUCATION, TRAINING AND CAREER DEVELOPMENT	Provide training to Inuit in all areas of the Project. Education and training will require cooperation of the Company, QIA, GN, GOC, training institutions, and affected communities.	2.5 Employee career advancement and education upgrading programs	2.5.1 Active Inuit apprentices	Socio-Economic Monitoring Plan IIBA Implementation Guide	The Inuit Apprenticeship Program is administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives.	Some of the Inuit Apprenticeship Program is administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives	None of the Inuit Apprenticeship Program is administered and completed in accordance with the IIBA Annual Work Plan and Measurable Objectives.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit education and training initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit education and training can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why the Inuit Apprenticeship Program was not fully completed. If this program was not run due to company inaction, additional programming to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to account for programming not run due to company inaction. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. If those programs are not run due to inaction or circumstance of a third party, Baffinland to investigate and provide a report to the QIA and MRSEMWG which will include potential remedies to be included in future IIBA Annual Work Plans. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	Participants of the Apprenticeship Program, initially launched in 2017, join Baffinland as trades assistants and participate in job shadowing activities to learn about the trade and Baffinland's operations. In 2023, there was an average of 10 active apprentices in the Apprenticeship Program. Baffinland and Qikiqtani Inuit Association (QIA) are continuing to support Mary River Impact and Benefit Agreement (IIBA) implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind supports from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Mary River mine site. The funding is providing supports for expenses related to training, such as wages, accommodations, and travel. This program began in February 2022, and is scheduled to continue to March 31, 2028. The target is to hire and maintain 16 Inuit apprentices in various trades, with the end goal that apprentices complete training and advancing in their careers in mining industry trades.
2. EDUCATION, TRAINING AND CAREER DEVELOPMENT	Provide training to Inuit in all areas of the Project. Education and training will require cooperation of the Company, QIA, GN, GOC, training institutions, and affected communities.	2.8 Employment by skill level	2.8.2 Proportion of Unskilled Positions filled by Inuit	Socio-Economic Monitoring Plan IIBA Implementation Guide	Employment objectives as defined by the IIBA Annual Work Plan (Minimum Inuit Employment Goals) and Measurable Objectives are met.	Some employment objectives as defined by the IIBA Annual Work Plan (Minimum Inuit Employment Goals- MIEGs) and Measurable Objectives were met.	No employment objectives as defined by the IIBA Annual Work Plan (Minimum Inuit Employment Goals) and Measurable Objectives were met.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit employment initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit employment can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA) to determine why some employment objectives (MIEGs) and Measurable objectives were not met. If objectives were not met due to company inaction, additional measures to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to address company inaction. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	In 2023, 77 Inuit FTEs were employed at the unskilled level (Skill Level D/NOC D). Inuit employees represent 53% of employees occupying positions at the unskilled level. Baffinland has employed various measures to increase Inuit employment at the Mary River Project. Inuit have priority for hiring and available positions are posted both internally and externally. All positions are also shared with Baffinland Community Liaison Officers in each affected community so that they can be posted within the community. A recruitment email account was set up (recruitment@baffinland.com) to make applying for roles easier. This account is monitored by Baffinland's Inuit Recruiters who are committed to making contact with 100% of the Inuit applicants. Baffinland also provides a list of potential applicants to our contracting partners.

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3. CONTRACTING AND BUSINESS OPPORTUNITIES	The Company will maximize contracting and subcontracting opportunities for qualified Inuit Firms throughout the Construction, Operations and Decommissioning Phases of the Mary River Project.	3.1 Inuit firm contracting	3.1.2 Contract commitments to Inuit firm proportion	Socio-Economic Monitoring Plan IIBA Implementation Guide	Contracting objectives as defined by the IIBA Annual Work Plan and Measurable Objectives are met.	Some contracting objectives as defined by the IIBA Annual Work Plan and Measurable Objectives are met.	No Contracting objectives as defined by the IIBA Annual Work Plan and Measurable Objectives are met.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to Inuit firm contracting initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit firm contracting can be increased at the Project. Responsible: Baffinland IIBA Committee Members	Review of IIBA Work Plan with the appropriate IIBA Committee to determine why some contracting Measurable objectives were not met. If objectives were not met due to company in action, additional measures to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to address company in action. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Responsible: Baffinland IIBA Committee Members	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR. Responsible: Baffinland IIBA Committee Members	<p>In 2023, a total of 201 active Inuit Firms were registered in the LSA, an increase of 5 Inuit Firms from 2022. Of the 201, 28% (57) of these firms were based in the North Baffin LSA communities and 72% (144) were based in Iqaluit. The total value of contracts awarded to Inuit Firms increased to \$171.3M, from \$162.2M in 2022, involving 42 individual Inuit firms. The percentage of total contracts awarded to Inuit Firms continued to decrease in 2023, at 36% of the total value of contracts awarded compared to 43% in 2022 and 57% in 2021. What should be noted is 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.</p> <p>Many of Baffinland’s core services are currently provided by Inuit Firms, including camp services for all camps on site, all fixed-wing and rotary-wing chartered aviation services, mining equipment maintenance services, and sealift. In addition, Baffinland is currently pursuing the following initiatives in order to further increase contracting with Inuit Firms:</p> <ol style="list-style-type: none"> 1. Identifying opportunities to enter into Master Service Agreements with Inuit Firms for construction works, such as civil earthworks and MEIP (mechanical, electrical, instrumentation, piping) projects. 2. Identifying opportunities to contract with Inuit Firms for the supply of key goods/products, such as perishable and non-perishable food and other camp supplies. 3. Various Inuit Firm workshops, such as the Bid Simulation Workshop (delivered in 2023) and the Inuit Women & Youth Entrepreneurship Workshop (planned for 2024), which are aimed at Inuit Firm business development and capacity building.

