Engaging virtually and meaningfully with diverse groups

SMA Environmental Forum 2021

Dr. Nicola Lower
ERM: Environmental Resources Management

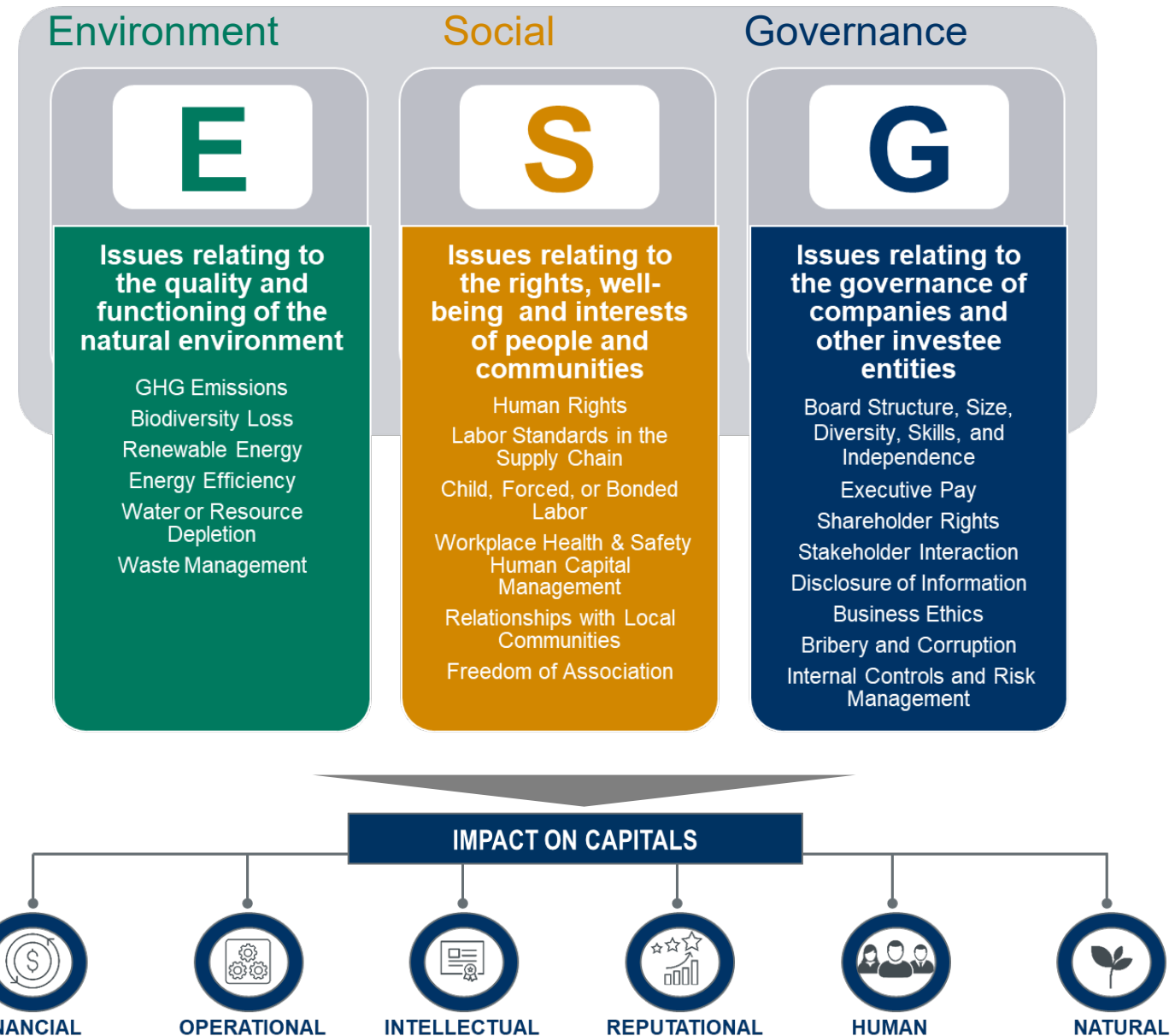October 21, 2021

The business of sustainability

Strong ESG performance creates business value

ESG is driven by the desire to preserve or create **long term value.**

Environment

E

Issues relating to the quality and functioning of the natural environment

- GHG Emissions
- Biodiversity Loss
- Renewable Energy
- Energy Efficiency
- Water or Resource Depletion
- Waste Management

Social

S

Issues relating to the rights, well-being and interests of people and communities

- Human Rights
- Labor Standards in the Supply Chain
- Child, Forced, or Bonded Labor
- Workplace Health & Safety Human Capital Management
- Relationships with Local Communities
- Freedom of Association

Governance

G

Issues relating to the governance of companies and other investee entities

- Board Structure, Size, Diversity, Skills, and Independence
- Executive Pay
- Shareholder Rights
- Stakeholder Interaction
- Disclosure of Information
- Business Ethics
- Bribery and Corruption
- Internal Controls and Risk Management

IMPACT ON CAPITALS

FINANCIAL	OPERATIONAL	INTELLECTUAL	REPUTATIONAL	HUMAN	NATURAL

Engaging virtually and meaningfully with diverse groups

Sustainability and climate are becoming fully integrated into business strategy and operations

1980s/90s	2000s	2010s	2015 – 2019	Today/forward
Regulatory Era	*Policy Era*	*Activist Era*	*Investor Era*	*Integration Era*

Clean Air Act

Regulatory compliance

International conventions

COP/Paris

NGOs

Public protests vs. capital projects

Shareholder resolutions

Fears of stranded assets

Customer demands for different products (e.g. renewables, plastics)

Managing longer-term business risks and opportunities

Demonstrating strategic performance progress that is technically robust

Carbon as a fiduciary accountability

Trusted partnerships with communities

The 'S' in ESG is key for growing and protecting social value

Increasingly informed and connected interest holders – from host communities, customers and employees to regulators and investors – are demanding more **opportunities to engage and influence.**

Meaningful and ongoing community engagement is no longer recommended – it's required

Risk management frameworks adopted by financial institutions have increased the focus on social responsibility, including standards for consultation

PRINCIPLES

Respecting the Government of Canada's Relationship With Indigenous Peoples

Meaningful engagement with Indigenous peoples aims to secure their free, prior, and informed consent when Canada proposes to take actions which impact them and their rights on their lands, territories, and resources.

6

Unresolved social concerns can lead to permitting delays and other significant costs

Disconnects between corporate expectations and asset and front-line performance

Over-reliance on external ratings / frameworks

Inadequate consequence mapping

Lack of enterprise-wide approach

Underdeveloped "social radar"

Poor escalation of societal issues

Over-reliance on existing Impact-Benefit Agreements

Saskatchewan peat moss mining project faces opposition from Indigenous communities, conservationists