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6. FOOD SECURITY	To monitor food security, and culture Resources and land use in the North Baffin Region	6.1 Food security status in LSA communities	6.1.1 LSA community food security rate (NTD: Country food baseline study TBD) 6.1.2 Community harvester participation and / or success rate (source: Inuit-led monitoring program)	Socio-Economic Monitoring Plan Inuit Impact and Benefit Agreement Inuit Stewardship Plan							See below.
6. FOOD SECURITY	To monitor food security, and culture Resources and land use in the North Baffin Region	6.2 Food security initiatives	6.2.1 Implementation of defined food security initiatives for employees and their families 6.2.2 Implementation of other company initiatives that may support food security (e.g. Wildlife Compensation Fund, Harvester's Enabling Fund)	Socio-Economic Monitoring Plan IIBA Implementation Guide	Activities to promote food security defined by the IIBA Annual Work Plan are completed.	Some activities to promote food security defined by the IIBA Annual Work Plan are completed.	No activities to promote food security defined by the IIBA Annual Work Plan are completed.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan and those agreed to by the GN-BIM MOU Working Group. QIA and Baffinland continually review improvements to Inuit employment initiatives through IIBA committees. SEMWG continue to discuss ways in which Inuit employment can be increased at the Project.	If program is related to the IIBA, review IIBA Work Plan with the appropriate IIBA Committee to determine why objectives Measurable objectives were not met. If program is related to the IIBA, determine if objectives were not met due to company in action, additional measures to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to address company in action. Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. If a commitment under the GN-BIM working group is not met the Working Group will investigate and determine an appropriate path forward as per the MOU.	Compensation outlined in the IIBA related to Measurable Objectives to be delivered to QIA. Remedial actions/ measures to be outlined by Baffinland to address short comings in future IIBA Annual Work Plans. Remedial actions/ measures to be reported by Baffinland to the SEMWG and in the annual SEMR.	Baffinland continues to contribute to the components of food security through providing supports to a number of initiatives including: INPK Fund, school lunch program, country food support chain, ad-hoc support for seasonal country food exchange program, community food bank donations, and community feasts. In 2023, there were 31 claims submitted to QIA, 29 of which were approved, totaling \$187,351 disbursed from the Fund during the QIA Fiscal Year 2022-23. This represents an increase in both total claims and funds disbursed compared to 2022 (19 claims and \$99,824 disbursed). It should be acknowledged that activities are only logged if a person(s) calls and checks in with Baffinland security. For this reason, there is chance that visitor-person days reported on are not a true representation of actual visitor person-days at project sites. Under the Harvesters Enabling Program, the Company is to provide each Inuk residing in Pond Inlet, who on January 1st of that year was not less than twelve (12) years old, with three-hundred (300) litres of gas to support harvesting activities that occur during the year. Under this Program, the Company will provide Pond Inlet \$400,000/annually over a 10-year period.

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CULTURE, RESOURCES, AND LAND USE	To monitor food security, and culture Resources and land use in the North Baffin Region	7.3 Promotion of Inuit culture	7.3.1 List of events and activities that celebrate, or create awareness and understanding of Inuit culture (event name, # participants where possible) (e.g. ICE workshops)	Socio-Economic Monitoring Plan IIBA Implementation Guide	Activities that celebrate or create cultural awareness as defined by the IIBA Annual Work Plan are completed.	Some activities that celebrate or create cultural awareness as defined by the IIBA Annual Work Plan are completed.	No activities that celebrate or create cultural awareness as defined by the IIBA Annual Work Plan are completed.	Continued implementation of programs and initiatives outlined in the IIBA Annual Work Plan. QIA and Baffinland continually review improvements to initiatives through IIBA committees.	Review of IIBA Work Plan with the appropriate IIBA to determine why activities were not completed. If not completed due to company in action, additional measures to be put in place, in consultation with the QIA, in the following IIBA Annual Work Plan to address company in action.	Failure to achieve objectives as per the Work Plan are discussed by the JEC and future actions, remedial measures are agreed to and implemented in the following year.	<p>In 2019, Baffinland introduced the Inuit Cultural Engagement (ICE) Workshop for all Baffinland and contractor employees working at the Mary River site, run by the Inuit Success Team. The purpose of the program is to create awareness and understanding of Inuit customs, history and traditions. Sessions were held throughout 2023, with a total of 42 sessions delivered to a total of 301 workers.</p> <p>Since 2020, Baffinland has continued to run cultural events and programming to support cross-cultural awareness amongst all workers and to provide opportunities for Inuit workers to participate in Inuit cultural activities while at work. The following cultural events and programming were held at site/in-communities in 2023:</p> <ul style="list-style-type: none"> • Nunavut Day celebrations • National Indigenous Peoples Day celebrations • International Inuit Day celebration • Orange Shirt Day • Bannock making • Inuktitut classes • Iron ore drying rack (Innisa) • Doll making • Seal skin scraper making • Seal skin board making • Christmas games