James Smith Cree Nation wants to re-open diamond mine talks with province

Public opposition growing: Petitions against Alberta coal mines top 100K signatures
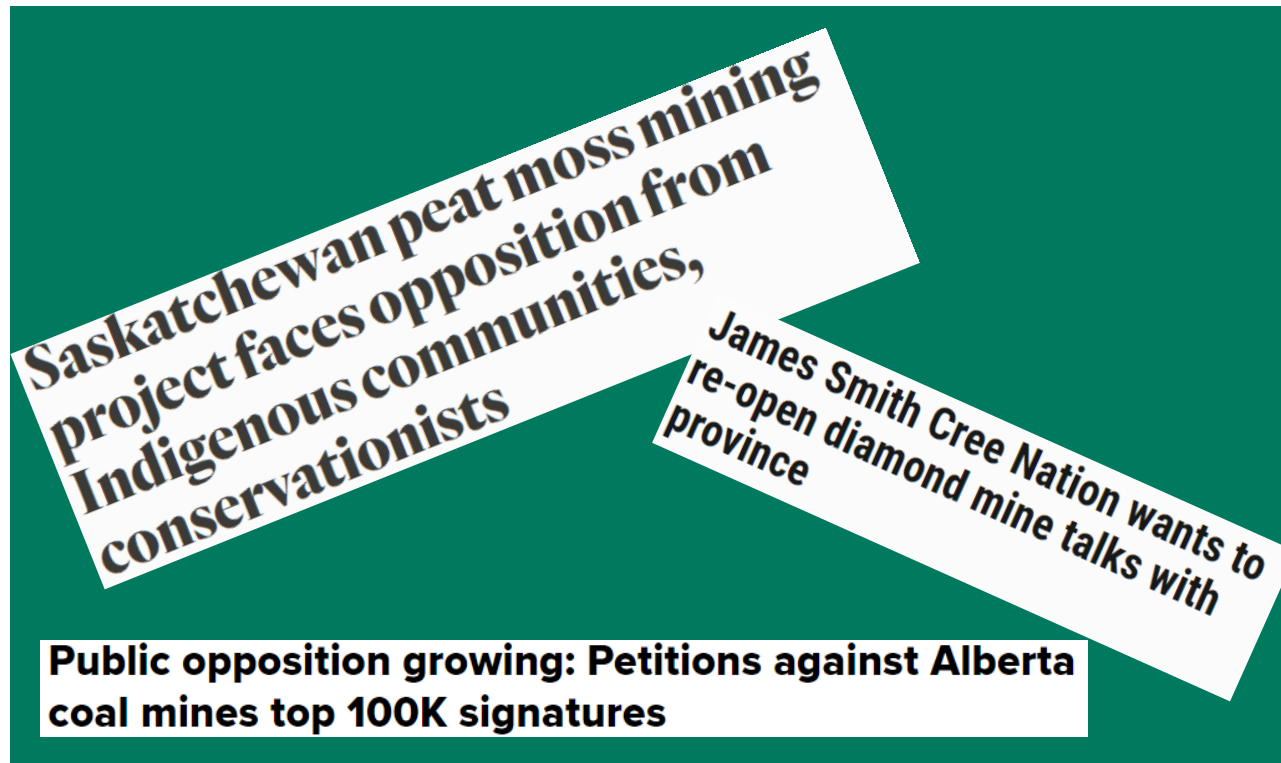
Collaboration moves at the speed of trust

Builds Trust & Acceptance ("Social License")

Engaging with Stakeholders

Managing Risks & Impacts

Monitoring & Reporting

Delivering Concrete Benefits

TECHNOLOGY

Protects & Creates Asset Value

Companies must keep communities informed and engaged – and can now do it virtually and safely

- Virtual meeting room for sharing project information and engaging stakeholders

- 360-degree space with navigation through display panels or "stations"

- Tailored 3-D spaces, branded layouts, interactive maps, feedback forms, embedded audio/video

- Flexibility to interact with content and pose questions via desktop, laptop or mobile device

- Suited for public meetings or open houses, stakeholder collaboration and project websites

Source: ERM / TC Energy 2021 NGTL Expansion Virtual Open House

A re-imagined engagement program should be driven by ESG – and enabled by technology

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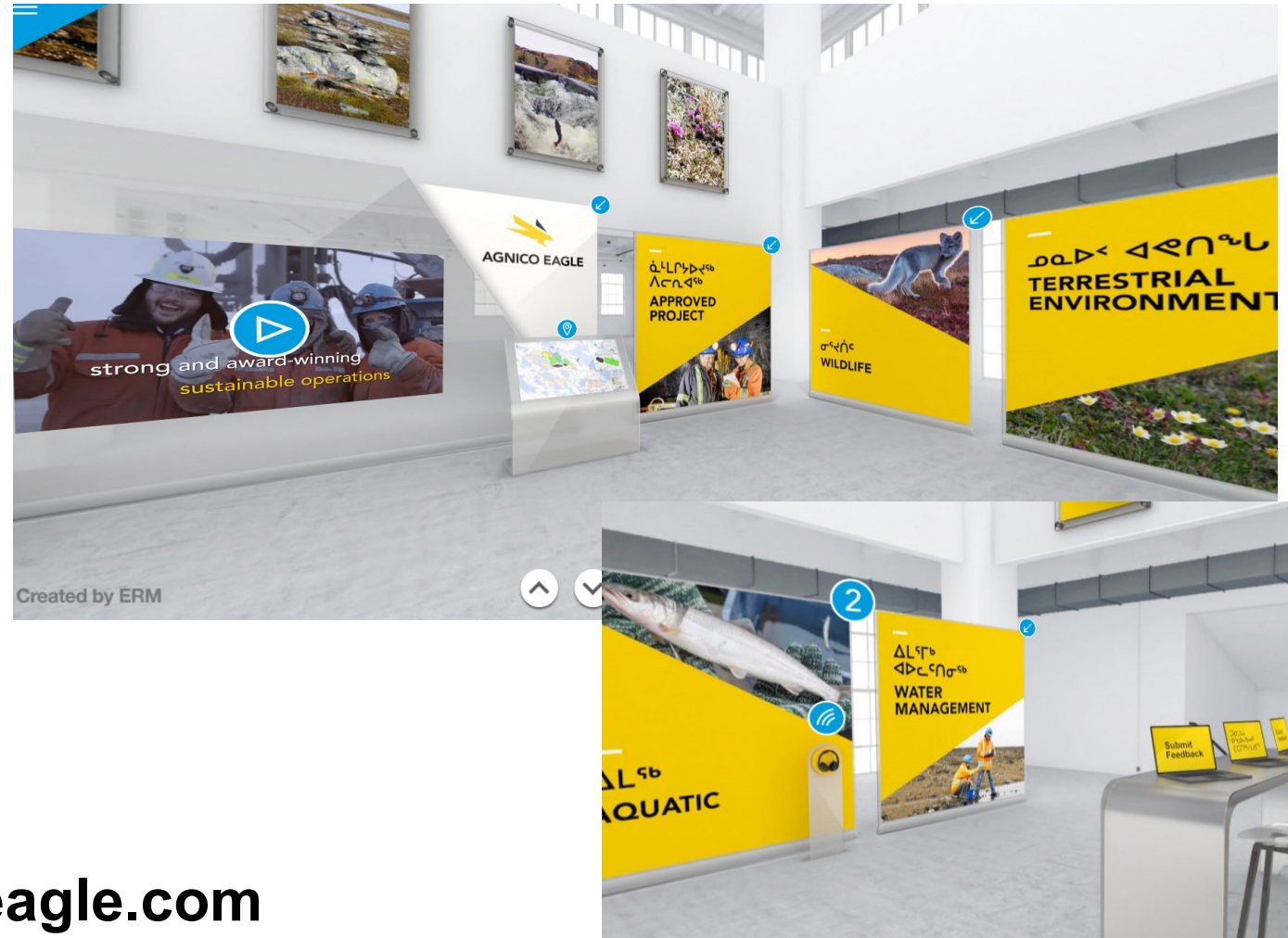
Diverse audiences require diverse engagement materials
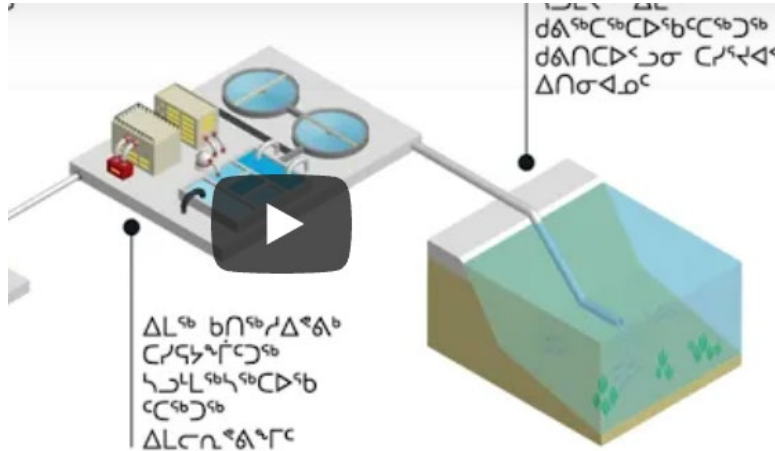
Audio Summary

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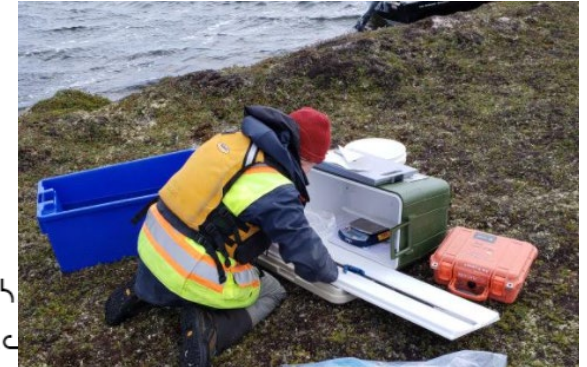
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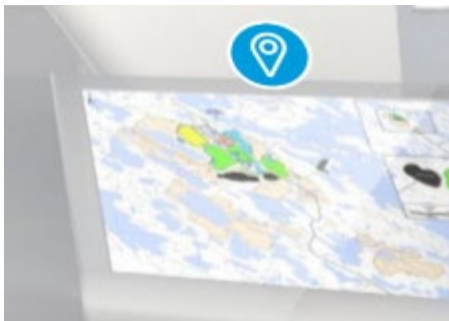
Respecting local knowledge helps to build trust

To access the password-protected map application, click here.
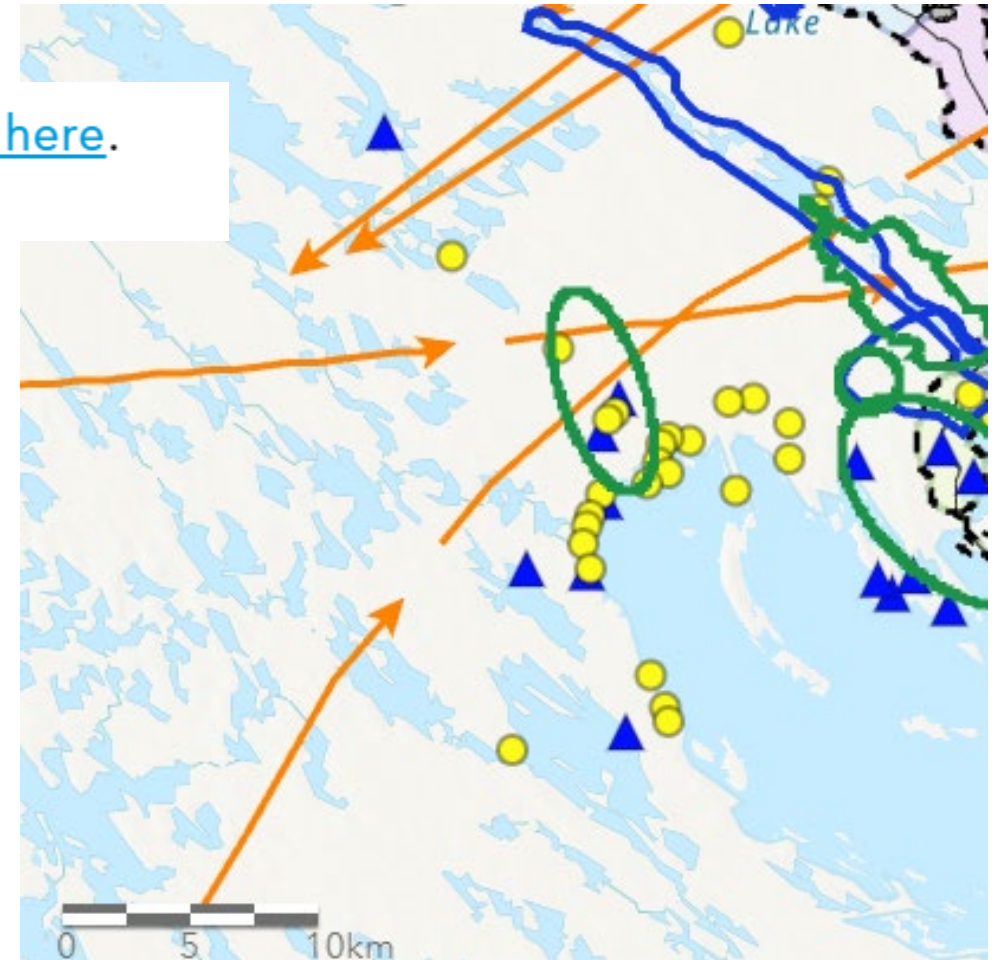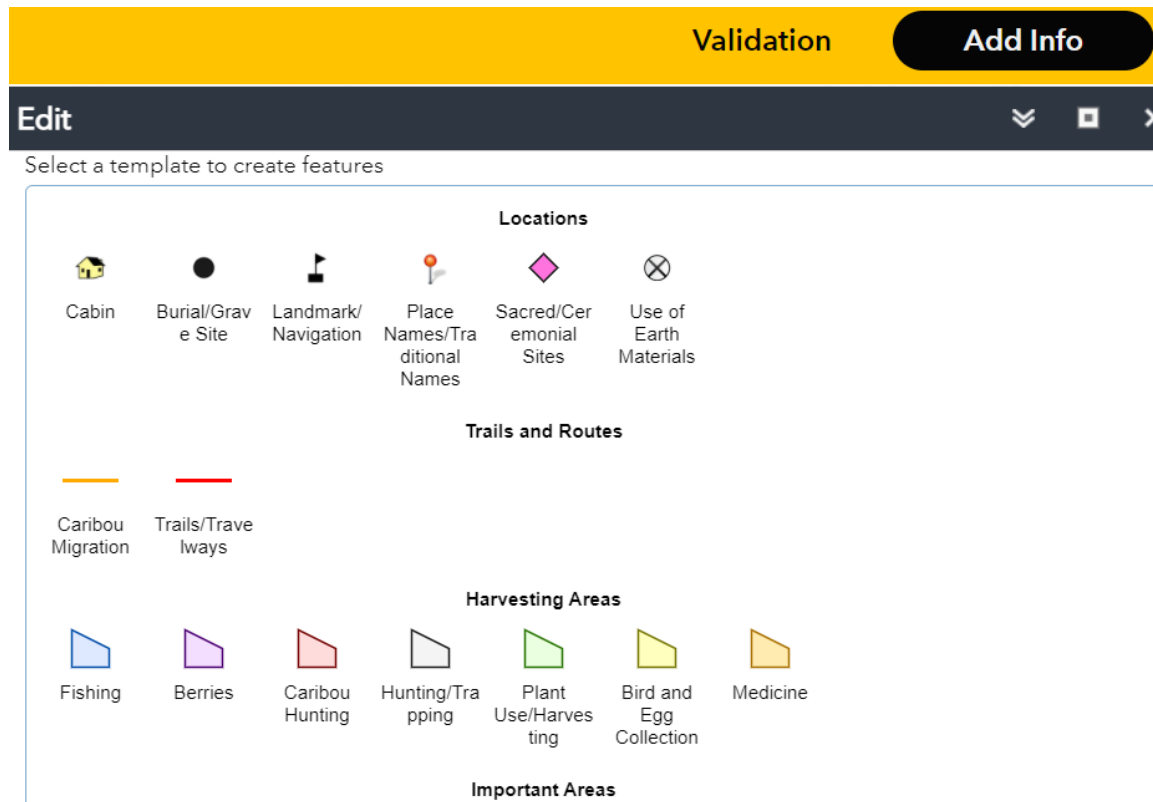
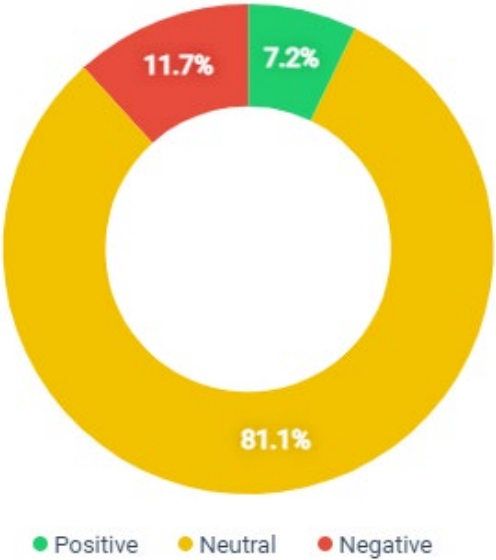# Monitoring audience feedback helps to tailor communications
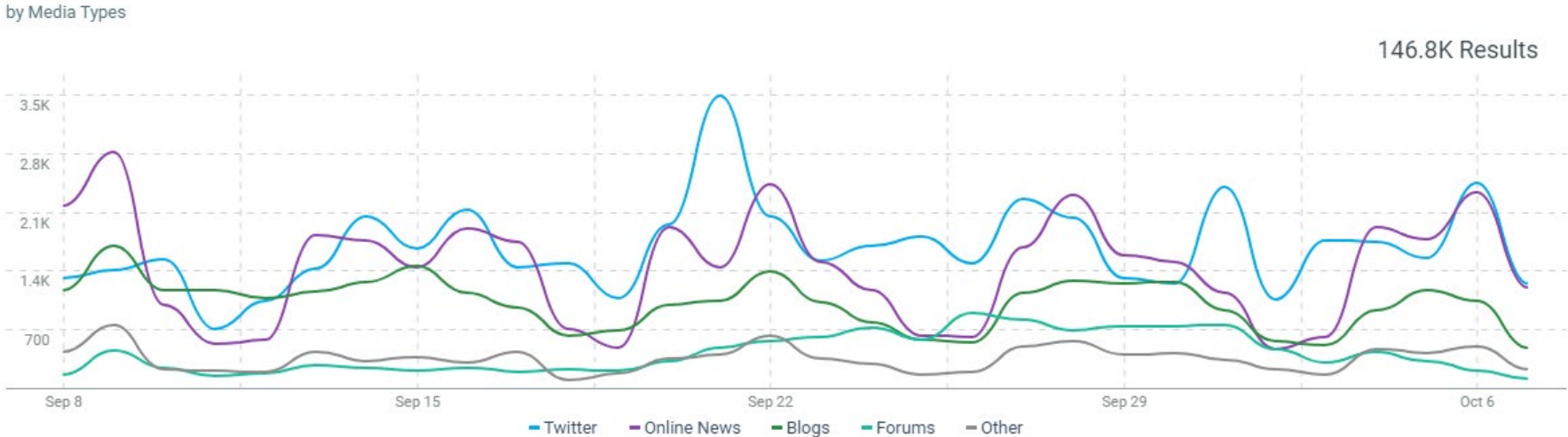

METRICS 💬 25K ⚓ 119.2M 📈 0/10

1.6K Twitter Shares, 4.6K Facebook Shares,
17.4K Facebook Likes, 1.4K Comments, 316M Alexa pageviews,
119.2M Alexa Monthly Unique Visitors

SHARE OF SENTIMENT

11.7% | 7.2%
81.1%

● Positive ● Neutral ● Negative

RESULTS OVER TIME
by Media Types

146.8K Results

— Twitter — Online News — Blogs — Forums — Other

Digital tools can support meaningful engagement when adapted to community needs

- Digital engagement is an important new tool in the engagement toolbox

- Tools are only useful if they can be adopted by their target audiences

- Engagement practices must respect the diversity of host communities

- Virtual engagement does not replace in-person relationship building but will be an important tool moving forward

Expanding our Community Connectivity: Agnico Eagle Launches Digital Ambassador Program

February 23, 2021

Questions?

Dr. Nicola Lower
Partner
ERM: Environmental Resources Management
Nicola.Lower@erm.com
+1 437 777 8775
Toronto, ON, Canada

The business of sustainability

ERM